



**INTERNATIONAL TROPICAL  
TIMBER COUNCIL**

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**SIXTEENTH SESSION**  
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## **DRAFT ANNUAL REPORT FOR 1993**

**(Item 15 of the Provisional Agenda)**

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# 1. ORGANIZATION, ADMINISTRATION AND SUMMARY OF ACTIVITIES

## 1.1 MEMBERSHIP

The Government of the Union of Myanmar acceded to the International Tropical Timber Agreement, 1983, on 16 November 1993. The Union of Myanmar thus became the fifty-first member of the Organization and its twenty-fourth Producer member. ITTO's membership accounted for about 85% of the world's closed tropical forests and more than 95% of international trade in tropical timber. As of 31 December 1993, the fifty-one members of the ITTO are as follows:

### MEMBERS

#### Producers

##### Africa

Cameroon  
Congo  
Côte d'Ivoire  
Gabon  
Ghana  
Liberia  
Togo  
Zaire

##### Asia & Pacific

India  
Indonesia  
Malaysia  
Myanmar  
Papua New Guinea  
Philippines  
Thailand

##### Latin America/Caribbean

Bolivia  
Brazil  
Colombia  
Ecuador  
Guyana  
Honduras  
Panama  
Peru  
Trinidad and Tobago

#### Consumers

##### Australia

Austria  
Canada  
China  
Egypt  
European Community  
Belgium/Luxembourg  
Denmark  
France  
Germany  
Greece  
Ireland  
Italy  
Netherlands  
Portugal  
Spain  
United Kingdom of Great Britain  
and Northern Ireland  
Finland  
Japan  
Nepal  
New Zealand  
Norway  
Republic of Korea  
Russian Federation  
Sweden  
Switzerland  
United States of America

The state of members as of 31 December 1993 in terms of ratification, acceptance, approval and accession is summarized in Annex 1.

## 1.2 INTERNATIONAL TROPICAL TIMBER COUNCIL

### 1.2.1 Officers of the Council

At its Thirteenth Session, the Council elected Mr. Samuel Kwasi Appiah (Ghana) and Mr. Yoichi Suzuki as its Chairman and Vice-Chairman respectively for 1993. Both decisions on these appointments were unanimously made. During the year under review, Mr. Milton Drucker (U.S.A.) and Mr. Amha Buang (Malaysia) continued to be Spokespersons of the Consumer and Producer groups. The role of the two Spokespersons became increasingly more important to facilitate negotiations for a successor agreement to the ITTA, 1983.

### 1.2.2 First Special Session of the Council

A brief Special Session of the Council was convened on 30 January 1993 in Quito, Ecuador, immediately following the Second Session of the Preparatory Committee for the Renegotiation of the ITTA, 1983. Mr. Andrew Bennett (U.K.), Chairman of the Preparatory Committee, presented to Council a brief report on the Second PrepCom. A working document had been prepared by the Committee containing proposals for a successor agreement which Council decided to submit to the Secretary-General of UNCTAD as a basis for the negotiations. Council also adopted the structure of the negotiating conference comprising of:

- Executive Committee (Main Committee), to be chaired by the President of the Conference supported by two Vice-Presidents.
- Committee 1 (Economic and Technical), to be chaired by a nominee of Consumers.
- Committee 2 (Financial and Technical), to be chaired by a nominee of Producers.
- Credentials Committee, to be chaired by a nominee of Consumers.

H.E. Mr. Wisber Loeis (Indonesia) was unanimously elected as President of the Conference and Chairman of the Executive Committee. In addition, Mr. David W.K. Boulter (Canada) and H.E. Mr. Eugene Capito (Gabon) were elected as Chairmen of Committees 1 and 2 respectively. Council also adopted the Rules of Procedure and other arrangements for the negotiating conference.

### 1.2.3 Fourteenth Session of the Council

The Fourteenth Session of the ITTC was held in the capital city of Malaysia, Kuala Lumpur, from 11 to 19 May 1993. The Session was attended by thirty-seven ITTO members and forty observers from states, U.N. bodies and its specialized agencies, inter-governmental organizations and non-governmental organizations representing conservation groups and timber trade associations.

The entire Session was chaired by Mr. Samuel Kwasi Appiah, Chairman of the Council. H.E. Datuk Seri Dr. Lim Keng Yaik, Minister of Primary Industries, Malaysia, officiated at the opening ceremony. The Minister gave a perspective of developments in the Malaysian forestry sector whilst reiterating his country's commitment to sustainability. On the negotiation for a successor agreement to the ITTA, 1983, he stressed the need to expand the scope of the new agreement to be in accord with the UNCED Non-Legally Binding Statement of Principles on Forests. Another Malaysian dignitary who addressed Council was the Chief Minister of Sarawak, the Rt. Hon. Datuk Pattingi Tan Sri Haji Abdul Taib Mahmud. The Chief Minister informed Council of developments in Sarawak in adopting the recommendations of the ITTO Mission, particularly of reducing the timber harvesting rate to a sustainable level of 9.2 million m<sup>3</sup>. He also reported to Council the social and economic difficulties that Sarawak had to face as a result of the reduction in timber harvesting.

Council established an Expert panel to formulate a methodology for estimating resources needed by Producer members to achieve Target 2000. In addition, this Expert Panel also drew up a format for Target 2000 Reports.

Guidelines for the employment of consultants and procurement of goods and services for ITTO activities were finalized for publication and distribution to all members.

The President of the Conference for the negotiation of a successor agreement to the ITTA, 1983, H.E. Mr. Wisber Loeis, presented a report to Council on developments during the first part of the conference.

Japan announced a voluntary contribution of US\$12.3 million to the ITTO Special Account during the Session.



#### 1.2.4 Fifteenth Session of the Council

The Fifteenth Session of the Council was held in Yokohama from 10 to 17 November 1993. It was attended by thirty-eight members and forty-one observers. The Session was chaired by the Chairman of the ITTC, Mr. Samuel Kwasi Appiah (Ghana). The Opening Session was graced with the presence of the Hon. Minister of Forestry of Indonesia, Mr. Djamaludin Suryohadikusumo, who addressed Council after the Chairman's introductory remarks. The Minister emphasized the importance of the forestry sector to the social and economic development of Indonesia and its commitment to sustainable forest management. To this end policies reflected the ITTO Guidelines at both national and local management levels and represented steps towards the attainment of the Year 2000 Objective. Java teak, for example, had been sustained for over a century through reforestation. Mr. Djamaludin also pointed out that incremental costs required to bring about sustainable forest management was substantial and hence developing countries would need assistance from the international community. The Minister also hoped that ITTO should devote more attention to trade related activities.

The Director-General of the Forestry Agency of Japan, Mr. Takahisa Tsukamoto, also addressed Council at the Opening Session. Mr. Tsukamoto described the forestry situation in Japan. Natural disasters frequently occur in Japan and hence forest management had for centuries strongly emphasized soil conservation and watershed management. Sustainable management has been a national goal.

H.E. Mr. Wisber Loeis, President of the Negotiating Conference for a successor agreement to the ITTA, 1983, gave a report to Council on developments during the Second and Third Parts of the Sessions. Whilst progress had been made, the issue of the scope of a successor agreement had still to be resolved.

Several member countries reported on their proposed progress towards the Year 2000 Target including Japan, United States of America, Switzerland, Austria, New Zealand, Denmark, Republic of Korea and the Netherlands.

Resulting from discussions on "Policy Issues and Options concerning Linkages between Tropical Timber Trade and Sustainable Management of Tropical Forests" at previous sessions, Council decided to convene a Working Party on Certification of All Timber and Timber Products. To facilitate the work of the Working Party, Council decided to undertake a study through a consultancy.

On 16 November 1993, Chairman of the Council at this Session had a sad duty to announce that Mr. Arthur V. Morrell, Senior Trade Adviser to the U.K. Delegation, and Chairman of the Permanent Committee on Economic Information and Market Intelligence, had died suddenly in his hotel room earlier that morning. The morning session of the Council was canceled and after delegates had observed a minute's silence as a mark of respect for Mr. Morrell, tributes were paid to the late Mr. Morrell by Chairman, the Executive Director and the Spokespersons for the Consumer and Producer groups. Council decided to open a Book of Condolences and adopted a resolution expressing its deepest sorrow whilst acknowledging the extraordinary service and devotion which the late Mr. Arthur V. Morrell had contributed to the growth and development of the ITTO since its inception.

### 1.3 THE PERMANENT COMMITTEES

#### 1.3.1 Officers of the Permanent Committees

During the year Mr. Arthur V. Morrell (U.K.) and Mr. Charles Anguiley (Gabon) served as Chairman and Vice-Chairman of the Permanent Committee on Economic Information and Market Intelligence. At its Thirteenth Session, the Committee elected Mr. Enrique Toledo G.P. (Peru) and Mr. Michael Martin (U.S.A.) as its Chairman and Vice-Chairman respectively for 1994.

During 1993, the Permanent Committee on Reforestation and Forest Management was headed by Dr. David Harcharik (U.S.A.) and Dato' Ismail Awang (Malaysia), who served as Chairman and Vice-Chairman. At its Thirteenth Session, the Committee elected Dato' Ismail Awang (Malaysia) and Mr. Derk de Groot (Netherlands) its Chairman and Vice-Chairman for 1994.

The Permanent Committee on Forest Industry was chaired by Dr. Rubén Guevara Moncada (Honduras) for the entire year of 1993, whilst Mr. Franklin C. Moore (U.S.A.) was its Vice-Chairman. For 1994, the Committee elected Mr. Franklin C. Moore (U.S.A.) and Mr. Jean Williams Sollo (Cameroon) as its Chairman and Vice-Chairman at its Thirteenth Session

### 1.3.2 Twelfth Sessions of the Three Permanent Committees

The Twelfth Sessions of the three Permanent Committees were held in Kuala Lumpur, Malaysia, in conjunction with the Fourteenth Session of the ITTC, from 11 to 19 May 1993.

The 1993 two-day Market Discussions, which were undertaken as a Joint Session of the Permanent Committees, was structured in two parts. The first part dealt with a discussion on a paper "Policy Issues and Options Concerning Linkages Between the Tropical Timber Trade and Sustainable Forest Management" prepared by the London Environmental Economic Centre (LEEC). The importance and need to gather information on labelling and certification schemes for timber was noted to facilitate further consideration. During the second part of the Market Discussions, the Joint Session undertook an annual review and assessment of the world tropical timber situation based on a Secretariat document.

The Committees technically appraised a total of 14 projects and six pre-projects and recommended that 13 projects and five pre-projects be approved by Council. The Committees also reviewed the progress of projects and pre-projects under implementation. The Fellowship Selection Panel approved 21 fellowships under project PD 60/89 (M,F,I)

### 1.3.3 Thirteenth Sessions of the Three Permanent Committees

The Thirteenth Sessions of the Permanent Committees on Economic Information and Market Intelligence, Reforestation and Forest Management, and Forest Industry were convened in Yokohama from 10 to 17 November 1993, in conjunction with the Fifteenth Session of the ITTC.

A Joint Session of the three Permanent Committees was convened to continue discussions on "Policy Issues and Options Concerning Linkages Between the Tropical Timber Trade and Sustainable Management of Tropical Forests". The session stressed that to be workable and effective a timber certification scheme must:

- be acceptable to and implementable by national governments and other forest owners;
- be acceptable to customers in both domestic and international markets;
- be practical to implement, based on criteria understood at all levels of the wood market chain;
- be appreciative of commitment to improvement and progress towards practical achievement of sustainable forest management within a time frame agreed by the international community; and
- not to be used as non-tariff barrier against producer countries and should apply equally to all types of timber.

The three Permanent Committees, at this session, technically appraised a total of 20 projects and recommended to Council for 18 of them to be approved. In addition, two pre-projects were appraised and both of them were recommended to Council for approval. As usual, the Committees reviewed projects and pre-projects under implementation and those that were completed.

## 1.4 SUMMARY OF PROJECTS AND PRE-PROJECTS

As shown in Table 1, a total of six pre-projects and 14 projects with a total cost of \$7,813,960.00 were financed during the year under review. The ITTO contribution for these projects and pre-projects was \$7,695,974.00; the difference with total cost was met by the beneficiary members. The breakdown of these activities in the three divisions is also indicated in Table 1. The bulk of the pre-projects (three out of six)

and the projects (eight out of fourteen) are in the field of Reforestation and Forest Management. In terms of total budget, projects and pre-projects in this field accounted for 44% of all projects financed in 1993.

**Table 1. Summary of Projects, Pre-Projects and Activities Funded in 1993**  
U.S. Dollars (US\$)

	PROJECTS		PRE-PROJECTS	
	No.	Cost	No.	Cost
Economic Information and Market Intelligence	4	1,664,779.00	2	319,050.00
Reforestation and Forest Management	8	3,344,527.00	3	485,410.00
Forest Industry	2	1,819,448.00	1	62,760.00
<b>TOTAL</b>	<b>14</b>	<b>6,828,754.00</b>	<b>6</b>	<b>867,220.00</b>

Table 2 is a summary of all activities, pre-projects and projects funded by the Organization to date. The total budget for all these activities amounted to \$106,023,077.50, out of which ITTO contributed \$80,013,002.20.

**Table 2. Projects, Pre-Projects and Activities Funded for all Divisions**  
as of 31 December 1993  
U.S. Dollars (US\$)

STATUS	No.	TOTAL BUDGET	ITTO BUDGET
Activities			
Completed	7	677,000.00	588,000.00
Operational	5	689,000.00	44,000.00
<b>Sub-Total</b>	<b>12</b>	<b>1,366,000.00</b>	<b>632,000.00</b>
Pre-Projects			
Completed	35	2,507,773.50	2,476,244.50
Operational	15	2,583,781.00	2,560,942.00
Pending Contract	9	1,076,410.00	1,038,495.00
Stand-by	1	25,000.00	25,000.00
<b>Sub-Total</b>	<b>60</b>	<b>6,192,964.50</b>	<b>6,100,681.50</b>
Projects			
Completed	47	15,027,324.10	11,578,119.10
Operational	78	69,565,905.20	51,471,982.60
Pending Contract	16	13,870,883.70	10,230,219.00
<b>Sub-Total</b>	<b>141</b>	<b>98,464,113.00</b>	<b>73,280,320.70</b>
<b>TOTAL</b>	<b>213</b>	<b>106,023,077.50</b>	<b>80,013,002.20</b>

## **1.5 NEGOTIATION OF A SUCCESSOR AGREEMENT TO THE ITTA, 1983**

### **1.5.1 Preparatory Committee - Second Session**

The First Session of the Preparatory Committee for the Renegotiation of the ITTA, 1983, took place in Yokohama at the time of the Thirteenth Session of the ITTC in November 1992. The outcome was reported in the Annual Report for 1992.

By Decision 9(XIII) of the Council, it was decided to convene a second (and final) session of the Preparatory Committee to be held from 23 to 30 January 1993: A pre-sessional meeting of producer members (22-26 January 1993); the full session (27-30 January 1992) for all members, followed on 30 January 1993 by the First Special Session of the ITTC to consider the work of the Preparatory Committee. At the kind invitation of the Government of Ecuador, the Council accepted the decision to hold the Session in Quito.

The pre-sessional meeting of the producer's meeting was chaired by the producer spokesman, Mr. Amha Buang (Malaysia). Following their consultation, the producer members submitted proposals for discussion during the full session of the Preparatory Committee. The opening meeting of the session of the Preparatory Committee, under the chairmanship of Mr. Andrew Bennett (U.K), had the honour of being addressed by H.E. Dr. Diego Paredes Peña, Minister of Foreign Affairs of Ecuador. The Session proceeded on the basis initially of a general exchange of views on those principal issues for negotiations which had been outlined in a Chairman's Paper prepared for the Session. Consultations began within the groups in an attempt to evolve group positions with written texts of proposals. Discussions took place in plenary of the whole and whenever necessary certain issues were taken up in smaller working or contact groups.

At the close of the second and final session of the Preparatory Committee two separate sets of proposals from the Groups were on the table for the negotiations. For the sake of convenience it was agreed that these should be presented in the form of a comparative tabulation setting out side by side the text of the International Tropical Timber Agreement, 1983 and the texts of the two sets of proposals submitted separately by the producer and the consumer Groups.

The Session also agreed on recommendations concerning arrangements for the Negotiating Conference which was to be held under the auspices of UNCTAD beginning in 1993. The work of the Preparatory Committee were considered and endorsed by the First Special Session of the ITTC which was held at the same venue on 30 January 1993.

### **1.5.2 First Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983**

The first part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983 opened in Geneva at the Palais des Nations from 13 to 16 April 1993. The Conference adopted the Rules of Procedure and the recommendations made by the Preparatory Committee on the structure of the Conference, election of officers and admission of observers.

The following were elected Officers of the Conference:

- President of the Conference and Chairman of the Executive Committee  
H.E. Mr. Wisber Loeis (Indonesia), Director-General, Foreign Economic Relations, Ministry of Foreign Affairs, Indonesia
- Vice-President - Mrs. Yolanda Goedkoop-van Opijnen (Netherlands),  
Head of Division for Multi-lateral Cooperation with Developing Countries and Commodities,  
Ministry of Economic Affairs, Netherlands
- Vice-President - Mr. Jorge Barba (Ecuador),  
Executive Director, Ecuadorian Institute of Forestry and Natural Sites and Wildlife (INEFAN),  
Ministry of Agriculture, Ecuador

- Chairman of Committee 1 (Economic and Technical) - Mr. David K. Boulter (Canada), Director, Economic Studies, Economics and Statistics Directorate, Forestry Canada and 1992 Chairman of the International Tropical Timber Council
- Chairman of Committee 2 (Financial and Administrative) - H.E. Mr. Eugene Capito (Gabon), Minister of Forests, Fisheries and Environment, Gabon
- Chairman of Credentials Committee - Japan

Following formal country policy statements, it was agreed to open the debate in the Executive Committee with a focus on the following identified cluster of issues underlying the proposals for negotiation:

1. Scope of the Agreement
2. Target 2000 (Year 2000 Objective)
3. Financial Resources
4. Trade Discrimination
5. Functioning of the Organization

For convenience of reference and to facilitate the process of negotiation, it was agreed that efforts be made to produce a composite text on the basis of the proposals discussed at the Conference. The text was prepared jointly by the Secretariats of UNCTAD and ITTO. The Fourteenth Session of the ITTC in Kuala Lumpur (11-19 May 1993) provided an opportunity, after the first part of the Conference, to continue consultations over the composite text. With the consent of the President of the Conference, the Chairman of the ITTC constituted a conciliation group which agreed informally on a number of draft articles contained in the composite text. The outcome of the group's work was noted by the Council and transmitted to the President of the Conference for consideration as an informal non-paper or Conference Room Paper.

### **1.5.3 Second Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983**

The second part of the Negotiating Conference took place in Geneva from 21 to 25 June 1993. The discussions took place in plenary, in the Executive Committee and in the two Committees on the basis of the composite text prepared by the Secretariats of UNCTAD and ITTO. The Conference also had before it a non-paper submitted by the Chairman of the ITTC containing the outcome of his consultations within a conciliation group convened during the Fourteenth Session of the ITTC. The discussions at the Conference did not show much movement towards agreement; and at the close of the second part on 25 June 1993, the President of the Conference circulated a Discussion Paper for consideration by the Conference. He invited comments on the Paper to be discussed at a meeting of "Friends of the President" or the President's Informal Working Group which he personally decided to convene at the ITTO Secretariat in Yokohama from 11 to 13 August 1993.

### **1.5.4 President's Informal Working Group**

The President's Informal Working Group was composed of six producer members, six consumer members and the two spokesmen, invited in their personal capacities. The Group consisted of the following persons:

Mr. Wisber Loeis (Indonesia) (Chairman)  
Mr. Amha Buang (Malaysia) (Producer Spokesman)  
Dr. Toga Silitonga (Indonesia)  
Mr. Ricardo Umali (Philippines)  
Mr. S.K. Appiah (Ghana)  
Mr. E. Temgoua (Cameroon)  
Mr. Antonio Ricarte (Brazil)  
Mr. Cristian Espinoza (Ecuador)  
Mr. Milton Drucker (USA) (Consumer Spokesman)  
Mr. Yoichi Suzuki (Japan)

Mr. Enzo Barattini (EC)  
Mrs. Yolanda Goedkoop-van Opijnen (Netherlands)  
Mr. Andrew Bennett (U.K.)  
Mr. Erik Bjørnebye (Norway)  
Mr. Don Banfield (Australia)  
Officials of ITTO and UNCTAD Secretariats in attendance

Following consultations within the group, the President prepared a Revised Discussion Paper which he presented for consideration at the third part of the U.N. Conference which convened in Geneva from 4 to 15 October 1993. The revised Discussion Paper was in two sections. The first section set out the outcome of the consultations of the Informal Working Group, the agreed texts of articles and proposals with certain texts of articles in brackets where there was divergence of views and formulations. The second section contained a consolidation of some of the agreed draft articles which emerged from the consultations within the ITTC Chairman's conciliation group in Kuala Lumpur and from the President's Informal Working Group in Yokohama. In addition, it contained proposals which the President considered as possible approaches and elements which might be developed further as necessary to achieve consensus.

#### **1.5.5 Third Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983**

An extended third part of the Conference took place from 4 to 15 October 1993. The President's Revised Discussion Paper together with the Composite Text and other documents formed the basis for the negotiations during the third part of the Conference. It was agreed that an expeditious method of work would be to begin discussions within an informal working group of eighteen core members, comprising members of the President's Informal Working Group, the chairmen of the two Committees of the Conference, and one additional representative each of the producer and consumer groups. Meetings of the Group however, were open-ended. It was later agreed that other observer participants including NGOs be allowed to observe the proceedings of the Group. Proposals initially discussed underwent further drafting within a smaller drafting group established by the President; the larger Informal Working Group was subsequently given the opportunity to review the drafted articles.

#### **1.5.6 President's Informal Working Group and Fifteenth Session of the ITTC**

At the close of the third part, the Conference adopted a resolution requesting the ITTC, in conjunction with its Fifteenth Session in November 1993, to continue with discussions of the main issues before the Negotiating Conference. Pursuant to the resolution, the President convened his Informal Working Group in Yokohama from 8 to 9 November 1993 to precede immediately the Fifteenth Session of the Council. The Informal Working Group reviewed the work of the third part of the Conference as reflected in the draft articles informally agreed and consulted further to narrow-down differences of views among them on the core issues of the negotiations. The work of the President's Informal Working Group continued during the Fifteenth Session of the Council. There were wider consultations within the Group and among the general membership of the Council. Intensive efforts were deployed to ensure that progress was made in securing as large a measure of agreement as possible on many articles related to the core issues of the negotiation. That way, it was hoped, negotiations could be concluded at the fourth part of the Conference. The outcome of the consultations were finally to be submitted through the President to the fourth part of the Negotiating Conference which was scheduled to convene in Geneva from 10 to 21 January 1994.

### **1.6 OTHER ACTIVITIES**

The Fifth and Sixth Expert Panels for Technical Appraisal of Project Proposals were held in Yokohama from 1 to 6 March and 23 to 28 August 1993, respectively. Both Panels were chaired by Dr. Roslan Ismail (Malaysia).

During the year several reports, Technical Series, Policy Development Series and other publications were produced. These publications are listed in Annex 3.

## 1.7 THE SECRETARIAT

Two professional staff members joined the Secretariat during 1993. Dr. Efransjah and Dr. Douglas Pattie reported for duty on 15 April 1993 and 1 July 1993 respectively; Dr. Efransjah in the division of Reforestation and Forest Management whilst Dr. Douglas Pattie is in the division of Forest Industry. In addition, Dr. Chisato Aoki joined the Secretariat as Programme Assistant in the division of Management Services. Mr. David Cassells, Assistant Director for Reforestation and Forest Management, completed his assignment with the ITTO on 7 January 1993. At the end of the year, Mrs. T. Inagaki, who had not been in very good health after an operation, resigned. Mrs. Inagaki commenced work as Secretary in the Division of Reforestation and Forest Management on 1 March 1988. As from 1 January 1993, Mr. M. Sugiyasu, who had served as Clerk/Messenger since 1 April 1990, assumed the post of Document Clerk. Ms. Lorene C. Flaming, Research Assistant in the Forest Industry division, resigned on 31 August 1993 in order to pursue higher studies in the U.S.A. A list of professional staff members of the ITTO Secretariat is given in Annex 2.

Throughout the year the Secretariat was given the full support and co-operation of the Government of Japan and the City of Yokohama in terms of office accommodation, facilities, equipment and all arrangements to ensure the smooth functioning of the Secretariat and sessions of the Council and Permanent Committees in Yokohama.

## 2. ECONOMIC INFORMATION AND MARKET INTELLIGENCE

### 2.1 PRE-PROJECTS

At its Twelfth and Thirteenth Sessions, the Permanent Committee reviewed progress on the status of Pre-Projects approved for implementation by Council. They are:

PPD 13/93 (M)	(Under Implementation)
PPD 7/93 (M)	(Completed)
PPD 9/93 (M)	(Completed)
PPD 45/92 Rev.2 (M)	(Awaiting Finance)

#### 2.1.1 Pre-Project Under Implementation

**PPD 13/93 (M)**                      **Consultancy and Working Party on Certification of All Timber and Timber Products**

Budget and Funding Sources:

Total Budget	\$293,865
European Community	\$ 80,000
Govt. of Japan	\$ 36,000
Govt. of Switzerland	\$ 36,000
Govt. of Denmark	\$ 36,000
Govt. of Finland	\$ 36,000
Govt. of Netherlands	\$ 36,000
Govt. of Austria	\$ 20,000
Govt. of Australia	\$ 13,865

Implementing Agency:        ITTO

Council Session Approved:    15th (Yokohama, 1993)

Starting Date and Duration:   December 1993 (6 months)

The consultancy will be undertaken by two experts, one from a producer country and the other from a consumer country. This pre-project was just getting underway at the end of 1993 with the retainment of these expert consultants. The consultants will:

- Gather the information available pertaining to timber certification and labelling schemes and initiatives on all types of timbers.
- Prepare an inventory and describe major features of such schemes and initiatives in a consistent form.
- Review such schemes and initiatives and seek the views of international organizations, the trade, and NGOs on timber certification and labelling schemes, taking into account the views of governments of member countries.
- Examine to the fullest extent possible the present reaction to such schemes and initiatives throughout the supply chain including the final end-user.
- Prepare and present a report for examination by the working party.

The working party will consist of representative(s) from all ITTO members. The working party will:

- Examine the consultants' report on timber certification and labelling schemes.



- Consider the impact of certification on competitiveness of timber, cost implications, and the compatibility of such schemes with other international agreements and conferences.
- Examine the options available to and make recommendations regarding the appropriate role of the International Tropical Timber Organization in this field, taking into account work undertaken in other international organizations.
- Report the findings of its examinations and its recommendations for consideration by the International Tropical Timber Council at its Sixteenth Session.

Governments of member countries will have an opportunity to consider the output of the working party prior to any Council decision.

### 2.1.2 Pre-Projects Completed

- (1) **PPD 9/92 (M)**                                      **Workshop on Methodologies for Assessment of the Commercial and Biological Conservation Status of Timber Trees**

Budget and Funding Sources:

Total Budget	\$ 83,337
Govt. of U.K.	\$ 73,337
Govt. of Netherlands	\$ 10,000

Implementing Agency: ITTO and World Conservation Monitoring Centre

Council Session Approved: 13th (Yokohama, 1992)

Starting Date and Duration: January 1993 (4 months)

The Committee recommended that this workshop be held following its technical appraisal of a draft project proposal (PD 211/91 Rev.1 (M): "Expansion and Application of a Tropical Timbers Information (TTI) Database"), submitted jointly by the Governments of UK and the Netherlands.

The workshop was held in Cambridge, U.K. from 15-17 March 1993. A complete report of the workshop proceedings is contained in document PCM(XII)/4. The conclusions and recommendations of the workshop are reproduced here.

#### *Conclusions and Recommendations*

The following conclusions were adopted unanimously by the workshop participants for transmission to the Permanent Committee and Council. All references to databases in these conclusions and recommendations relate exclusively to actions proposed under the auspices of the ITTO.

- i) Highest priority should be given to supporting ITTO-related activities aimed at achieving sustainable forest management in accordance with Target 2000, through the implementation of the ITTO Criteria for Sustainable Management of Tropical Forests, as the most effective means to link trade to conservation objectives.
- ii) Any ITTO project to assist data-gathering/database development in this connection should be "country-driven", and designed to assist countries concerned to develop national databases to meet their needs in connection with achieving Target 2000, National Guidelines, Implementation of Criteria, and related reporting requirements.
- iii) The databases should be essentially for scientific support to conservation action, through providing guidance to forest management and related research activities.

- iv) A new database project, as envisaged in these discussions, should help develop methodologies for data collection, handling, analysis and interpretation, tailored to the needs of the specific country or countries concerned, and to further the improvement of methodologies by developing a range of appropriate models.
- v) Most participants considered that attempts to develop a global database under the auspices of the ITTO on tropical timber species of conservation concern in international trade are premature. The first step must be targeted action in a few selected countries in accordance with (i) to (iv) above.
- vi) The new project should be designed to assist those countries requesting such action to develop an initial framework and collection of available data, in accordance with the main data fields appropriate to assist forest management actions in support of conservation objectives. This should assist the preparation of the national reports required under Council Decision 3(X).
- vii) The project should aim to target data collection to fill important gaps in the information needed for such management action.
- viii) Development of categorization of species/species groups in terms of their conservation status or needs should be undertaken by the country concerned, in accordance with agreed international standards, and be targeted to guide forest management actions, and not trade manipulation.
- ix) The resulting database(s) should be under the ownership of the country concerned, with duplicates held by the ITTO Secretariat and the executing agency for the project purposes only. No access to the database(s) would be permitted to any other party without their full agreement, and in consonance with the spirit of Article 27(4) of the ITTA.
- x) The second step in the proposed new project should be a workshop convened by ITTO, with appropriate but restricted participation, to consider and agree the content of the proposed project report for wider circulation.
- xi) Subject to the recommendation of that Workshop, and the subsequent decision of the ITTC, the project report should be given open circulation.
- xii) The methodology(ies) developed, based on those selected countries, should be used as a basis for general guidelines/protocols for wider application, at international level.
- xiii) The project should include the formulation of a strategy to assist other ITTO member countries, in addition to the few initial selected participants in the project, to develop their own databases, taking account of the probable needs for international technical and financial assistance.
- xiv) Any ITTO member country wishing to participate in the proposed project as suggested in (vi) above should forward their request to the Executive Director of ITTO.
- xv) Further consideration should be given by the ITTO to invite members (for example Ghana, Indonesia, Malaysia) to cooperate in sharing their experience in this field.

## (2) PPD 7/93 (M)

## Assessment of the Market News Service for Tropical Timbers

## Budget and Funding Sources:

Total budget	\$ 39,050
Govt. of Sweden	\$ 19,525
Govt. of Switzerland	\$ 19,525

Implementing Agency: ITTO

Council Session Approved: 14th (Kuala Lumpur, 1993)

Starting Date and Duration: July 1993 (3 months)

This pre-project was completed in September 1993 and resulted in PD 16/93 Rev.4 (M). The pre-project also undertook an evaluation of the current MNS, finding that most users were satisfied with the service. The pre-project recommended transferring the MNS to Yokohama in line with the original objectives of ITTO in sponsoring the service. Further details on the output of this pre-project are included in the report on project PD 173/91 Rev.2 (M) in section 2.3. below.

The final report of this pre-project is available as document PPR 28/93 (M).

### 2.1.3 Pre-Project Awaiting Finance

**PPD 45/92 Rev.2 (M)                      Feasibility Study on the Compilation of a Multilingual Dictionary of Forestry and the Environment**

Budget and Funding Sources:

Total budget	\$128,100
Donor(s)	(to be determined)

Implementing Agency: Association Française des Eaux et Forêts and any other relevant international institutions such as IUFRO recommended as potential joint implementing agency.

Council Session Approved: 12th (Yaoundé, 1992)

Starting Date and Duration: To be determined (8 months)

The pre-project proposal was designed to undertake a feasibility study of compiling a dictionary in French, English, Spanish and Russian. The original proposal was designed for an English/French dictionary. However, it was felt that to ensure worldwide usage, it was necessary to extend the coverage to Spanish and Russian. It was recommended that the study should envisage the possibility not only of compiling a conventional hard-bound text of a dictionary but also of making the data available on diskette in order to ensure wider circulation and user access. It was further urged that IUFRO should be approached to participate as a joint executing agency since the latter had a recognized network of institutions to ensure efficiency in conducting the feasibility study. The pre-project proposal still awaits financing and will lapse in January 1994 subject to ITTO's sunset clause.

## 2.2 ITTO ACTIVITIES

The division of Economic Information and Market Intelligence had three "Activities" under implementation in 1993. One of these (PPA/11-12 "The Economic Linkages Between the International Trade in Tropical Timber and the Sustainable Management of Tropical Forests") was completed in 1993, while the other two (PPA/11-13 and PPA/11-14) will be completed in 1994.

### 2.2.1 Activities Under Implementation

(1) **PPA/11-13                      Forest Resource Accounting : Monitoring Forest Condition and Management**

Budget and Funding Source: Direct payment from Government of U.K. to implementing agencies

Contribution of 3 selected countries: (Cameroon, Ecuador and Indonesia)	(in kind)
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Implementing Agencies: International Institute for Environment and Development (IIED) and World Conservation Monitoring Centre (WCMC).

Council Session Approved: 10th (Quito, 1991)

Starting Date and Duration: December 1991 (2 years)

The following summary is extracted from a progress report appearing in full in document PCM(XIII)/5 Rev.1

### *Overview*

Forest Resource Accounting (FRA) is a system for regularly tracking changes in production and protection forests, especially in their area, legal status, condition and management. It is designed to report these changes in ways which help to improve forest valuation, policy, planning and management. FRA offers both a tool for setting national strategy for sustainable management of forests, and a cost-effective way of demonstrating national progress in achieving strategy objectives. It is based on the premise that progress in a nation's forests can best be assessed by the periodic provision of detailed information, at two levels, forest site and country, the latter being largely a compilation from the former. FRA can be based on existing forest information and monitoring capabilities, and can incorporate information available from global and regional sources. Furthermore, it can be built up in phases to meet growing needs.

FRA has been developed by IIED and WCMC, working in partnership with forest authorities and NGOs in Cameroon, Ecuador and Indonesia. It is particularly designed to assist countries to obtain and analyze the information they need to plan and monitor progress towards Target 2000 - exporting timber from sustainably-managed forests only.

Brief feasibility studies for developing national FRA systems have been conducted in Cameroon, Ecuador and Indonesia. They conclude that the core elements of FRA are appropriate for all these. Discussions outside these countries also suggest that FRA systems, to varying degrees of sophistication, could be very helpful for all ITTO Producer (tropical forest) countries, and indeed for temperate and boreal countries in addition; and these latter countries may be more immediately able to realize FRA's full potential.

### *Project Objectives*

- a. To develop a Forest Resource Accounting (FRA) methodology for carrying out quantitative assessments of the condition of a tropical timber producer country's forest resources and the status of their management; thereby enabling countries to carry out a comprehensive evaluation of the standard of management of their forest resources and to update such an evaluation on a regular basis.
- b. To achieve a consensus on the FRA methodology developed between countries and between the main agencies involved in the field of tropical forestry (ITTO, FAO, UNEP, IIED, IUCN, WCMC, WRD).
- c. To demonstrate the feasibility of the FRA methodology developed and its utility for ITTO Target 2000 reporting, by assisting three countries to test and fine-tune the methodology.
- d. To promote adoption of appropriate forms of FRA in all ITTO producer countries and ultimately in all forest countries.

### *Current Status*

The feasibility studies in the three participating producing countries have been completed and data reporting formats have been developed. The final report is being completed for the Sixteenth Council Session.

- (2) **PPA/11-14**                      **Study of the Feasibility of Strengthening Incentives for the Management of Tropical Moist Forest for Sustained Production in a Producer Country**

#### **Budget and Funding Sources:**

Direct payment from Govt. of U.K to implementing agencies  
(Preparatory Phase)

Direct payment from Govt. of U.K. and Denmark  
(Phase 1 and 2)

Govt. of Ghana (in kind)  
Costs relating to vehicles, support staff and office accommodation.

Implementing Agency:            International Institute for Environment and Development (IIED)

Council Session Approved:    10th (Quito, 1991)

Starting Date and Duration:   December 1991 (2 years)

The Activity aims to design and analyze a coherent system of incentives to promote and motivate the sustainable management of the tropical high forest in Ghana; to prepare a general methodology for such work; and to identify a strategy for implementation in Ghana.

The work is divided into four phases:

- Preparatory Phase - Detailed design of the project and definition of the objectives and approaches.
- Phase 1                - Data collection and analysis and identification of areas of intervention.
- Phase 2                - Design of the incentives.
- Phase 3                - Implementation (administration to be decided).  
Planning for this phase will be an important component of the final report.

Work has now been completed on Phase 2 and Phase 3 is underway. The final report of this activity will be considered by the 14th Session of the Permanent Committee in May 1994.

### **2.2.2 Activity Completed**

- PPA/11-12**                      **The Economic Linkages Between the International Trade in Tropical Timber and the Sustainable Management of Tropical Forests**

#### **Budget and Funding Sources:**

Total Budget	\$235,000
Govt. of Japan	\$ 70,000

Govt. of Netherlands	\$ 65,000
Govt. of Switzerland	\$ 70,000
UCBT	\$ 30,000

Implementing Agency: London Environmental Economics Centre (LEEC) of the International Institute for Environment and Development (IIED).

Council Session Approved: 10th (Quito, 1991)

Starting Date and Duration: December 1991 (1 year)

The subject of the Report constituted a major part of the 1993 Market Discussions held during the 14th Session of the ITTC, under the theme: "Policy Issues and Options Concerning Linkages Between Tropical Timber Trade and Sustainable Forest Management." A follow-up to the discussions took place at the Fifteenth Session of the ITTC. An overview of the consideration of this Activity is covered under the summary of the Market Discussions given in section 2.4.1., and under earlier paragraphs on PPD 13/93 (M) in section 2.1.1 of this Report.

## 2.3 PROJECTS

At its Twelfth and Thirteenth Sessions, the Permanent Committee reviewed progress on the status of various projects approved for implementation by the Council. They are : PD 42/88 Rev.1 (M); PD 124/91 Rev.1 (M); PD 167/91 Rev.1 (M); PD 173/91 Rev.2 (M); PD 27/92 Rev.1 (M,I); PD 31/92 Rev.1 (M); PD 36/92 (M); and PD 9/93 Rev.1 (M).

The Council also approved Projects PD 16/93 Rev.4 (M) "Market Information Service for Tropical Timber and Timber Products", PD 27/93 Rev.2 (M) "Training Workshops on Tropical Forestry and Timber Trade Statistics - Phase II" and PD 28/93 Rev.3 (M) "Analysis of Macro-economic Trends in the Supply and Demand of Sustainably Produced Tropical Timber from the Asia-Pacific Region: Phase II" at its 15th Session. All of these are in the early stages of implementation as at the end of 1993, with implementing agencies and agreements being arranged.

In the period under review the following Projects were completed: PD 118/90 (M), PD 182/91 Rev.1 (M).

Project PD 40/92 Rev.1 (M) was approved by the Council at its Thirteenth Session. Funds have so far not been pledged for this project.

### 2.3.1 Projects Under Implementation

- (1) PD 42/88 Rev.1 (M) The Structure of China's Tropical Timber Market, the Current Situation of International Co-operation of the PRC, and Prospects to the Year 2000

Budget and Funding Sources:

Total budget	\$ 134,475
Govt. of France	\$ 104,475
ISTIF	\$ 30,000 (in kind)

Implementing Agency: Institute of Scientific and Technical Information of the Chinese Academy of Forestry (ISTIF)

Council Session Approved: 6th (Abidjan, 1989)

Starting Date and Duration: August 1991 (2 years)

During 1993 the study team wrote reports on their visits to Brazil and France. The outline of the final project report was completed and data collection, collation and analysis finalized. A database has been developed, containing all of the information collected during the project. This database is currently being finalized.

Work is also proceeding on finalizing two project reports: "China's Forestry Development and International Trade of Tropical Forest Products from 1988 to 1992 and the Prospects in the Year 2000" and "The Current Situation of China's Tropical Forest (including Bamboo Forest) Resources and their Utilization and the Prospects in the Year 2000". These reports will be translated and printed by the end of 1993 and will be available to members in 1994.

(2) **PD 124/91 Rev.1 (M) Study of the Substitution of Bamboo for Tropical Timber as Raw Materials in China**

**Budget and Funding Sources:**

Total budget	\$ 251,300
Govt. of Japan	\$ 191,300
Chinese Academy of Forestry	\$ 60,000 (in kind)

Implementing Agencies: Bamboo Information Centre and Chinese Academy of Forestry (CAF)

Council Session Approved: 10th (Quito, 1991)

Starting Date and Duration: January 1992 (2 years)

Since the International Symposium on Industrial Use of Bamboo in December 1992, the following activities were carried out:

***Study Tours***

Two project team members visited India from 10 to 21 May 1993. They visited the Indian Forest Research Institute, the Indian Plywood Research and Training Centre and the Kerala Forest Research Institute, where the problems of bamboo utilization were discussed with senior researchers of that country. Many of the data obtained will be used in the final report for comparison and illustration.

Two project team members visited Japan from 12 to 25 August 1993, to investigate bamboo resources and their utilization in that country. The two members visited and held discussions with officials of the ITTO Secretariat, the Japan Society of Bamboo Development and Protection, the Experimental Station of Kyoto University, the Takano Bamboo Processing Factory, botanical gardens in Tokyo, Kyoto and Osaka, and the Kyoto Bamboo Park, Bamboo Museum and Bamboo Herbarium. They also contacted Japanese bamboo researchers, teaching staff, technicians and managers in several other institutions in Kyoto, and discussed with them bamboo resources, prospective exploitation, use, value, cultivation and scientific research.

***Bamboo Photo Album***

More than 120 photos have now been selected for the album. These represent bamboo resources, cultivation, processing and utilization in 11 provinces, autonomous regions and municipalities (Guangdong, Zhejiang, Fujian, Jiangsu, Jiangxi, Hunan, Anhui, Guizhou, Sichuan, Yunnan and Beijing). The album will be ready in the first quarter of 1994.

***Preparation of Final Report***

The contents of the final report are as follows:

- a. General Situation
- b. Bamboo Resources

- c. Bamboo-based Panels
- d. Bamboo Pulping and Paper-making
- e. Bamboo Handcrafts
- f. Prospects for Bamboo Utilization

At present, the compilation of all chapters is under way, according to the approved work plan. The Chinese text has been completed. After editing, the Chinese text will be translated into English and will be delivered to the ITTO Secretariat in the first quarter of 1994.

**(3) PD 167/91 Rev.1 (M)                      Diagnosis and Evaluation of the Brazilian Forestry Sector**

**Budget and Funding Sources:**

Total budget	\$ 1,743,000
Govt. of Norway	\$ 157,500
Govt. of Japan	\$ 1,585,500

**Implementing Agencies:**        Brazilian Institute for Renewable Natural Resources (IBAMA) and  
   Brazilian Foundation for Nature (FUNATURA)

**Council Session Approved:**    11th (Yokohama, 1991)

**Starting Date and Duration:**   January 1993 (18 months)

This project commenced operational activities in March 1993, with the issuance of invitations by FUNATURA to several consulting firms to undertake the regional studies called for in the project. All planned regional activities commenced one month behind schedule in terms of the project workplan. The delay was due to the need for further discussions with regional coordinators and changes in administration within one of the implementing agencies.

Work is now proceeding on schedule. All of the regional preliminary reports expected by 30 September 1993 were submitted by the end of October. The General Coordination group has edited and where necessary revised these preliminary reports. A study of the quality of data available from existing sources (agricultural and industrial censuses and surveys) is being undertaken by consultants. Trade statistics for wood and non-wood forest products are being collected and compiled. In addition, terms of reference for an input-output study of the inter-sectoral relationships of the forest sector are being prepared.

**(4) PD 173/91 Rev.2 (M)                      Market News Service for Tropical Timber and Timber Products,  
   Phase II**

**Budget and Funding Sources:**

Total budget	\$ 750,000
Govt. of Sweden	\$ 300,000
Govt. of Switzerland	\$ 300,000
Govt. of Japan	\$ 150,000

**Implementing Agency:**            International Trade Centre (UNCTAD/GATT)

**Council Session Approved:**    11th (Yokohama, 1991)

**Starting Date and Duration:**   January 1992 (2 years)

Up to end December 1993 the service has transmitted a total of 88 fortnightly reports to recipients in government, industry, institutions and organizations in over 60 countries. Markets were very



volatile during 1993 with quite extreme price changes, particularly, in the Asia-Pacific region. These changes have been closely and carefully reported to the worldwide receivers of the MNS reports.

As part of the project evaluation requested by the Permanent Committee, a questionnaire was sent to 185 recipients in June 1993. More than half of the questionnaires were returned.

During their visit to MNS in Geneva early in August 1993 the two independent consultants appointed by ITTO to evaluate the Market News Service project (see PPD 7/93 (M)) analyzed the completed questionnaires received up to that time. 80% of the respondents rated the value of the MNS as high or very high, 81.5% reported that the MNS reports made a positive contribution to their company or organization, and 78.5% regarded the format of the reports as satisfactory and easy to follow. 66.2% expressed interest in expansion of the service to include more "downstream" products such as moldings and components, and 80% thought the current fortnightly schedule satisfactory. Most other suggestions were for a more frequent service.

There are currently about 240 direct recipients of the reports, of which just over 40 are paying subscribers. This number is steadily increasing and all new requests for the service are required to pay. An analysis of the subscribers showed a close balance between producers and consumers, with more producers than consumers paying for the service.

The consultants noted in their report that in several countries subscribing trade associations distribute the MNS reports to members and that trade journals also quote prices from the MNS reports. They concluded that it can be assumed that "some 5,000 to 10,000 persons, government institutions, industrial establishments or firms have the opportunity to read MNS information."

During discussions in Geneva, the consultants recommended that the service could be improved by issuing an occasional or perhaps regular quarterly summary including graphical presentations of price trends and supporting background information on current topics. MNS has begun the implementation of this recommendation.

In the past year MNS has started up a new section for prices and news for Plantation Species, Sustainable Yield and Lesser Known Species. A number of countries now utilize and export tropical timbers within these headings. In terms of environmental and conservation concerns it is expected that this section will become more important in future years. MNS has also now started to report regularly on glued laminated timbers, 'Lamblanks' a processed product of increasing usage.

The continuation of the service was considered under a new project proposal PD 16/93 Rev.4 (M) which was approved and funded for its first phase at the 15th Session of the Council.

- (5) **PD 27/92 Rev.1 (M,I)      Development of an Information System for Tropical Timber Properties to Promote Appropriate Use of More Species**

Budget and Funding Source:

Total budget	\$ 460,360
Govt. of U.K.	\$ 460,360

Implementing Agency:      Oxford Forestry Institute

Council Session Approved:      13th (Yokohama, 1992)

Starting Date and Duration:      July 1993 (2 years)

The project began in July 1993 after the signing of an agreement between the University of Oxford and ITTO. Two full-time and two part-time staff have been recruited. A desk top 486 computer and a notebook computer have been purchased for the project.

Discussions were held to determine a programme of priorities. Work has started on reorganizing the classification of some end-uses to give more precise definitions of use. This was considered necessary so that data on file could be entered more efficiently. A way of annotating species and end-use characteristics with hints on methods of using the records has been developed. The recording of the source of the information has been standardized for each property record; this enables the system (amongst other things) to record which species are available in MORELKS (PD 31/92 Rev.1 (M,I)) and thus facilitates the use of the two systems in parallel. It also enables an immediate check on who entered the information as well as its literature source. Plans are being drawn up to adjust end-use recording as much as possible to fit in with the MORELKS system. A meeting has been held with the MORELKS team to discuss the reconciliation of the two systems as far as is possible and the parallel running of both systems.

Information previously entered on cards for new species have been entered into the computer system so that partial information for some 40 species has been added. A priority list has been drawn up for species to be entered with high priority for "benchmark" species with which less well known species can be compared for any given use.

**(6) PD 31/92 Rev.1 (M,I) Selection and Introduction of Lesser-known and Lesser-used Species for Specific End-uses - Phase 3**

**Budget and Source of Funding:**

Total budget	\$ 357,000
Govt. of Japan	\$ 287,000
Govt. of Netherlands	\$ 70,000

**Implementing Agencies:** Agriculture University (Wageningen, Netherlands), TNO Building and Construction Research Institute (Rijswijk, Netherlands), Relevant institutions of co-operating Governments

**Council Session Approved:** 13th (Yokohama, 1992)

**Starting Date and Duration:** June 1993 (1 year)

This project is the third phase following an original project [PD 18/87 Rev. 1 (I)], and its second phase [PD 134/91 (I)]. The overall objective of this project is to undertake research work on selection and market introduction of lesser known species. It is designed to develop a computer-based analytical system which allows for the matching of some 21 technical properties of timber species with several criteria prevailing in Western Europe, Japan and U.S.A for the following end-uses: window frames, outside doors, cladding, furniture and flooring. Entry of the details of properties of a timber species into the computer system is designed to provide useful insights into its applicability for a specified end-use, both at preferred and at a minimum level. Thus, if for instance, a timber species does not meet certain requirements, the system may indicate steps which may be taken to improve its potential applicability for a specified end-use.

In the previous two phases the development of the system was extended to cover end-use requirements, not only in Western Europe but also in Japan and the USA; information on certain commercial details such as the form and conditions on which a specified species of timber was included; as well as market details, timber properties, available quantities and quality requirements.

An Advisory Group, consisting of experts from 9 cooperating Governments and the ITTO Secretariat, was established under Phase 2 and convened in January 1992 to assess the effectiveness of the model. The Group's recommendations on the further development of the computer program and information base form the basis of the present Phase 3.

Under Phase 3 (to be followed subsequently by a Phase 4) the computer program and its information base will be further expanded to cover the requirements of at least one important end-use for Japan,

the USA and the home markets of producing countries. More information will be sought on commercial data such as parcel details, the form in which timber is offered, quality regulations, price conditions and transport costs. Information on production and sustainability (ecological conditions) will also be added.

- (7) **PD 36/92 (M)** **Collection and Computer Processing of Forest Statistics with a View to Improving the Management of the Forest Resources of Gabon**

**Budget and Funding Sources:**

Total budget	\$994,750
Govt. of Japan	\$549,950
Govt. of U.S.A.	\$100,000
Host Govt. (Gabon)	\$344,800

**Implementing Agency:** Forestry Department of the Ministry of Forestry, Fisheries and Environment of Gabon

**Council Session Approved:** 13th (Yokohama, 1992)

**Starting Date and Duration:** November 1993 (2 years)

The Project will undertake an analysis of the forestry sector in Gabon through systematic collection of comprehensive data on the forest resources, forest development (harvesting, reforestation, forest industries) and markets (home and export).

The analysis of the forestry sector will take into account:

- (i) Comparative information gathered from specified target countries of the sub-region in order to harmonize statistical data.
- (ii) Methods of integrating various existing ITTO guidelines on management of natural forests, planted forests, conservation of bio-diversity and the criteria for the measurement of sustainability of forest management.

The data will be used to install and develop a computerized information system which would serve as a permanent infrastructure for collecting, processing and analyzing relevant statistics for the purposes of forest management and forest sector planning in Gabon.

The Project Agreement has been concluded and the first instalment of project funds released.

- (9) **PD 9/93 Rev.1 (M)** **Market Intelligence: Tropical Timber Market Information System**

**Budget and Funding Sources:**

Total budget	\$396,585
Govt. of Japan	\$396,585

**Implementing Agency:** Stichting Bos en Hout (SBH), Wageningen, The Netherlands

**Council Session Approved:** 14th (Kuala Lumpur, 1993)

**Starting Date and Duration:** June 1993 (2 years)

The main objective of this project is to extend the market information system tested in PD 158/91 Rev.1 (M) by collecting market data for 1992 and 1993. The project is in two parts. The first part will collect [as did PD 158/91 Rev.1 (M)] up-to-date market information on tropical wood flows in seven

European countries: United Kingdom, France, Germany, Belgium, Luxembourg, Switzerland and the Netherlands. The information will be made available through data collected from national bureaus and by questioning companies active in the timber sector. The second part of the project will be collecting market information for the year 1993. During this part of the project there will be an attempt to expand the geographical coverage to cover four additional European consuming countries (Greece, Italy, Spain and Portugal). The feasibility of expanding the system further to include Japan will also be investigated.

Work on the project officially started in mid-August 1993. However, SBH had already sent out questionnaires to companies in Switzerland and the Netherlands in January and February 1993. This action was taken because these are the only suitable months in which such questionnaires are likely to be completed by companies. It was necessary to contact each company several times, asking them to return the questionnaires and helping them to fill out the forms correctly.

From mid-August onwards foreign trade statistics were compiled and trade organizations were asked for additional information. This was only done for countries in which no questionnaires had been distributed. Preliminary tables on national results were sent to the respective trade organizations for verification of the contents. Information concerning the end-use of tropical timber and competing materials ordered from the DMD market-research bureau has not yet been received. Information derived from the questionnaires has been checked and aggregated to national level with the help of foreign trade statistics. SBH has processed the available information to be incorporated in the final market-report, which will be presented to the Fourteenth Session of the Permanent Committee on Economic Information and Market Intelligence.

The second part of the project has also been initiated. SBH is preparing to establish contacts in European countries where the distribution of questionnaires or collection of useful data had so far not taken place. A feasibility study to investigate the application of the market information system to the Japanese tropical timber market is underway. Visits to relevant Japanese trade organizations were arranged with the assistance of the ITTO Secretariat, to coincide with the 15th Council Session.

### 2.3.2 Completed Projects

- (1) PD 118/90 (M) Training Workshops on Tropical Forestry and Timber Trade Statistics

Budget and Funding Sources:

Total budget	\$ 595,652
Govt. of Japan	\$ 595,652
Participating countries	(in kind)

Implementing Agency: ITTO

Council Session Approved: 9th (Yokohama, 1990)

Starting Date and Duration: December 1990 (2 years)

The last of the three workshops designed under this project was held in Kuala Lumpur, Malaysia, from 18 October to 5 November 1993. The coordinating agency was the Malaysian Timber Industry Board (MTIB). The participants were invited from the following member countries: China, Egypt, Ghana, Guyana, India, Indonesia, Liberia, Malaysia, Nepal, Papua New Guinea, Philippines, Thailand and Trinidad and Tobago. All but one (Papua New Guinea) sent representatives, bringing the total number of trainees who benefitted from the project in all three producing regions to 90 (Africa-20, Latin America-34, Asia-36).

The objective of these workshops was to assist ITTO member countries to develop and improve their collection, analysis and dissemination of forestry and timber trade statistics systems in their respective countries. The course of instruction and study covered the following:

- Objectives and functions of the forest sector statistics
- Statistical theory and methodology associated with data collection and analysis
- Assessing accuracy and reliability of statistics
- Detailed coverage of the structure of forest sector data (resources, production, industry, trade, customs classification and prices)
- Sources of raw data; collection methods and problems
- Computerized systems in forest data compilation, processing, analysis, storage, dissemination and information exchange
- Reporting and dissemination of forest sector statistics
- ITTO Forecasting and Statistical Enquiry and ITTO information requirements
- Team projects based on assessments and analysis of country reports
- Workshop evaluation

All participants were requested to collect information and data on their country's forestry and timber trade prior to attending the workshop. This was designed to facilitate active discussion among participants during country report presentations.

Papers introducing participants to the techniques in collecting, reporting and disseminating forestry and timber trade statistics were presented. The participants were introduced to forestry and the timber industry in the host country. Data sources, methods of data collection and verification, users of statistics, and reporting and dissemination techniques were also introduced. In addition, the workshop programme also included a comprehensive five-day computerized data processing session and field visits to agencies that process, compile and disseminate forestry and timber trade statistics. Visits to timber processing mills and forest plantations were also conducted to demonstrate data gathering and compilation of raw statistical information at the field level.

Workshop participants were also required to present the statistical information systems presently available in their respective countries and the problems faced in managing these systems. Two days were assigned to the formal presentation of country reports. The country reports generally covered an update of basic forestry and timber trade statistics, a diagnosis of the current status of the statistical information systems in place, and recommendations on how to improve or enhance statistical processing units.

All participants were asked to complete an evaluation of the organization and management of the workshop to guide future ITTO work. These evaluations, together with the active interactions among the participants during the workshop showed that the workshops met their objective of assisting to improve understanding of effective forestry and timber trade statistical systems.

- (2) **PD 182/91 Rev.1 (M)**      **Analysis of Macro-Economic Trends in the Supply and Demand of Sustainably Produced Tropical Timber in the Asia-Pacific Region - Phase I**

Budget and Funding Sources:

Total budget	\$ 399,000
Govt. of Japan	\$ 399,000

Implementing Agency: Reid, Collins and Associates, Vancouver, Canada

Council Session Approved: 11th (Yokohama, 1991)

Starting Date and Duration: November 1992 (10 months)

The final report of this project was presented to the Thirteenth Session of the Permanent Committee. An extract from the Executive Summary of the final report follows. The final report is available from the ITTO Secretariat.

### *Executive Summary*

By the year 2000, ITTO member states are committed to trade only in timber produced on a sustainable basis. As a first step towards achieving this objective, they require estimates of sustainable levels of forest products that the region will be capable of producing in the future. More specifically, the objectives of this study are to develop a database providing estimates of sustainable timber supply for major ITTO producing regions in the Asia-Pacific region, develop a model capable of providing estimates of demand and prices of tropical timber products in major markets and associated trade flows, and provide forecasts of supply, demand and trade flows for Asia-Pacific tropical timber products.

The report contains extensive information from 13 regions/countries which have been grouped together as Producers or Consumers. They consist of:

#### *Producers*

Indonesia	Sarawak
Peninsular Malaysia	Papua New Guinea
Sabah	Philippines

#### *Consumers*

Japan	Hong Kong
South Korea	Thailand
People's Republic of China	Singapore
Taiwan Province of China	

In 1991 the producing countries harvested just under 77 million cubic metres of industrial roundwood and exported just under US\$7 billion in forest products while the consuming countries imported just over US\$23 billion in forest products.

Computer models were developed and used to analyze the dynamics of changing supply and demand for tropical timber products over time, including the probable economic responses of consumers and producers. These models are: a log supply model, a gap model, and a trade model. The models are needed to assimilate, process and transform masses of information into valid projections. They are extremely important tools which demand thorough understanding by their users, and constant updating to take advantage of new data and developing technology. The data series used by the models is based on an extensive analysis of producing countries and consuming countries in the region. Eleven regions were visited in order to collect and assemble the necessary data regarding supply and demand. Full reports on the historic trends and the current situations in each of these markets are contained in the report.

The analysis of this data using the log supply model suggests that the supply of tropical hardwoods is diminishing. The supply of saw and veneer quality logs tropical forests is expected to decrease 30% (from 85 million m<sup>3</sup> to 59 million m<sup>3</sup>) by the year 2000 before stabilizing. The gap model shows that as fibre supply is dropping, demand is increasing. By 1994-95 the demand for tropical timber from the region is expected to exceed supply. By 2010, the gap between supply and demand is predicted to be 55 million m<sup>3</sup>. The trade model resolves the supply and demand forces identified in the gap model by determining trade flows and equilibrium prices. The trade model was used in this initial study to forecast prices and trade flows under two assumptions: declining log supply and limited substitution (5% of consumer region demand). Strong price development was indicated by the model, but this effect could be alleviated by substitution in excess of the 5% rate assumed for the study. Substantial declines in the export of logs, sawnwood and plywood are also forecast.

References to incomplete or conflicting data occur throughout the report. These shortcomings are worldwide, but the Asia-Pacific region offers the following additional difficulties:

- The extreme diversity of the forest resource complicates identification and recording processes.
- The prevailing cloud cover of the tropical climate and the lack of infrastructural development in the producing regions have been major obstacles to accurate survey, measurement and monitoring procedures; only now is technology beginning to overcome these difficulties.
- The member nations and states of the Asia-Pacific region are developing at a rate unprecedented in human history. The development of suitable infrastructure to cope with this growth has been assigned a low priority. This lack includes the availability of statistical databases to monitor activity.

It has not been possible to reconcile all differences between information from different sources, or to counteract the effect of such inconsistencies in the computer models. Given these problems, the data used in the models are the most accurate that could be obtained in the time available. However, it is recommended that any subsequent study should include a comprehensive overview of the forest industry in the longer term, including a strengthened resource database, increased emphasis on fast-growing plantations as a future supply source, and a fuller analysis of the role of advanced materials and construction technology of the 21st century.

### 2.3.3 Project Awaiting Finance

**PD 40/92 Rev.1 (M) Study of the Internal Timber Market in Cameroon for the Purpose of Improving the Management of the Forest Resources**

Budget and Funding Sources:

Total budget	\$ 216,820
Govt. of Cameroon	\$ 79,000
ITTO Contribution (yet to be determined)	\$ 137,820

Implementing Agency: ONADEF (National Office for Forestry Development), Cameroon

Council Session Approved: 13th (Yokohama, 1992)

Starting Date and Duration: Yet to be determined (18 months)

The Project's objective is to undertake an up-to-date diagnosis of the internal timber market in Cameroon. The scope of the study will be limited to logs and such primary forest products as sawn timber, plywood, veneer, as well as those familiarly classified as "wild" sawn wood, service wood and fuelwood. It will determine :

- i. the current and potential demand for such products,
- ii. the structure (size and growth rate) of the market,
- iii. the demand in relation to the production of different categories of products; the possible development of production to meet medium-term demand and needs, with an analysis of the adverse environmental impact of different methods of production,
- iv. distribution channels and commercial operators,
- v. means of market access,
- vi. structuring of prices of different categories of products to ensure long-term competitiveness.

The project is still awaiting financing and will lapse in June 1994 under ITTO's sunset clause.

## **2.4 NON-PROJECT ACTIVITIES**

### **2.4.1 Annual Market Review and Outlook (Market Discussions)**

The 1993 Market Discussion was a two-day Joint Session of the Permanent Committees (12-13 May 1993) under the Chairmanship of Mr. Arthur V. Morrell (U.K.), Chairman of the Permanent Committee on Economic Information and Market Intelligence. The Rapporteur was Dr. G.K. Elliott. The discussion focused on:

1. The Annual Review and Assessment of the World Tropical Timber Situation (½ day)
2. Policy Issues and Options Concerning Linkages Between the Tropical Timber Trade and Sustainable Forest Management (1½ days)

The corresponding documentation for the discussion was:

1. The Elements for the 1992 Annual Review together with the Country Market Statements and the Worksheets extracted from the ITTO Forecasting and Statistical Enquiry.
2. The Report prepared for ITTO by the London Environmental Economics Centre (LEEC) entitled "The Economic Linkages Between the International Trade in Tropical Timber and the Sustainable Management of Tropical Forests" (see section 2.2.2).

In the first part of the Market Discussion, the Joint Session approved the Elements for the 1992 Annual Review and Assessment of the World Tropical Timber Situation with minor modifications.

The second part of the Market Discussion focused on policy issues and options and their implications for ITTO as proposed in the LEEC report: "Economic Linkages between International Trade in Tropical Timber and the Sustainable Management of Tropical Forests". These were summarized as follows :

- 1) **Measures to alter patterns of trade**
  - a. Trade liberalization
  - b. Trade bans
  - c. Quantitative restrictions
  - d. Trade Taxes
  - e. Trade Subsidies
- 2) **Measures to raise revenue for sustainable forest management**
  - a. Existing revenue from trade
    - (i) Taxes or Revenue Transfer Schemes
  - b. Additional revenue from trade
    - (i) Trade Surcharge Scheme
  - c. Additional funding sources external to trade
    - (i) Tropical Forest Fund
    - (ii) Tradable Scheme of Forest Management Obligations
- 3) **Certification Schemes**
  - a. Product Labelling
  - b. Concession/Company Certification
  - c. Country Certification
    - (i) Establishment of scheme
    - (ii) Producer country certification requirements
    - (iii) Better market access as incentive for certified progress towards Target 2000
    - (iv) Additional financial assistance as incentives for certified producers



The discussion elicited views from member countries and relevant international, trade and environmental organizations. Six experts in timber trade matters were invited to open each of the sessions of general discussion.

During the general discussions all members and observers were encouraged to participate as actively as possible. Although discussions on each topic were based on the contents of the LEEC report, participants were free to raise additional issues germane to the topic. At the end of the discussion a summary of findings and recommendations was formulated and submitted to the ITTC. This summary is contained in document ITTC(XIV)/14.

Following one of the recommendations of the Joint Session, the Council reconsidered the subject of certification and labelling at its Fifteenth Session, giving rise to PPD 13/93 (M) described in section 2.1.1.

## 2.5 STATISTICAL AND COMPUTER OPERATIONS

### 2.5.1 Data Processing - Hardware

#### *EIMI Statistical Unit Hardware*

In addition to the file server and printers shared by all users, three IBM 486 66MHz workstations, one terminal emulator and two modems make up the computing resources of the EIMI statistical unit. The terminal emulator has been mainly used for direct electronic communications with the United Nations Organizations through the International Computer Centre in Geneva. However, ITTO will replace this system in 1994 with a cheaper electronic communications system. At present the statistical unit is investigating commercial electronic communications systems. ITTO is currently subscribing to two computer information systems that permit electronic retrieval of statistical information from major computerized databases worldwide, electronic mail and computer software support (i.e. Internet and Compuserve). These electronic information retrieval systems will greatly facilitate the collection of statistical information and other related activities carried out by the statistical unit.

#### *ITTO Computer Network*

ITTO's hardware configuration continued to be upgraded in 1993. The old IBM 386 16MHz network file server was replaced by a new IBM 486 66MHz server with an enhanced storage capacity of 1 Gigabyte. Four IBM 8086 8MHz and four IBM 286 10MHz workstations were also replaced by eight IBM 486 66MHz workstations. In addition, six new workstations were acquired due to the increase in ITTO's staff, consisting of three IBM 486 66MHz, two Compaq 386 25MHz and one Compaq 486 33MHz. As such, the upgraded ITTO network presently consists of one file server, twenty-five workstations and three printers as follows:

Item	No.	Specifications
Network File Server (1)	1	IBM 486, 66MHz, 1 Gb HD
Work stations (25)	11	IBM 486, 66MHz, 200 Mb HD
	1	Compaq 486, 33 MHz, 118 Mb HD
	2	Compaq 386, 25 MHz, 118 Mb HD
	1	IBM 386, 25 MHz, 312 Mb HD
	1	IBM 386, 20 MHz, 216 Mb HD
	5	IBM 386, 16 MHz, 40 Mb HD
	4	IBM 286, 10 MHz, 30 Mb HD
Laser Printers (2)	1	HP Laserjet III
	1	Kyocera F1000 +
Dot Matrix Printer (1)	1	Seikosha (wide carriage)

Two additional laptop computers with portable printers were also acquired in 1993 to facilitate the work of ITTO staff while on mission. These are a Toshiba 4600C (486SL, 33 MHz, 200 Mb HD) with a Canon BJ-10sx portable printer and a HP Omnibook 425 (486, 25 MHz, 40 Mb HD) with a HP Deskjet 310 portable printer. To date, seven laptop computers and three portable printers are available to ITTO staff. These include the aforementioned plus two Toshiba 4400C (486, 25 MHz) laptop computers, three Dynabook J-3100 (286, 10 MHz) laptop computers and one Canon Bubblejet printer. The Dynabooks, however, were purchased several years ago and will soon become obsolete due to their inability to run new versions of standard software packages.

Other peripherals include two old IBM 5202 dot matrix printers, one terminal emulator, one 2400 baud AIWA modem and a recently purchased 14400 baud AIWA modem.

### 2.5.2 Data Processing and Communications - Software

Several new software packages or upgrades were acquired in 1993 to facilitate the work of the Secretariat. All work stations acquired in 1993 came with both DOS 5 (Operating System) and WINDOWS 3.1 (Graphic User Interface) installed. In addition, one or more copies of the following software were acquired in 1993:

- DOS 6 (operating system)
- Word for Windows (word processor)
- Wordperfect for Windows (word processor)
- Excel for Windows (spreadsheet)
- Quattro Pro for Windows (spreadsheet)
- Paradox for Windows (database)
- Harvard Graphics for Windows (graphics)
- Project for Windows (project planning)
- Crosstalk for Windows (communications)
- SmartComm for Windows (communications)

Other "utility" software was also acquired or, in the case of public domain shareware, downloaded through global networks such as Internet or Compuserve. The EIMI statistical unit also continued to subscribe to SAS (statistical software) during 1993.

### 2.5.3 Processing of Statistical Data and Forecasts

As the Committee decided at its Twelfth Session to henceforth defer the Market Discussions and consideration of the Annual Review to its November meetings, the annual dispatch of the Forecasting and Statistical Enquiry questionnaires has been delayed until early 1994. This also allows time to incorporate any changes to the ITTO data collection procedures which may be necessitated by developments in the renegotiation of a new ITTA. ITTO's databases on tropical timber prices and trade are being constantly updated and expanded utilizing results from ITTO projects and other sources in addition to the annual questionnaires sent to all members.

### 3. REFORESTATION AND FOREST MANAGEMENT

#### 3.1 PRE-PROJECTS

Seven Pre-Project proposals were reviewed by the Committee during the two Council Sessions of 1993, all of which were approved for implementation subject to financing being available. These approved Pre-Projects were:

PPD 12/92 (F)	Publication and Dissemination of the ITTO Guidelines on the Conservation of Biological Diversity (\$25,000)
PPD 1/93 Rev.1 (F)	Feasibility Study for the Preparation of a Management Study for the Souanke-Sembre-Kelle Zone in Northwest Congo (\$338,643)
PPD 4/93 Rev.1 (F)	Physical and Socio-Economic Evaluation for the Reformulation of an Integrated Project for Watershed Rehabilitation Project (Pridecu) (\$168,625)
PPD 5/93 Rev.1 (F)	Preparation of an Integrated Management Plan for District No.1 of the Kuna Yala Indian Region, Aimed at the Development of Agroforestry (18,000 ha), Production Forests (22,000 ha), and Watershed Protection (80,000 ha) (\$222,000)
PPD 6/93 Rev.1 (F)	The Development of Guidelines for the Protection of Tropical Forest Against Fire (\$89,320)
PPD 8/93 (F)	ITTO demonstration Areas for Sustainable Management of Production Forests (\$110,000)
PPD 11/93 Rev.1 (F)	Evaluation of Current Forest Harvesting Licensing, Concession and Control Systems within a Framework of Sustainable Forest Resource Management (\$252,375)

Finance was pledged by the Governments of Japan and the United Kingdom to support PPD 12/92 (F) while the Governments of Japan and the United States contributed funds to PPD 1/93 Rev.1 (F), PPD 5/93 Rev.1 (F), and PPD 6/93 Rev.1 (F) at the Fourteenth Session of the ITTC. Finance was also pledged by the Japan Lumber Importers' Association to support PPD 8/93. One Pre-Project which was approved during the Committee's Ninth Session was funded by the Government of Japan, PPD 3/92 Rev.1 (F) "Integrated Forest Project for the Production of Seedlings in Para State - Feasibility Study" (\$107,625) also at the Fourteenth Session of the Council. PPD 4/93 Rev.1 (F) and PPD 11/93 Rev.1 (F) are still awaiting financing. The status of other Pre-Projects that were either completed or on-going are reviewed in sections 1 and 2 below.

##### 3.1.1 Completed Pre-Projects

###### (1) Sustained Development in the Amazon Region (\$70,000)

A general Pre-Project report and two project proposals developed during the Pre-Project study were submitted for consideration at the Eleventh Session of the Permanent Committee on Reforestation and Forest Management. Two project proposals developed from the Pre-Project study and were approved by the XIII Council Session: PD 32/92 (F) *Agroforestry Systems for the Communities of Nova California and Extrema, Rondonia, Brazil* and PD 45/92 (F) *Agroforestry Systems for the Communities of Medicilandia-Para, Brazil*. Since then, the implementing agency, FUNATURA, has completed the third and final project proposal and submitted an audited financial report, which was reviewed and accepted by the Secretariat. Therefore, this Pre-Project may be considered as completed.

- (2) **PPD 1/92 Rev.1 (F)** **Impact of the Rural Population on Forest Development: Protection and Reconstitution of the Tropical Closed Forest in the Si-Kop (Ndom) Region, Coastal Province, Cameroon (\$138,600)**

The detailed proposal resulting from the project was submitted to the Panel of Experts for review as Project PD 22/93 (F) - *Tropical Moist Forest Protection, Rehabilitation and Management with local community Participation in Si-Kop, Coastal Province, Cameroon*. The final report of Pre-Project activities was received by the ITTO Secretariat and the last installment of funds released to the Implementing Agency. The Secretariat is looking forward to receiving the report of audited Pre-Project accounts in the very near future. Upon receipt of the financial report, the Pre-Project will be considered as complete.

- (3) **PPD 12/92 (F)** **Publication and Dissemination of the ITTO Guidelines on the Conservation of Biological Diversity in Tropical Production Forests**

Funds for the implementation of this Pre-Project were allocated during the XIV Session of the Council. The final approved version of the Guidelines were translated into Spanish and French. The Biodiversity Guidelines have been published as a supplement to the *ITTO Guidelines for Sustainable Management of Natural Tropical Forests* and were recently received by the Secretariat. They are now available for distribution in the ITTO Policy Development Series (PS-5) and delegates are encouraged to obtain copies in the language of their choice during the XV Council Session.

### 3.1.2 Pre-Projects in Progress

Thirteen approved Pre-Projects were, at the end of 1993, under execution or in the process of being prepared for execution. Summaries of their current status are given below.

- (1) **Management of Natural Tropical Moist Forests to Obtain a Sustainable Production of Wood and Other Forest Products and Maintain the Ecological Balance in Ecuador (\$75,000)**

The Government of Ecuador proposed that the continuation of this pre-project undertake a feasibility study would seek measures to control colonization and halt deforestation in the Cuyabeno Wildlife Reserve by:

1. Supporting socio-economic studies to analyze the current situation in the reserve, and determine the financial viability of developing an agroforestry program with communities in and around the reserve.
2. Undertaking a feasibility study to determine the potential of developing agroforestry systems to promote sustainable forest production on demonstration sites.
3. Publishing and disseminating the results of these studies to share experiences with other areas in Ecuador and the Amazon Watershed Basin.

During its Thirteenth Session, the Committee accepted Ecuador's proposal to utilize the remaining funds in this Pre-Project to undertake the feasibility study as described above.

- (2) **Coordinated Natural Forest Management and Sustainable Rural Development in Areas Adjoining Sapo National Park, Liberia (\$25,000)**

During the Thirteenth Session of the Committee, the Delegation of Liberia explained that the situation in Liberia was beginning to stabilize, but felt that more time was required in order to have the conditions in place to begin with Pre-Project implementation. The Committee agreed with Liberia's request to defer implementation a while longer and would re-examine the situation during its Fourteenth Session in May 1994.

(3) **Realistic Strategies for the Conservation of Biological Diversity in Tropical Moist Forests (\$190,000)**

An addendum to the Agreement has been negotiated and accepted by IUCN and ITTO. The new publications will utilize the approved ITTO Biodiversity Guidelines instead of the draft Guidelines in the earlier version. Work on translations have been initiated and the French draft has been received by the Secretariat for analysis. The translation of the text into Spanish is also underway. Quotations for the publication and distribution of this book have been received. The work will be completed as soon as all pledges have been deposited in ITTO's Special Project Account.

(4) **Sustainable Multiple Use (\$276,958)**

As an outcome of the Pre-Project, a proposal, PD 23/93 (F) - *Sustainable Multiple Use of Hill Forests in Sarawak, Malaysia* was developed. This proposal was evaluated by the VI Expert Panel, which made recommendations requiring a substantial amount of work on the part of the implementing agency. Therefore, the proposal will be revised accordingly and submitted for the next project cycle leading up to the XVI Session of the ITTC in May 1994.

The Team Leader has completed his assignment and the implementing agency submitted the final Pre-Project report to the ITTO. The Forestry Department has initiated administrative procedures to prepare the audited financial report.

(5) **PPD 44/91 Rev.1 (F)                      Review of the National Forest Situation so as to Establish a National Policy (\$100,000)**

The objective of this Pre-Project is to review the forestry situation in Colombia so as to define sustainable forest management policies for the different regions of the country, and contribute towards the attainment of Target 2000. As part of the review process, the Pre-Project is organizing workshops to facilitate the participation of government agencies, universities, NGOs and the private sector to assist in an environmental assessment. The implementing agency INDERENA (National Institute of Renewable Natural Resources and Environment) has coordinated this project with the National Forestry Action Plan, and an agreement has been signed to ensure close interinstitutional cooperation. The implementing agency has contracted a National Coordinator, a consultant in legal aspects and two research assistants. Subsequently, an office was set up for the project staff to operate.

(6) **PPD 43/91 Rev.1 (F)                      Rehabilitation of Degraded Forest Land in the Amazon - A Case Study in the Carajas Mineral Province (\$228,000)**

This Pre-Project was approved by the Committee at its Ninth Session and an allocation of \$228,900 was made available at the Twelfth Session of the Council for its immediate implementation. An Agreement to cover the implementation of the Pre-Project was forwarded to the Government of Brazil on 28 July, 1992. The Secretariat received notification that the Agreement had been signed by the Implementing Agency in August 1993, and is awaiting its return to make the first transfer of funds.

(7) **PPD 3/92 Rev.1 (F)                      Integrated Forest Project for the Production of Seedlings in Para State - Feasibility Study (\$107,625)**

This Pre-Project was approved by the Council during its Twelfth Session in Yaoundé. During the Fourteenth Session in Kuala Lumpur, full financing for the implementation of this Pre-Project was allocated. On 7 July, 1993 the draft agreement was sent to the Government of Brazil through official channels. The Secretariat is currently awaiting a response to negotiate the final terms of the Agreement.

- (8) **PPD 6/92 Rev.1 (F)**                      **Study of the First Forest Zone of Gabon in View of its Management, Gabon (\$157,500)**

The Pre-Project was submitted by the Government of Gabon and approved by the ITTC during its Thirteenth Session held in Yokohama and funds amounting to \$157,500 were made available for implementation.

The objective of this Pre-Project is to carry out a study to determine the methodology and cost for stratifying about 3,000,000 ha of tropical forests in the First Forest Zone. ITTO support will be used to cover the costs of consultants, support personnel and materials needed to complete the study. This Pre-Project will result in the formulation of a project proposal to be submitted for external funding. The draft agreement has been signed by the Government of Gabon. The initiation of Pre-Project activities is pending the receipt of all funds pledged during the Thirteenth Session of the ITTC into ITTO's Special Account.

- (9) **PPD 1/93 Rev.1 (F)**                      **Feasibility Study for the Preparation of a Management Plan for the Souanké-Sembé-Kellé Area in North-West Congo (\$174,090)**

The Pre-Project was submitted by the Government of Congo and approved by the ITTC during its Fourteenth Session held in Kuala Lumpur. Funds amounting to \$174,090 were made available for implementation. A draft Agreement for the implementation of the Pre-Project was submitted to the Government of Congo on 15 June 1993 for review and it is expected that the Agreement will be signed in the near future.

- (10) **PPD 4/93 Rev.1 (F)**                      **Physical and Socio-Economic Evaluation for the Re-scheduling of the Integrated Watershed Rehabilitation Project (PRIDECU) (\$168,625)**

This Pre-Project was submitted by the Government of Colombia and approved during the XIV Session of the ITTC in Kuala Lumpur. However, financing was not made at that time and the implementation of this Pre-Project is awaiting the availability of funds in the Special Account.

- (11) **PPD 5/93 Rev.1 (F)**                      **Preparation of an Integrated Management Plan for District No.1 of the Kuna Yala Indian Region, Aimed at the Development of Agroforestry (18,000 ha), Production Forests (22,000 ha), and Watershed Protection (60,000 ha) (\$220,000)**

This Pre-Project was developed in place of a previous project submitted by the Government of Panama PD 30/92 Rev.1 (F) - *Establishment of an Agroforestry Demonstration Area in the Kuna Yala Region (San Blas)* which was considered by the XI Session of the Committee. With the assistance of a consultant supported by ITTO, this Pre-Project was formulated and submitted to the XII Permanent Committee for consideration. It was approved by the XIV Council and \$222,000 was allocated for immediate implementation. The Agreement has been signed and start-up of Pre-Project activities will begin as soon as all pledges have been deposited in ITTO's Special Account.

- (12) **PPD 6/93 Rev.1 (F)**                      **The Development of Guidelines for the Protection of Tropical Forests Against Fire (\$89,320)**

This Pre-Project developed from a previous Activity, *Protection of Tropical Forests Against Fire*. During its Twelfth Session, the Committee reviewed and approved the Pre-Project which essentially provides consultant support and sets up an expert panel to develop Forest Fire Guidelines (found in Appendix III of PCF(XII)/17 Rev.3). The XIV Council approved this Pre-Project and allocated \$89,320 for its implementation. Initial contacts have been established with interested consultants to collect information and draft a discussion paper to facilitate the work of the expert panel. However, further action is pending the deposit of all pledges into the Special Account.

(13) **PPD 8/93 (F)** **Demonstration Areas for Sustainable Management of Production Forests (\$110,000)**

This Pre-Project also developed out of an Activity in the field of Reforestation and Forest Management, *Demonstration Models for Sustainable Production of Timber and Non-Timber Products and Conservation*. During its XII Session, the Committee formed an informal working group to provide it with advice and guidance for following up on the Activity. As a result, a Terms of Reference for the implementation of this activity and a check-list of criteria for the selection of demonstration areas was developed. These were combined with a budget to formulate a Pre-Project document (found in PCF (XII)/17 Rev.3) which was approved by the Committee. The Council approved this Pre-Project and instructed the Executive Director to begin implementation as soon as funds became available in the Special Account.

In July 1993, the Japan Lumber Importers' Association (JILA) Environment Committee pledged \$110,000 to the Special Account for the purpose of implementing this Pre-Project. Based on the criteria drafted by the Committee's informal working group during its Twelfth Session, the ITTO Secretariat developed a form for nominating demonstration areas to begin the process of assessment. A letter was sent by the Executive Director with the nomination form and criteria to all ITTO producer countries in their official language on 9 September 1993. Since then, responses have been received from five countries and additional responses are expected over the next few months.

## 3.2 PROJECTS

### 3.2.1 Project Proposals

In the field of Reforestation and Forest Management, a total of thirty-seven Project proposals were reviewed by the Expert Panel during 1992. Of these, twenty-two project proposals were reviewed by the Permanent Committee during its two Sessions. The Committee recommended that twenty Project proposals be implemented and these proposals were approved by the Council. For nine of these projects, the Council provided immediate financing. The Council also provided full financing for five projects which were approved, but not funded, in previous Sessions.

Following the Committee's recommendations, the Council approved the implementation of the following Projects, with the ITTO contribution shown in parenthesis:

PD 48/92 Rev.2 (F)	Biotechnological Development of Forest Species in the Zulia Basin in the Zulia Municipality, North Santander Department, Cimitarigua Community (\$951,439)
PD 49/92 Rev.3 (F)	Biological Control of Pathogenic Micro-organisms in Forest Plantations of the Pamplonita and Arauca Basins, North Santander Department, Negavita Community (\$1,132,730)
PD 50/92 Rev.3 (F)	Conservation and Integrated Development in La Macarena Special Management Area (\$1,586,784)
PD 2/93 Rev.1 (F)	Integrated Pilot Management of the Ngoua II Forest North - Phase I: Preparation of the Management Plan (\$756,762)
PD 3/93 Rev.1 (F)	Management and Conservation of the Forest of Bangou - Phase 1: Development of the Management Plan (\$798,364)
PD 5/93 Rev.1 (F)	Ten-Year Production of Treated Residual Dipterocarp Forest Stands (\$11,664)
PD 6/93 Rev.1 (F)	Manual and a World Natural Mangrove Atlas for Mangrove Ecosystem Restoration (\$732,984)

PD 10/93 Rev.1 (M,F,I)	Seminar and Study Tour on Sustainable Forestry Management System Practiced in Natural Forests of Japan (\$122,869)
PD 11/93 Rev.1 (F)	A Strategy for the Sustainable Management and Harvesting of Forest Resources and Strengthening of Indigenous Territories in the Colombian Amazon (\$338,643)
38/92 Rev.2 (F)	The Establishment of Community-Based Teak ( <i>Tectona grandis</i> ) Plantations on Degraded Forest Areas in the State of Kedah, Malaysia (\$550,588)
12/93 Rev.3 (F)	Integrated Forest Fire Management in Indonesia - Phase I: National Guidelines on the Protection of Tropical Forests Against Fire (\$936,524)
20/93 Rev.1 (F)	Development of National Guidelines for the Sustainable Management of Natural Tropical Forests in the Cameroon (\$414,900)
21/93 Rev.1 (F)	Forest and Farmers: Sustainable Coexistence (\$1,733,808).
24/93 Rev.2 (F)	Forest Management of Natural Forest in Malaysia - Phase II of PD 10/87 (F) (\$567,558)
25/93 Rev.1 (F)	Evaluation of the Progress Made by Ecuador Towards Achievement of ITTO Target 2000 (\$597,130)
26/93 Rev.1 (F)	Development of Bentuang Karimum Nature Reserve as National Park (Phase I) (\$1,165,722)
32/93 Rev.2 (F)	Rehabilitation of Logged-Over Forests in Asia/Pacific Region (Sub-Project III) (\$558,779)
36/93 Rev.1 (F)	Securing the Implementation of Improved and/or New Established Nurseries in Egypt (\$301,730)
37/93 Rev.1 (F)	Silvicultural Management in the Forests of Bajo San Juan (\$726,699)
40/93 Rev.1 (F)	Improvement of Data Collecting, Processing and Application Techniques for Sustainable Forest Management (\$534,041)

### 3.2.2 Completed Projects

Six Projects were completed during 1993, of which five have submitted all required project completion reports and audited financial reports. The implementing agency for PD 97/90 Rev.1 (F) has submitted its final report which was revised based on desk reviews of independent consultants, and the audited financial report is expected in the very near future. One Project, PD 149/91 Rev.3 (F) was terminated by the Permanent Committee during its Twelfth Session for reasons as explained below. Subsequently, the unused funds plus interest were returned to ITTO's Special Account.

#### (1) PD 2/87 (F) Rehabilitation of Logged-over Forests in Asia/Pacific Region

##### Budget and Funding Sources:

Total Budget:	\$227,100*
Sub-Project I:	\$240,000
Sub-Project II:	\$430,000
Government of Japan:	\$670,000
To be determined:	\$550,960
*/ remainder of \$557,100 for Sub-Project III, presented as PD 32/93 Rev.2 (F)	



Implementing Agency: Japan Overseas Forest Consultants Association (JOFCA)

Session of Approval: ITTC Session III, November 1987, Yokohama

Starting Date and Duration: Phase II: 9 April 1991 (2 years)

Two international consultants, one from the Philippines and one from India, were hired by JOFCA to supplement their own expertise in developing a provisional classification. This classification was subject to an informal review workshop held in Yokohama on 26 July, 1991 in conjunction with the Conference of Senior Foresters [see report on PD 117/90 (M,F,I)]. A number of refinements were made at this workshop and the classification was subsequently field tested in both Thailand and the Philippines and further reviewed by a panel of experienced field foresters in Manila in December 1991. This led to further refinements to the classification system. The classification system and general progress with the project was then further considered at a joint mid-term project review which was conducted by JOFCA and the ITTO Secretariat on 10 January, 1992.

Discussions held during this review resulted in additional refinements where the project placed greater emphasis on the land use objectives of the classification system in different areas. Where timber production was a primary or an important objective, it was agreed that the classification system should focus on factors having economic impact on long term timber production suitability. This would assist decision makers to prioritize areas for concentrating post-harvesting silvicultural treatments so as to enhance future outputs. The project developed and field tested the classification system and worked with various types of remote sensing imageries to determine the extent of various classes of forest in selected Asia-Pacific countries requiring post harvest silvicultural treatment to maintain or improve productive capacity.

A further joint JOFCA/ITTO review of progress with the project was held on 30 July, 1992. Work progressed well on both the remote sensing aspects and the preparation of the report on the final field classification system. The draft final report on the field classification system was completed in November 1992 with the report on the remote sensing work completed soon after.

The English version of the final report for Sub-Project II was submitted to the ITTO Secretariat in March 1993 while the French and Spanish versions were received in May. Two independent consultants were contracted to carry out a desk review of the final report. One consultant was a specialist in tropical forest management who concentrated on reviewing the rehabilitation aspect of the report. The other was a specialist in GIS who carried out an assessment of the remote sensing component. The final report was distributed during the Twelfth Session of the Permanent Committee as PCF(XII)/7, and the desk reviews were available as PCF(XII)/12.

JOFCA has submitted an audited financial report, which was reviewed and accepted by the Secretariat. Under this condition, the second sub-project of PD 2/87 (F) is officially concluded. The Government of Japan has submitted a further proposal, PD 32/93 Rev.2 (F) for a third sub-project under the same title to share experiences gained from the first two Sub-Projects. The new sub-project will sponsor workshops and support the publication of relevant materials as a means to disseminate lessons learned.

- (2) PD 71/89 Rev.1 (F) The Economic and Environmental Value of Mangrove Forests and Present State of Conservation

Budget and Funding Sources:

Total Budget:	\$270,000
Government of Japan:	\$270,000

Implementing Agency: Japan International Association for Mangroves (JIAM) in Cooperation with the International Society for Mangrove Ecosystems (ISME).

Session of Approval: ITTC Session VII, November 1989, Yokohama

Starting Date and Duration: January 1991 (18 months)

Work on compiling and analyzing the various Country Reports began in the early part of 1992 and further workshops have been held in both Fiji and Tokyo to collate information on the present conditions of Mangrove ecosystems in the Pacific Region. The Final Report, which contains a Country Report from the workshop in Fiji, was received by the Secretariat in April 1993, and was distributed to the Committee during its Twelfth Session as PCF (XII)/14.

The Final Report describes the status and value of mangrove forests in Indonesia, Malaysia, Thailand and Fiji. Furthermore, draft guidelines for the sustainable utilization and management of mangrove ecosystems have been developed as an outcome of the project and are presented in the Final Report. The Final Report also contains a mangrove resource information system which is a description of the data base developed during the project. The intention of this data base is to provide a model for information that should be collected to assess the current status of mangroves in countries not covered by the project.

As an outcome of the project, ISME published a technical report as part of the ITTO Technical Series (TS-12), entitled *"The Economic and Environmental Value of Mangrove Forests and Their Present State of Conservation (includes country reports on Indonesia, Malaysia, Thailand and Fiji)"*. ISME took into consideration the recommendation made by the Permanent Committee during its Twelfth Session and included Fiji as part of the technical report.

The Executing Agency submitted the audited financial report for PD 71/89 Rev.1 (F) which has been reviewed and accepted by the Secretariat. Therefore, this project can be considered as fully completed.

(3) PD 97/90 Rev.1 (F) Multi Stage Survey of Tapajos National Forest

Budget and Funding Sources:

Total Budget:	\$102,400	+	\$500	=	\$102,900
Government of Japan:	\$102,400				
Government of the United States:	\$		500		

Implementing Agency: Fundação Pró-Natureza (FUNATURA)

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 10 April 1991 (8 months)

Two highly respected, independent consultants with expertise in remote sensing and forest inventories, Dr. Jerome Vanclay and Dr. Svend Korsgaard, carried out separate desk reviews of the draft final report and submitted their reviews to the Secretariat in April 1993. Both reviews recommended that the draft report be revised to clarify the methodologies, analysis and outcome of the multi-stage inventory exercise and provided specific recommendations for improving the quality of the final report. The reviewers felt that this type of work is highly relevant to ITTO and as such, believe that more work on the report was needed before it could be circulated.

FUNATURA submitted the final project report consisting of two volumes and one addendum. The first volume contains the main text of the report detailing background information, methodologies, results, conclusions, recommendations and references. In October 1993, the implementing agency informed the Secretariat that it will take a while to finish the translation and printing of the final report in Spanish and French. Nonetheless, the audited financial report and the translations are expected in the very near future, and as soon as they are

received, the project will be considered as completed. The information generated from this project will be utilized in conjunction with PD 68/89 Rev.2 (F) *Management of Tapajós National Forest for Sustainable Production of Industrial Timber* to develop a management plan for the entire national forest.

(4) **PD 116/90 (F)                      Appropriate Forest Technologies**

**Budget and Funding Sources:**

Total Budget:	\$655,000
Government of Japan:	\$318,000
The World Bank:	\$337,000

Implementing Agency:            Asia Region Technical Department of The World Bank

Session of Approval:            ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 27 August, 1991 (1 year)

The Project supported three principal areas of activity:

1. **A Study on the Design of an Information Network:** A data base of some 500 forestry related institutions worldwide has been developed and includes information on institutional structures, main activities or research programs, consultant resources and innovative technologies or management systems. A copy of this database was submitted to the Secretariat in October 1993. This data base is available on diskette and can be used on most personal computers. The database is available from Dr. Gemma Chan, AGRNR, at the World Bank (Tel 202-458-1931; fax 202-477-1680; address 1818 "H" Street, N.W., Washington, D.C. 20433, U.S.A.).
2. **A State-of-the-Art paper on the establishment and management of plantations** was prepared in a number of topic areas. These topics were synthesized into a comprehensive paper on plantation establishment and is available from the World Bank.
3. **Preparation of Research Papers on Sustainable Management of Tropical Moist Forest:** A number of publications have been produced under the program including: (1) A Strategy for Asian Forestry Development (booklet), (2) Strategies and Technologies for Asian Watersheds (booklet), (3) Strategies for Forest Sector Development in Asia (Technical Paper) and (4) a Technical Bulletin on Seed Collection. These short papers were specifically aimed at professionals working at field level. Limited copies are available for distribution to members upon request from the Secretariat.

The final progress report was received by Secretariat on 9 March, 1993. All disbursements were completed by the end of June 1993, and the financial report has been received by the Secretariat. This project can be considered as completed although the World Bank will continue to distribute publications as well as continue with initiatives originally funded by the project.

(5) **PD 149/91 Rev.3 (F)                      Technical Workshop to Explore Options for Global Forest Management**

**Budget and Funding Sources:**

Total Budget:	\$250,000
Government of Japan:	\$100,000
Asian Development Bank:	\$100,000

Implementing Agency: Department of Environment and Natural Resources of the Government of the Philippines - DENR.

Session of Approval: ITTC Session X, May 1991, Quito, Ecuador

Starting Date and Duration: February 1992 (2 months - extended)

In the opening discussions during its XII Session, the Committee expressed its concern over the continuation of the project and its appropriateness in light of recent developments stemming from UNCED. The Committee decided to form an informal working group composed of delegates from Japan, Philippines, Norway, Brazil, U.K. and Sierra Club to discuss and make recommendations to the Committee on needed actions.

The working group considered the following three options:

1. To hold a technical workshop on a specific agreed upon topic to follow-up initiatives generated by UNCED.
2. To plan a workshop which would take place after the successor agreement had been negotiated and to address issues related to coordinating forestry activities at the international level.
3. To terminate this project and submit a new project proposal for holding a workshop to discuss ITTO's role in the follow-up on UNCED decisions.

The majority of delegates participating in the working group determined Option 3, to terminate the project, as most appropriate. In this light, the Committee decided to adopt the conclusion of the informal working group and recommended to the Council that this project be terminated as described in Option 3. The delegate from the Philippines requested suggestions on possible specific topics for a new workshop. The chairman of the Committee urged delegations to present their ideas to the Philippines for inclusion in a new proposal which would be considered in the next project cycle.

The Council decided to adopt the Committee's recommendation and the project was terminated as proposed. Following this decision, Secretariat advised the DENR on 23 July 1993 to submit to ITTO an audited account together with the financial status from the advance funds remitted and to return any unspent balance of the funds to ITTO Special Account. In October 1993, the DENR returned the full amount of \$96,000 that was previously transferred plus interest (some of which was used to offset banking charges). Consequently, this project can be considered as officially concluded. The Secretariat has not yet received a proposal from the Government of the Philippines for another workshop.

(6) PD 164/91 Rev.1 (F) **Native Species Reforestation as an Alternative for Conserving the Panama Canal Watershed**

Budget and Funding Sources:

Total Budget:	\$140,000
Government of the United States:	\$140,000

Implementing Agency: Asociación Nacional para la Conservación de la Naturaleza - ANCON

Session of Approval: ITTC Session X, May 1991, Quito, Ecuador

Starting Date and Duration: 30 October, 1991 (1 year)

In May 1991, the Government of Panama presented a project entitled *Native Species Reforestation as an Alternative for Conserving the Panama Canal Watershed* at the Tenth Session of the ITTC in Quito, Ecuador. This one-year project was approved and full financial support from the Government of the United States was committed for \$140,000. An agreement for project implementation was signed

between ANCON and ITTO in October 1991, and the first deposit was made the following month. ANCON began executing project activities in November 1991, and finished the project as scheduled, one year later.

A draft final report was presented to the Secretariat in December 1992. This report summarizes the outputs and accomplishments of the project. Most notable is the development and transfer of appropriate technologies for reforestation and agroforestry practices to local communities in the Panama Canal Watershed. A total of 96,268 seedlings of native and exotic species were planted on 86.6 ha by 61 community groups over the one year period.

The final evaluation was carried out from 1-5 February, 1993. An evaluation team composed of representatives from ITTO, ANCON and INRENARE reviewed project documents, held meetings and carried out field visits at the Río Cabuya Demonstration Farm and participating communities. The final evaluation report was prepared by the Conservation Officer and was presented in the Twelfth Session of the Permanent Committee as PCF (XII)/6. The final evaluation followed-up a project review carried out by INRENARE in October 1992, and a verified the draft Final Report submitted by the implementing agency in December of the same year.

Overall, the evaluation found the project to be very effective in completing planned activities, within a period of only one year, achievements were significant. At the time of project evaluation, most activity targets programmed in reforestation and agroforestry had been fully achieved. The Green Iguana component has not been totally completed as planned, particularly in respect to community extension and release into the wild. The targets for capture and breeding were not met, but this is a result of circumstances beyond the implementing agency's control. However, the delay in the execution of these components is justified, and ANCON, with its own resources and those of other supporting institutions will be able to follow through with its plan.

### 3.2.3 Projects under Implementation

Forty-five Projects in the field of Reforestation and Forest Management were under active implementation at the end of 1993. ITTO's total budget commitment for these Projects is \$33,385,758. A brief description and current status of each on-going project is described in this section.

#### (1) PD 10/87 (F) Forest Management of Natural Forests in Malaysia

##### Budget and Funding Sources:

Total Budget:	\$595,145 + \$ 30,000 = \$625,145
Government of Switzerland:	\$272,350
Government of Malaysia:	\$322,795
Government of the United States:	\$ 30,000 (extension)

Implementing Agency: Forestry Department Headquarters, Peninsular Malaysia.

Session of Approval: ITTC Session III, November 1987, Yokohama, Japan

Starting Date/Duration: 8 August 1988 (10 years)

This project is now approaching the end of the initial phase. The international consultant, Dr. Svend Korsgaard, hired to complete the data analysis has submitted his final report and provided the Forestry Department with a validated programming system for continued monitoring and analysis of growth and yield of the sample plots. The Secretariat carried out a review mission of this project in September 1993. Activities with current funding are now fully completed and the implementing agency is expected to submit a completion report and audited financial report for the XVI ITTC.

A proposal for the second phase of this project, PD 24/93 Rev.2 (F) was approved and financed during the Council's Fifteenth Session. The workshop originally envisioned in the first phase [PD 10/87 (F)] was passed on to the new project.

(2) PD 15/87 (F) **The Biology of the Okoume (Aucoumea klaineana Pierre) in Gabon**

**Budget and Funding Sources:**

Total Budget:	\$845,000
Government of Gabon:	\$427,500
Governments of Japan:	\$417,500

Implementing Agency: TROPENBOS in partnership with la Direction du Reboisement and CENAREST

Session of Approval: ITTC Session III, November 1987, Yokohama

Starting Date and Duration: November 1992 (3 years)

A joint project progress review was also conducted and the first Steering Committee meeting held on 5 January 1993. Recent progress in project implementation has been as follows:

- A technical mission review was conducted by the Tropenbos Foundation on 18-31 May 1993 essentially to train national experts in the use of the new scientific equipment acquired by the project and to review the conduct of scientific experiments;
- The nursery has been established and 21,000 seedlings are being produced, allocating 1000 seedlings/provenance.
- The site for provenance tests has been prepared.
- Experiments on vegetative propagation of Okoume have been initiated.

(3) PD 34/88 Rev.1 (F,I) **Conservation, Management, Utilization and Integrated and Sustained Use of the Forests in the Chimanes Region, Beni Department, Bolivia**

**Budget and Funding Sources:**

Total Budget:	\$ 2,654,000 + \$ 75,960 = \$2,729,960
Government of Bolivia:	\$ 1,394,000
Government of Japan:	\$ 575,000 + \$ 25,960 = \$ 600,960
Government of Switzerland:	\$ 355,000 + \$ 25,000 = \$ 380,000
Government of France:	\$ 200,000
Government of Denmark:	\$ 125,000 + \$ 25,000 = \$ 150,000

Implementing Agencies: Center for Forest Development, Bolivia, in cooperation with Conservation International.

Session of Approval: ITTC Session V, November 1988, Yokohama

Starting Date and Duration: April, 1990 (Three years initially - extended to December 1993 by the Twelfth Session of the ITTC)

Over the past year, the CDF has made considerable progress with project implementation. Principle activities include:

- **Harvesting control** - A new systematic methodology for preparing areas to be harvested has been developed by the project. Pilot sites for applying this methodology have been selected in each one of the management units. The project has continued with its routine monitoring and control of timber harvests during the reporting period.
- **Employing Consultants** - The CDF has utilized the services of international and national level consultants to assist with the development of sustainable management practices for the Chimanes forests.
- **Research** - The project has continued research in logged over areas to obtain information on forest dynamics (species distribution, regeneration, diameter increment, etc.). Research has also continued regarding the effectiveness of reforestation efforts through plantation establishment, enrichment planting in logged areas and agroforestry systems. Over the reporting period, the project strengthened its collaborative ties with the University of Princeton research project PD 88/90 Rev.1 (F) *Sustainable Selective Harvesting of Mahogany in Bolivia* which is studying the ecology of mahogany.
- **Reforestation** - Over 160,000 seedlings have been produced in project nurseries during the past six months, most of these have been mahogany seedlings, but other commercial species have been propagated as well. The project staff continues to evaluate planting methods to determine the effectiveness of past planting practices.
- **Community Participation** - The project has intensified its efforts to consult and work with indigenous and colonist communities in the project region. Indigenous groups are assisting the project to patrol the Chimanes forest to control illegal logging. Furthermore, local communities have been actively involved in the formulation of the follow-on proposal which now includes indigenous territories, which will be managed by local tribes for the sustainable production of timber. Finally, the communities have participated in reforestation efforts, establishing mahogany plantations through the creative use of agroforestry systems. The CDF and the indigenous communities have met and recognize the need to strengthen local involvement in project activities.
- **Boundary Demarcation** - The project has continued to mark the boundaries between the concessions and indigenous territories.
- **Control of Illegal Logging** - The number of patrols and control posts have been increased substantially resulting in the detainment of unlawful loggers and confiscation of illegally cut timber.
- **Training** - Project staff have continued to receive training at both the national and international levels. Much of the training has been carried out by the consultants.

The Executing Agency submitted a proposal for a second phase of this project, PD 33/93 Rev.1 (F), which was considered by the Permanent Committee during its Thirteenth Session. The Committee thought highly of this proposal, however, since the final evaluation had not yet been completed, the Committee decided to defer a final decision until its next session in May 1994. Subsequently, the Council approved an extension of six months through June 1994 and immediately allocated \$75,960 to allow project activities to continue at a minimum level until the final evaluation is completed in April 1994.

- (4) **PD 52/89 Rev.4 (F)**      **Forestry Treatment by Thinning-Out in the Context of a Pilot Forest Development Scheme in the Reserve Forest of Sud-Bakundu**

**Budget and Funding Sources:**

Total Budget:	\$ 2,116,400 + \$ 50,000	= \$2,166,400
Government of Cameroon:	\$ 949,500	

Government of Japan:	\$ 1,066,900
Government of the United States:	\$ 100,000 + \$ 50,000 <u>*/</u> = \$ 150,000

\*/ additional amount for boundary demarcation

Implementing Agency: Office National de Developpement des Forets (ONADEF)

Session of Approval: Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: 1 August, 1992 (4 years)

During the year, the following developments occurred:

- Further to the allocation of an additional budget of US\$50,000 to demarcate the reserve boundaries, an Addendum to the original project Agreement covering this additional ITTO contribution was drafted by the ITTO Secretariat and signed by the Cameroonian authorities on 6 July, 1993. The signature of the Executive Director of ITTO is pending the release of the U.S. contribution to finance this additional budget.
- Mr. Jean-Pierre Fines, was selected and assigned to the project as Senior Principal Technical Adviser in June 1993.
- The agro-economist and two forest technicians were also assigned to the project in May 1993.
- Part of the equipment, including two 4WD vehicles and one minibus were purchased.
- A detailed operation plan was developed for the period of August 1993 - August 1994 and should result in a fully developed forest management plan by August 1994.

The implementation of this detailed operation plan was initiated with the set up of project administration and a survey of the forest reserve boundaries. Other planned activities not yet initiated include socio-economic studies, environmental studies, demarcation of the reserve boundaries, zoning and mapping, the development of the management plan and other technical documents, and seedling production. Contacts have been established with local communities and local institutions involved in project implementation.

**(5) PD 53/89 Rev.1 (F) Preparation of A Master Land-Use Plan for Forest Areas**

Budget and Funding Sources:

Total Budget:	\$480,000
Government of Cameroon:	\$ 85,000 <u>*/</u>
Government of Japan:	\$373,315
Government of Norway:	\$ 21,685

\*/ plus other contributions in kind

Implementing Agency: Government of Cameroon

Session of Approval: ITTC Session VI, May 1989, Abidjan, Côte d'Ivoire

Starting Date and Duration: October 1990 (1 year)

The Secretariat reviewed the report for Phase I and found that some aspects which should have been investigated according to the Project Document were not adequately addressed in the report. The Secretariat requested the implementing agency to clarify various points. Subsequently, the implementing agency requested the consultants to modify the report taking into consideration the



Secretariat's observations. The report was revised to the implementing agency's satisfaction and resubmitted to the Secretariat. By the end of the year, the implementing agency informed the Secretariat that the report for Phase II of the project is 100% completed and the synthesis report is 70% complete.

During its Thirteenth Session, the Committee decided to approve an extension to undertake an independent desk review of the reports resulting from this project and requested the Council to allocate \$5,275 for that purpose. However, funds were not immediately made available for this review. Nonetheless, the final project report will be submitted to the Committee during its Fourteenth Session in May 1994.

(6) **PD 68/89 Rev.1 (F) Management of Tapajós National Forest for Sustainable Production of Industrial Timber**

**Budget and Funding Sources:**

Total Budget:	\$ 3,037,946 */
Government of the United Kingdom:	\$ 1,513,146
IBAMA:	\$ 1,524,800

\*/ including contributions in kind by IBAMA

Implementing Agency: Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA)

Session of Approval: ITTC Session VI, November 1989, Yokohama

Starting Date and Duration: August 1992 (5 years)

IBAMA had some difficulties including the money in its 1993 budget and making project funds available at the local level. Banking rules and regulations coupled with administrative problems resulted in the loss in value of project funds due to inflation. IBAMA has explored various options for facilitating the flow of project funds to the field and has devised a solution for improving the administration of project resources. These new procedures will protect project resources against future currency losses.

The implementing agency assured ITTO that it will make up the lost value and contribute additional resources to the project. As part of its contribution, IBAMA carried out an inventory in 1992 and processed the data. This information was utilized by FAO consultants to update the management plan for the project area. Furthermore, it has purchased equipment and hired consultants with counterpart resources to offset the money lost due to currency devaluation.

The second meeting of the Project Steering Committee took place in October 1993 with the participation of representatives from IBAMA, ABC, collaborating research institutions, universities, the ODA and the ITTO Secretariat. The Steering Committee reviewed the first draft of the workplan developed by a consultant and provided valuable comments for improving it. The workplan was finalized at the beginning of November.

(7) **PD 69/89 Rev.1 (F) Workshop on Sustained Tropical Forest Management with Special Reference to the Atlantic Forest**

**Budget and Funding Sources:**

Total Budget:	\$ 68,000
Government of Japan:	\$ 68,000

Implementing Agency: Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA) in Cooperation with the Brazilian Foundation for Nature (FUNATURA)

Session of Approval: ITTC Session VII, Oct./Nov. 1989, Yokohama, Japan

Starting date and Duration: July 1990 (8 months)

A draft write up on the workshop was received in Portuguese in late April 1993. The report states that the following four workshop objectives were achieved. Upon conclusion of the Panel discussions, the workshop participants met in a plenary session to arrive at conclusions. Subsequently, a total of 57 specific recommendations were developed centering around the six topics debated in the Panel meetings. The workshop recommendations resulted in **Presidential Decree No. 750** signed into law on 10 February, 1993 which is the most significant impact of this project. The Decree contains 14 articles dealing with specific measures for the conservation and management of the Brazilian Atlantic Forest.

At its XII Session in Kuala Lumpur, the Committee approved an extension of the project and an increase in the budget of \$28,000 to translate the proceedings to Spanish and French. However, pledges have not yet been received to cover the translation costs. During its Thirteenth Session, the Committee decided to allow the Project to be extended until June 1994, and if funds have not been allocated by that time, the project would be concluded. The Secretariat is still awaiting the receipt of the English translation of the proceedings (being undertaken by IBAMA's Forestry Department) and the final edited version of the proceedings in Portuguese. A financial report for the \$68,000 was received by the Secretariat and is currently under review.

- (8) **PD 74/90 Rev.1 (F,I) Better Utilization of Tropical Timber Resources in Order to Improve Sustainability and Reduce Negative Ecological Impacts**

Budget and Funding Sources:

Total Budget:	\$600,000*/
Government of Germany:	\$600,000

\*/ plus contributions in kind by participating governments

Implementing Agency: The Federal Research Center for Forestry and Forest Products, Hamburg, Germany.

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: December 1990 (2 years)

At the time of the Twelfth Session of the Permanent Committee, all field studies programmed to be undertaken in Ghana, Cameroon, Indonesia and Malaysia were completed. The project evaluation workshop was held in Hamburg, Germany on 18-28 April 1993 with the participation of representatives from national institutions involved in the project, the implementing agency staff, representatives of ITTO Secretariat and two consultants hired by ITTO. The role of these consultants was to carry out an independent and critical review of the studies undertaken under the project and to assess the outcome of the Hamburg workshop. Consequently, the Committee granted a no-cost extension until June 1994 to allow the reports to be completed and submitted to ITTO. The implementing agency plans to present the final report to the Committee during its Fourteenth Session in May 1994.

Starting Date and Duration: June 1992 (5 years)

The latest developments in project implementation have been as follows:

- The National Assembly of Congo passed a law to restructure the BCC and thereby allowing the transfer of the first installment of ITTO contribution to the new project bank account to take place in the near future.
- The construction of the living quarters at the project site has been initiated.
- The zoning and the demarcation of the project area have begun.

The progress in project implementation was set back due to the political situation, however, it is expected that the project will back on track in the near future.

- (11) PD 84/90 (F)                      **The Establishment of A Demonstration Plot for Rehabilitation of Forests Affected by Fire in East Kalimantan [Phase II of PD 17/87 (F)]**

Budget and Funding Sources:

Total Budget:	\$867,050
Government of Indonesia:	\$ 63,050
Government of Japan:	\$441,000
Government of Switzerland:	\$150,000
Government of Norway:	\$100,000
Government of the Netherlands:	\$ 13,000

Implementing Agency:              The Agency for Forestry Research and Development, Ministry of Forestry, Indonesia

Session of Approval:              ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: February, 1991 (2 years)

The ITTO Secretariat monitoring mission visited the project site in East Kalimantan in June 1993. It revealed that activities such as enrichment planting, tending and reforestation are progressing very well. Inventory of the demonstration forest area has been fully completed, covering 1000 ha of forest damaged by fire. Nurseries were set up to support planting activities in the area. Construction of infrastructure including office facilities, residences, and internal roads are completed.

This project is successfully fulfilling its objective as a demonstration area. More than 250 people, most of them specialists in tropical forestry, have visited the project site to date from a wide range of institutions. A technical seminar to discuss findings and recommendations is planned to be held at the end of January 1994. The Permanent Committee approved an extension of this project until July 1984 at no extra cost to allow the completion of project activities.

- (12) PD 86/90 (F)                      **International Network for Developing Human Resources in Tropical Forest Management (Phase I)**

Budget and Funding Sources:

Original Budget:	\$500,000
Government of Japan:	\$400,000
Government of Denmark:	\$100,000
Fourth Addendum Extension:	\$259,350
Government of Japan:	\$195,597

(9) PD 75/90 (F) Development of Genetic Resistance in the Tropical Hardwood Iroko to the Damaging Insect Pest: *Phytolima lata*

Budget and Funding Sources:

Total Budget:	\$322,743
Government of Ghana:	\$ 65,333
Government of Japan:	\$157,410
Government of Denmark:	\$100,000

Implementing Agency: Forest Products Research Institute, Kumasi, Ghana

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: 10 December 1990 (3 years)

During the period leading up to the Thirteenth Session of the Permanent Committee, developments in project implementation include:

- A joint review of project activities was carried out from 15-17 July 1993 with the participation of project staff and a representative of the ITTO Secretariat. The review concluded that the project is being implemented professionally by experienced and competent researchers. However, it is unlikely that stated outputs would be achieved during project implementation, especially in regard to 1) the provision of resistant material for afforestation and 2) the establishment of a germplasm bank for Iroko. This is because provenances or individual resistance to *Phytolima lata* have not yet been identified. However, although completely immune provenances have not been identified, an important range of resistance has been observed. A range of up to a 12-fold difference has been observed between the most susceptible and the most resistant genotypes. Due to this discovery, it is worth pursuing further investigation.
- Most of the research activities initiated at the time of the Twelfth Session of the Permanent Committee are being continued. Additional research activities will start, especially those focussed on the investigation of chemical and anatomical characteristics contribution to resistance and the development of cutting techniques.
- The Project Coordinator, Dr. Joseph Cobbinah, undertook a study tour to Cameroon from 2-7 August 1993 to discuss with Cameroonian counterparts the project results achieved so far. He explored options to broaden the range of selection of Iroko provenances with the possible inclusion of Cameroonian provenances, and to assess the potential for future cooperation in the development of project activities.
- Five additional technical papers are being prepared for publication as an output of project work.

As requested by the implementing agency, the Permanent Committee approved an extension of the project until December 1994, at no extra cost, to allow the completion of project activities.

(10) PD 77/90 (F) Establishment of A Pilot Area for Silviculture in Closed Forests in Congo

Budget and Funding Sources:

Total Budget:	\$642,000
Government of the Congo:	\$113,000
Government of Japan:	\$529,000

Implementing Agency: Centre Pilote d'Afforestation en Limba (CPAL)

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Government of Switzerland:	\$ 50,000
Government of Australia:	\$ 13,753

Implementing Agency: ITTO Secretariat

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: December 1990 (1 year - extended till 30 June 1994 by XIV Council Decision)

Since the last report, tabled at the Twelfth Session of the Permanent Committee for Forest Management and Reforestation in Kuala Lumpur in May 1993, activities undertaken include:

### *Newsletter*

At the request of a number of delegates attending the last Session of the ITTC in Kuala Lumpur, the name of the ITTO newsletter was shortened to *Tropical Forest Update* to reflect the broader scope of the newsletters. Production of the English editions has continued on schedule, with Vol 3(5) due to be released in October. The distribution of the newsletters has continued to grow, and there are presently over 3,000 names representing over 100 countries on the English mailing list. The rate of increase for the mailing list has stabilized at around 50 per month.

As in previous editions, a wide range of topics continue to be covered by the newsletters. Regular features have included reviews of the current literature, institutional and country profiles, summaries of international short courses and training opportunities, summaries of articles which have appeared in international journals, reports on various meetings and information of forthcoming meetings. In addition, articles have been published dealing with various aspects of ITTO's guidelines on sustainable forest management, on issues which have been raised by Council and articles which have been contributed by network members, or which have been written at the request of the editor. Since the last review, themes which have been taken up include conservation of biodiversity, timber certification and plantation forestry. At the request of the Council, greater attention is being given to forest industry and marketing. In conjunction with this broader scope, more input is being obtained from the ITTO Secretariat. Use is also being made of data being published by the ITTO funded Market Service operating in Geneva.

Following a break in activities while sorting out translator problems, the French and Spanish editions of the newsletter are again being published. The second issue of *OIMT Actualidad Forestal Tropical* was published in August and the third is due at the end of October. The next issue of *OIBT Gestion Actuelle des Forêts Tropicales* will be published as soon as it is back from the translator.

**Information Search Facility:** Readers, especially from developing countries, continue to make use of the ITTO information search facility. It would appear that network members are making greater use of other databases and requests being received have stabilized to a level which does not pose too great a burden on staff.

**Email:** Network participants continue to make use of email to submit news items for publication and to obtain addresses and other information pertinent to ITTO. The use of this form of communication enables a rapid exchange of informational no cost at present to the Information Office.

**Mailing List:** There are over 3,000 names on the English mailing list, as well as some 150 on the French and 500 on the Spanish mailing lists. The present production run for the English version of the newsletter is 3,500.

With a view of preventing a potential gap in the newsletter while arrangements were made for the successor project to initiate activities (PD 17/93 Rev.4 (M,F,I), the Permanent Committee decided to grant an extension of six months to December 1994. Financial support for this extension would be sought at the next ITTC in May 1994 should an extension be necessary.

(13) PD 88/90 Rev.1 (F) Sustainable Selective Harvesting of Mahogany in Bolivia

Budget and Funding Sources:

Total Budget:	\$114,000
Government of the United States:	\$114,000

Implementing Agency: Government of Bolivia and the University of Princeton

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: June 1990 (3 years)

The field season planned for this year falls between 15 August and 15 December. The project has been collecting field data for subsequent analysis (as described in the progress report for the XII Session) in addition to collaborating with other institutions. A summary of research activities is given below:

- **Fecundity counts** - Researchers have counted fruit production on surviving *Swietenia* trees that were censused last year. Fruit production is much lower than last year, with most trees having produced no fruit.
- **Growth and mortality data** - A total of 25 ha have been recensused. Due to the very high precipitation during the previous wet season, mortality rates of mahogany seedlings and saplings were high. An extremely interesting result is that mortality of all species was high in areas of high flooding, and mahogany saplings that did survive in these sites grew very well because of the large openings in the canopy were formed due to the deaths of competing species. Growth rates have also been measured in 100 adult trees representing a sample of size classes from 10 to 150 cm dbh.
- **Factors Determining Density and Distribution of Mahogany** - In order to quantify the role of light and water in seedling and sapling growth and mortality, 2,000 photographs have been taken to measure light levels. Flooding and deposition rates have also been recorded on the plots. To further examine the relationship between abiotic factors, seed germination and seedling growth/mortality, 1,500 seeds were sown, and 1,500 seedlings were planted in plot sites.
- **Quantification of herbivory in Mahogany seedling populations** - The project has written a paper analyzing survey data from 1992 on how the density of seedlings and their distance to adult trees influences herbivory rates, and the implications of these findings for silvicultural systems involving natural regeneration. Experimental results on the effects of manual defoliation on seedling growth rates are also presented in this paper, which is now ready for submission to a scientific journal.

(14) PD 89/90 (F) Sustainable Forest Management and Human Resources Development in Indonesia (Phase I)

Budget and Funding Sources:

Budget Total:	\$ 4,250,000
Government of Indonesia:	\$ 450,000
Government of Japan:	\$ 3,800,000

Implementing Agency: Ministry of Forestry, Indonesia

Session of Approval: ITTC Session VIII, May, 1990, Bali, Indonesia

Starting Date and Duration: 1 April 1991 (3 years)

This year considerable progress has been made on project implementation as described below:

- **Research Component** - The government bidding process is underway for the construction of a research station at Bukit Baka (West Kalimantan) consisting of residences for the manager and two experts, an office and a dormitory. Sites were located and detailed drawings for each structure were completed. Concurrently, ten permanent plots at two private concession areas were established to observe silvicultural practices in natural forest ecosystems.
- **Nature Conservation Component** - The forest management plan for Kurnia Kapuas Company (private concession holder) has been finalized and the document was submitted to the Ministry of Forestry for government approval. In addition, the management plan for Bukit Baka/Bukit Raya National Park is being finalized with USAID assistance. The ITTO project will implement several components as outlined in the management plan. As part of this process, sites for information and visitor centers in Pontianak and Sintang are being identified. An inspection trail along the border of the National Park and the private concession area is being surveyed as well as sites for constructing the guard houses. Supporting equipment including vehicles, motorcycles, radio transmitter and a computer have been purchased.
- **Human Resources Development** - Overseas education and training will be implemented by contracting a consultant firm to carry out recruitment, selection, language preparation, overseas placement and monitoring candidates. The bidding process for this activity is awaiting the final decision from the appropriate Minister. Simultaneously, in-country education and training is being conducted by sending candidates for Master's degree to University of Gadjah Mada and Bogor Agricultural University.

A monitoring visit was conducted in June 1993 by the ITTO Secretariat to review the activities taking place at all project sites. The second disbursement (\$600,000) was transferred to the Indonesian Ministry of Finance on 17 August, 1993. The Permanent Committee granted a one-year extension at no additional cost until April 1995. At that time, it would evaluate the progress and make a decision for an additional extension if necessary.

(15) PD 95/90 (F)                      **Forest Management in the Alexander von Humboldt National Forest, Phase I, II, III**

**Budget and Funding Sources**

Total Budget:	\$ 2,701,200
Phase I Budget:	\$ 506,000
Phase II Budget:	\$ 497,000
Phase III Budget:	\$ 497,000
Government of Peru:	\$ 1,201,200
Government of Japan:	\$ 506,000
To be determined:	\$ 994,000

Implementing Agency:              The National Institute of Natural Resources (INRENA)

Session of Approval:              ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 15 September, 1991 (1 year)

The Steering Committee was formed during its first meeting on 5 March, 1993. The second meeting was held on 16 March with representation from the ITTO Secretariat. During this second meeting, the Steering Committee approved the Terms of Reference for all key project personnel. A Project Director and key staff have been appointed and field work was initiated in June 1993.

A systematic sampling of 15,000 ha at a 1.4% sampling intensity has been completed to verify inventory levels with a potential for timber production. The site for the first annual coupe has been selected from four candidate areas. This 3,500 ha site has a potential commercial volume of just over 30 m<sup>3</sup>/ha. In preparation for the 100% inventory of the area selected for the first annual coupe, a training course in tree identification was held for project technicians. Other activities undertaken in this project.

The implementing agency has reported that all activities are on schedule as determined by the workplan submitted to ITTO for June 1993 - June 1994. The rainy season begins in November and depending upon severity, may slow down project implementation. The Committee granted an extension of Phase I at no extra cost until June 1994 to facilitate the completion of activities.

**(16) PD 99/90 Rev. 1 (F)                      Establishment of Rio Preto National Forest**

**Budget and Funding Sources:**

Total Budget:	\$ 1,393,000
IBAMA:	\$ 924,000
Government of Japan:	\$ 469,000

Implementing Agency:              Brazilian Institute for Environment and Renewable Natural Resources (IBAMA)

Session of Approval:              ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 1 February, 1992 (5 years)

The operational workplan for 1993 was finalized and submitted to the Secretariat. Regarding field activities, the project constructed residences for National Forest staff and researchers, offices, workshops, storehouses, electricity and water facilities, nursery, and access roads. The Forestry Research Society (SIF) was contracted to assist IBAMA to develop a complete set of maps for the forest. The project has placed a high priority on protection and initiated activities to install and repair fencing and collaborate with adjacent landowners to control fire. The project commenced research activities in nursery production and reforestation, and will be collaborating with other organizations to develop and carry out a research program.

SIF and IBAMA negotiated an agreement for the administration of project funds. However, due to changes in legislation governing contracts and agreements with federal agencies, the agreement between IBAMA and SIF was not finalized and signed until August 1993. As a result, the timetable for the workplan (utilizing ITTO resources) was set back until August. Another Steering Committee meeting was held on 14 October, 1993. An updated workplan for the remainder of 1993 was drafted and approved by the Steering Committee which noted that activities programmed utilizing ITTO resources were initiated and have been progressing rapidly. The revised work plan will result in the purchase of most equipment by the end of the year. The soils inventory is expected to take place during the last two months of the year. Likewise, the work for mapping will be contracted through the SIF and should be completed by the end of the year. The remainder of the equipment will be acquired upon receiving the next transfer of funds which may occur at the end of 1993 or at the beginning of 1994. To date, IBAMA has contributed about 95% of its share of project resources.

**(17) PD 103/90 Rev.1 (F)                      Training and Manpower Development in Community Forestry Management**

**Budget and Funding Sources:**

Total Budget:	\$ 1,203,000
Government of Japan:	\$ 1,203,000



Implementing Agency: The Institute of Forestry (IOF), Tribhuvan University, Nepal

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 1 October, 1992 (4 years)

Following delays due to administrative arrangements, the project initiated activities in June 1993. The first Steering Committee meeting was held on 15 June 1993 with the participation of an ITTO representative. The meeting clarified a number of issues and since then the following activities have been undertaken:

- **Consultative Committee** - This committee doubles as the Visiting Scholar Committee. It has met to draw up the Terms of Reference (TOR) for the various Visiting Scholar positions, and met to rank the candidates for the first two positions.
- **Workplan** - A detailed workplan for the first year, and a general plan for the remaining three years has been developed and submitted to ITTO.
- **Infrastructure** - The design and site selection for the ITTO Visiting Scholar building were completed. The contract was put out for bid and a company has been selected to construct the facility. A temporary project office has been set up until the construction of this building is finished.
- **Equipment Procurement** - Initial requirements for equipment have been fulfilled with the purchase of a computer, facsimile, photocopier, etc. The procedures for the acquisition of vehicles is now in its advanced stages.
- **Selection of Visiting Scholars** - An announcement was made in *Tropical Forest Update* and several other renown journals for candidates for the Visiting Scholar positions. Numerous applications were received and ranked by the Consultative Committee. The Steering Committee has made its choices and presented them to the Secretariat for approval.

The first two Visiting Scholars are expected to initiate activities in January 1994. This project has collaborated closely with a USAID/Yale supported program to strengthen the IOF's forestry curriculum, with special emphasis in social forestry.

- (18) **PD 104/90 Rev.2 (F)**                      **Studies of the Management Standards of Hill Dipterocarp Forest in Sarawak from a Watershed Management Point of View**

Budget and Funding Sources:

Total Budget:	\$412,000
Government of Japan:	\$412,900

Implementing Agency: Forest Department, State Government of Sarawak.

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: November 1993 (2 years)

The Project was approved by the Council at its Ninth Session and funds were made available for immediate implementation. An agreement for the implementation of the Project was drafted and submitted to the original implementing agency, the Forestry Agency of Japan, for consideration. However, following recommendations from the Japanese delegates to the Eighth Committee Session in Quito, the Forests Department of the State of Sarawak became the Implementing Agency, and a new Project Agreement needed to be negotiated. A draft agreement was forwarded to the Government of Malaysia on 22 October, 1992 and signed by ITTO on 14 January, 1993. Officials of

Forests Department of Sarawak have been assigned to be the counterparts. Following the consultations with both parties, ITTO approved the appointment of Hirosar Jaya Sdn. Berhad as the consultant to undertake the project work. An agreement was signed between Hirosar Jaya Sdn Bhd and the Sarawak Forestry Department in September 1993. According to this agreement, activities were initiated on 1 November 1993. As a first step, the identification of the project area is now being finalized.

**(19) PD 105/90 Rev.1 (F) Model Forest Management Areas**

**Budget and Funding Sources:**

Total Budget:	\$ 2,019,344
State Government of Sarawak:	\$ 259,168
Government of Japan:	\$ 1,560,176
Government of Switzerland:	\$ 200,000

Implementing Agency: Forest Department, State Government of Sarawak.

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 13 November, 1991 (2 years)

Project start-up was delayed due to some difficulties with the selection and placement of the project leader. However, Dr. Stephan Andel has been chosen and initiated his work as the Project Director. Recruitment activities have been initiated for the other specialist positions and the implementing agency has submitted the Terms of References for 12 national and international consultants to the Secretariat. In addition, a work-plan for the period July-December 1993 was drafted. Over the course of the year, the implementing agency concentrated on drawing up criteria for the selection of the model area and carried out a reconnaissance of candidate project sites. Since the project leader was not placed until June 1993, the Permanent Committee granted a one year extension of the project to November 1994 at no additional cost.

**(20) PD 106/90 Rev. 1 (F) Development of the Lanjak-Entimau Wildlife Sanctuary as a Totally Protected Area, Phase I**

**Budget and Funding Sources:**

Total Budget:	\$ 1,985,141
State Government of Sarawak:	\$ 234,304
Government of Japan:	\$ 1,550,837
Government of Denmark:	\$ 200,000

Implementing Agency: Forest Department, State Government of Sarawak

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 13 November, 1991 (2 years)

The outputs of Phase I include a management plan for the Lanjak-Entimau Wildlife Sanctuary and a draft project proposal for international support for Phase II. To date, a general survey of sanctuary has been carried out and detailed work plan has also been completed. The detailed work plan was discussed and endorsed by local forestry authorities. The first Steering Committee meeting was organized on 2 July, 1993 in Kuching and was attended by a representative of the ITTO Secretariat. Currently, more detailed field surveys of the sanctuary are being carried out. Since the Team Leader was not placed until December 1992, the Permanent Committee granted a one-year no-cost extension until November 1994.

(21) PD 114/90 (F) Workshops on Conservation and Sustainable Utilization of Mangrove Forests in the Latin America and Africa Regions

Budget and Funding Sources:

Total Budget:	\$480,000 + \$ 15,825 = \$495,825
Government of Japan:	\$480,000 + \$ 15,825 = \$495,825

Implementing Agency: The International Society for Mangrove Ecosystems (ISME)

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 21 January, 1992 (20 months)

The concluding workshop was organized by ISME and held at the Okinawa Grand Castle Hotel from 27-28 June 1993. It was the third and final workshop sponsored by the project and was organized to present the results of a wide range of activities undertaken during the previous 18 months. It was attended by coastal zone specialists from three regions, Latin America, Africa and Asia and provided an open forum for discussion and recommendations for strengthening project outputs.

The project coordinators presented their findings and recommendations for future action. The workshop endorsed the recommendations formulated by the two project coordinators focussing on the three points above. In addition, each region identified critical interventions for mangrove management and proposals will be formulated and submitted to donor agencies for consideration.

The proceedings from the Latin American and African workshops have been prepared as ITTO publications (SRS-12 and SRS-13 respectively). The full report for the Africa region has been completed and is distributed as PCF (XIII)/10. The French version of this report is undergoing final editing and will be ready for distribution in the near future. The full report for the Latin America region is still being edited and will be distributed at the XVI Council Session in May 1994.

Since there were insufficient funds for translating the final report of the Latin America region to Spanish, the Fifteenth ITTC approved an extension of the project and allocated an additional \$15,825 for translation purposes.

(22) PD 115/90 Rev.1 (F) Rehabilitation of Natural Forests

Budget and Funding Sources:

Total Budget:	\$887,879
Government of Malaysia:	\$337,082
Government of Japan:	\$550,797

Implementing Agency: Forest Department, Peninsular Malaysia.

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 13 November, 1991 (4 years)

An area of 400 hectares within the Korbu Forest Reserve in Kuala Kangsar, Perak has been set aside for a duration of at least 10 years as required by the Agreement. This study area was demarcated on the ground, and a post-felling inventory was carried out. An analysis of inventory data and stratification of the area into three forest sites were initiated. The team of consultants submitted a study proposal (inception report) covering management options and silvicultural treatments with a special consideration on shifting cultivation in the experimental design. This study will be completed with an economic and financial analysis.

The Steering Committee for this project has not yet been set up. However, the ITTO Secretariat conducted a monitoring mission with this project in September 1993 and found the project to be progressing well.

**(23) PD 119/91 Rev.1 (F)                      Workshop on Women and Forestry - A Look at African Experiences**

**Budget and Funding Sources:**

Total Budget:	\$255,000 + \$ 40,000 = \$295,000
Government of Ghana:	\$ 33,400
Government of Japan:	\$171,600 + \$ 40,000 = \$211,600
Government of the United States:	\$ 50,000

**Implementing Agency:** Forestry Department of Ghana and the 31st December Movement.

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting Date and Duration:** 26 March 1992 (9 months)

At the time of Twelfth Session of the Permanent Committee, the proceedings of the workshop in English were received by the Secretariat, and a full analysis of the evaluation questionnaire was presented to the Committee for consideration as PCF(XII)/11. The Secretariat also presented an estimated cost of \$25,000 to translate the proceedings into French and to publish 250 copies in English and in French. The Committee recommended that the project be extended and that the budget presented be increased by \$40,000 to also allow the translation and publication of the workshop proceedings in Spanish. This decision was endorsed by the Council. However, funds to support translation and publication activities have not yet been pledged. The Secretariat has repeatedly requested the implementing agency to submit the audited accounts pertaining to the implementation of the project, as required by the provisions of the project Agreement. As of the time of the preparation of this report, the audited accounts had still not yet been received.

During the Fifteenth Council Session, the Government of Japan pledged \$40,000 to cover the costs for translating the proceedings into French and Spanish and publish/distribute 250 copies in each language.

**(24) PD 120/91 Rev.4 (F,I)                      Development of Operational Model for Sustainable Management of Natural Tropical Forests**

**Budget and Funding Sources:**

Total Budget:	\$673,361
Government of Japan:	\$464,161
Government of Malaysia:	\$209,200
State of Sabah:	

**Implementing Agency:** Department of Forestry, State of Sabah, Malaysia

**Session of Approval:** ITTC XII, May 1992, Yaoundé, Cameroon

**Starting Date and Duration:** To be determined (2 years)

The agreement covering the implementation of the project was sent to the Government of Malaysia on 22 October, 1992 and both parties signed the agreement on January 1993. The first Project Steering Committee Meeting was held on 24 May, 1993 in Sandakan to discuss the implementation of the project and endorse the work plan. The project site has been selected in the Lingkabau Forest Reserve. Following the delay of the implementation due to personnel transfer within the Executing

Agency, inventory work has just started in October 1993 and is expected to be completed by October 1994. The consultancy to conduct an initial appraisal of community forestry contracted to the Malaysian German Sustainable Forest Management Project was recently finished and a final report will soon be made available.

(25) PD 128/91 Rev.1 (F) **Management, Conservation and Development of Mangrove Forests in Panama**

**Budget and Funding Sources:**

Total Budget:	\$691,700
Government of Japan:	\$489,000
Government of Panama:	\$202,700

**Implementing Agency:** The Institute for Renewable Natural Resources (INRENARE)

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting Date and Duration:** 3 September, 1992 (5 years)

A seminar-workshop was held in April 1993 to develop the project implementation plan with the participation of 40 people from 20 different organizations. As a result, a detailed and well-organized implementation plan was drafted and subsequently approved by the Steering Committee. Activities undertaken during the year include:

- **Personnel** - Of the 10 technical positions, seven have been filled.
- **Equipment** - Two of the three pick-ups were purchased and motor boats have been located at the three project sites. Administrative procedures for acquiring the remaining equipment are underway.
- **Policy** - With Steering Committee support, policies and regulations governing the use and protection of Panama's mangrove forests were developed. These were approved by INRENARE's Board of Directors in September 1993.
- **Field activities** have been initiated and are making progress. Meetings have begun with mangrove users at all three sites, and the dialogue with communities is developing favorably. The project has set up five permanent plots to measure growth and yield. In addition, preparations for carrying out forest inventories and drafting maps have been completed. A one hectare demonstration area was reforested by charcoal producers in one of the project sites, and an additional 4 ha demonstration area has been planned with a shrimp cooperative in another site.
- **Training** - On two occasions, the Project Coordinator travelled outside the country to attend regional seminars on mangrove ecosystems. The project is sponsoring the *Second Seminar on Mangroves in Central America and the Caribbean* to be held in Panama in November 1993.
- **Environmental Education** - Together with TV Channel 11, the project is making a documentary about the mangroves in Panama to raise the level of public awareness concerning the value of these resources.

The ITTO Secretariat made a review mission from 9-11 August, 1993 to assess the progress of project activities and attend the Steering Committee meeting. The Steering Committee has been very active, meeting regularly to coordinate activities between institutions and ensure that the project continues to progress.

**(26) PD 130/91 Rev.2 (F)                      Plantation Establishment Methods (First Phase)**

**Budget and Funding Sources:**

Total Budget:	\$780,000
Government of Japan:	\$780,000

**Implementing Agency:** Department of Environment and Natural Resources of the Government of the Philippines - DENR.

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting date and Duration:** August 1993 (3 years)

This project was approved on the condition that a workshop be held at the outset of implementation to assess experiences in research on plantation establishment. Subsequently, the Government of Japan and the Government of the Philippines worked out an arrangement to have the project implemented by the DENR, with the assistance of JOFCA.

The agreement for the implementation of this project was signed in July 1993. The implementing agency has submitted a draft workplan to the Secretariat and details are being worked out. The DENR is also negotiating a contract with JOFCA for technical assistance to organize and execute the workshop, tentatively planned for April 1994. Experts from all three producer regions plus those from the DENR will participate in the workshop. The principal output of this workshop will be an experimental design to guide research activities.

**(27) PD 131/91 Rev.2 (F)                      Pilot Project for the Sustained Management of the So'olala Forest**

**Budget and Funding Sources:**

Total Budget:	\$534,000
Government of Japan:	\$534,000

**Implementing Agency:** Office National de Développement des Forêts (ONADEF)

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting Date and Duration:** January 1992 (5 years)

In the progress report submitted in October 1993, the implementing agency reported that the following activities have been conducted or initiated during the period leading up to the Thirteenth Session of the Permanent Committee:

- A detailed workplan covering the period from 1993-1996 has been developed. However, this plan has not yet been received by the Secretariat;
- A central nursery and 20 villages nurseries have been established;
- The training of local communities on agroforestry techniques have been initiated as well as the establishment of demonstration farms;
- A complete forest classification system is being devised, including the demarcation of agroforestry areas;
- A contract for the involvement of forest concessionaires in the project is being drafted and the selection of the concessionaire conducted;

- Coupes 2 and 11 have been inventoried and the trees marked for harvesting and silviculture activities;
- Discussions have been initiated with the Forestry Department concerning various issues dealing with the implementation of the management plan.

A Steering Committee meeting has been tentatively scheduled for early next year.

(28) **PD 132/91 Rev.1 (F)                      Training Forestry Workers in Carrying Out Certain Tasks Related to Forestry**

**Budget and Funding Sources:**

Total Budget:	\$281,000
Government of Cameroon:	\$120,000
Government of Japan:	\$161,000

Implementing Agency:            Office National de Développement des Forêts (ONADEF)

Session of Approval:            ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration:    January, 1992 (2 years)

At the time of the Twelfth Session of the Permanent Committee, the selection of trainees and the preparation of training materials had been completed. The first group of 90 trainees had already been trained and a mid-term review of the project was carried out in January 1993. The review concluded that the training program is being well conducted.

The theoretical part of training for the second group was completed in September 1993 at the Mbalmayo Forestry School. This training course will be shortly followed by a period of field training and practice. A project evaluation review is expected to be undertaken shortly after the Fifteenth Council Session.

(29) **PD 138/91 Rev.2 (F)                      Program for Sustainable Forest Management in the Ecuador Forest Institute**

**Budget and Funding Sources:**

Total Budget:	\$325,635
Government of Ecuador:	\$ 19,195
Government of Japan:	\$306,440

Implementing Agency:            Ecuadorian Institute of Forestry, Natural Areas, and Wildlife (INEFAN)

Session of Approval:            ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration:    1 August, 1992 (6 months)

Some of the more important elements of this project include:

- **Forestry Master Plan** - The project played a crucial role in the development of the Forestry Master Plan. Project personnel and consultants in various specialties worked together to put together a draft with the participation of personnel from other ITTO projects.
- **Personnel** - With the creation of a new organization, the project provided assistance to determine human resources needs for fulfilling INEFAN's objectives. This included the development of

positions, qualification requirements, job responsibilities and relationships between the various posts.

As of June 1993, the project was in the final stages for submitting documents to the legislature for approval. The selection of people to staff the new positions will be done through a competitive process. An institution with a specialty in personnel administration will be contracted to review and select candidates.

- **Regional Structure** - INEFAN now has eight forest districts, including the Galapagos. The project not only dealt with the personnel requirements at the central level, but also had to staff regional offices and suboffices. Furthermore, the project developed a series of maps for land use potential to help assess priorities.

Since PD 137/91 Rev.2 (I) covered INEFAN's industrial focus, the project no longer required the services of a specialist in forest industries. The resources were used to support a series of short term consultancies to strengthen the regional assessment.

- **PLANFOR** - A new strategy has been formulated for promoting reforestation and forest management in Ecuador. PLANFOR will first result in the privatization of the majority of forest nurseries currently administered by the government. Of the 20+ nurseries, INEFAN will retain control of only eight and the rest will pass into private hands. PLANFOR will reimburse 75% of the cost of plantation establishment. This incentive also applies to agroforestry configurations such as intercropping, windbreaks and hedgerows. It also makes special provisions to allow small farmers to receive these subsidies by overcoming some of the financial constraints associated with plantation establishment.

The Project was reviewed during an ITTO monitoring mission in June 1993. It was completed in August 1993. Upon completion of the principle project activities, about \$20,000 remained in the project budget. The implementing agency requested the use of these funds to summarize the final report and undertake a series of workshops to share experiences generated during the project. During its Thirteenth Session, the Permanent Committee recognized the value of this project and its influence on Ecuador's reforestation and forest management strategies and therefore, agreed to this request. The final evaluation of this project is planned for February 1994.

- (30) **PD 148/91 Rev.3 (M,F,I) Seminar on Economic Case for Sustainable Tropical Forest Management**

**Budget and Funding Sources:**

Total Budget:	\$115,000
Government of Japan:	\$115,000

Implementing Agency: ITTO Secretariat

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: April 1992 (2 months)

The seminar was conducted on 9 May, 1992 in Yaoundé and Mbalmayo, in conjunction with the Twelfth ITTC Session which took place in Yaoundé, Cameroon from 6 -14 May, 1992. The Seminar focussed on "Land Use Planning and Land Tenure to Secure the Permanent Forest Estate: African Experiences". At the time of the Twelfth Session of the Permanent Committee the proceedings of the seminar were being translated and edited for publication in English and French. The translation and edition of both the English and French versions of the proceedings are completed and quotations for the publication have been requested.



(31) PD 156/91 Rev.2 (F)      Establishment of Two Model Forest Nurseries and Forest Management Project

Budget and Funding Sources:

Total Budget:	\$211,636
Government of Japan:	\$211,636

Implementing Agency:      Forest and Timber Sector Development Corporation of Ecuador - CORMADERA

Session of Approval:      ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration:      January 1992 (2 years)

In June 1993, the ITTO Secretariat carried out a mid-term review. Advances made in project implementation are detailed below:

**Coastal Nursery in Guayaquil**

The project nursery was initially established by the implementing agency in 1989 where an arrangement was reached between CORMADERA and the Guayaquil Botanical Garden to allow the former to utilize and expand the nursery. In turn, the implementing agency produces a number of ornamentals which are sold to the public at a profit. The project has also used Botanical Gardens facilities to train project staff and local people. The area for the nursery is limited and there is not much room for expansion beyond 20,000 plants.

In Guayaquil Province, Cantón Daule, the Ministry of Agriculture (MOA) has established a 5 ha forest nursery with an installed capacity of 100,000 plants annually. The Government of Ecuador is in the process of privatizing many of its nurseries including this one. The implementing agency is interested in taking over the management of this nursery and has initiated the appropriate steps to do so. If the implementing agency assumes control of this nursery, it will most likely be brought into the project to augment the production of the nursery at the Guayaquil Botanical Garden. If this happens as planned, the nursery in the Botanical Garden will focus on research, training and extension while the Daule nursery will concentrate on large scale seedling production.

**Nursery in the Mountainous Zone - Puenbo**

Before receiving assistance from ITTO, the Puenbo (near Quito) nursery was basically non-functional. With project support, the nursery was expanded and modernized. Nursery infrastructure now includes a green house with germination beds, potting shed, seedling beds for both container and bare root stock. A mist blower irrigation system has been installed throughout the nursery. The nursery's capacity surpasses one-half million plants annually.

The implementing agency has produced more than 150,000 plants among 32 different tropical and sub-tropical species. Investigation supported by the project includes the use of different germination/potting substrates, effectiveness of agrochemicals, vegetative propagation of aliso (Alnus jorullensis) and Eucalyptus globulus, mycorrhizae bank, composting techniques and more. Furthermore, nursery propagation methods are being developed for platanero (Styloceras laurifolium) which is an endangered species.

**Extension Methodology**

The project sells seedlings along with technical services to anyone interested. The project has carried out a public awareness campaign through which individuals and companies have become interested in reforestation. Project extensionists visit potential clients and determine the cost according to the inputs provided by the implementing agency and by the client. A package is put together and a

budget is calculated. The client may negotiate within a certain limitation, but prices are fixed on market rates and little subsidy is given.

### Research in Plantations

Another activity undertaken by the project is to carry out investigations on plantation management. In the coastal lowlands, teak has been widely planted along roadsides, fences, in homestead areas and in plantations. The project has set up teak plantation trials on two farms. In the mountainous regions, Eucalyptus globulus has also been widely planted. Therefore, the project has also set up trial plots in two Eucalyptus plantations utilizing a similar experimental design.

The two nurseries show a potential for becoming self-sufficient by generating their own finances through the sale of seedlings. The implementing agency has collected and analyzed cost information regarding nursery activities and has used this as a basis for determining market prices. The sale of other services such as technical assistance, transportation and planting are embryonic but appear to have great potential, especially in the light of new government incentives for reforestation under PLANFOR. Cost information regarding plantation establishment already collected by the implementing agency may be useful to INEFAN for determining incentive levels. This project will soon be completed and the evaluation is planned for February 1994.

- (32) PD 157/91 Rev.2 (F)                      Establishment of an International Network for the Conservation and Sustainable Utilization of Mangrove Genetic Resources

#### Budget and Funding Sources:

Total Budget:	\$500,000 + \$ 87,007 */ = \$587,007
Government of Japan:	\$500,000 + \$ 56,445 */ = \$556,445
Government of Australia:	\$ 30,561 */

\*/ Additional funds granted to make up a shortfall due to exchange rates

Implementing Agency:                      Center for Research on Sustainable Agricultural and Rural Development, Madras, India.

Session of Approval:                      ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: 10 September, 1991 (1 year)

As reported to the Permanent Committee during the last Session in May 1993, the disbursement of funds to make up the shortfall from currency loss (\$83,007) was made on 20 April, 1993. Since then, the project has undertaken activities to attain project goals:

- **Trainers' Training Program** - The manual for the Trainers' Training Program has been compiled with contributions from the participating instructors and experts. The compilation has been edited by a group of experts under the supervision of Dr. M.S. Swaminathan and is in the printing stage.
- **Identification of Core Conservation Sites** - Teams of experts drawn from a number of countries with a wide range of disciplines visited 22 sites nominated for the establishment of genetic resources centers. The teams used existing data with field observation and measurements to aid the evaluation process. During the visits, significant input was received through workshops involving local technical experts and policy makers. The individual reports resulting from this work are being compiled into an overall report which will be ready for circulation in November 1993.
- **Africa Workshop** - A project design workshop for the establishment of a network for the conservation of mangrove genetic resources was organized at Dakar, Senegal from 30 April - 1 May 1993. The co-organizer was the Senegal Institute of Agricultural Sciences. There were

20 participants from six countries in West and Central Africa. Following presentations, a group of participants drafted a proposal. The workshop document containing a select number of presentations, a summary of proceedings and the draft proposal is in press.

- **Design of a Mangrove Ecosystems Information Service (MEIS)** - MEIS is an integrated package of four data bases.

During its Thirteenth Session, the Permanent Committee granted an extension until 31 March 1994 to finalize the documents now in various stages of editing and printing. The final evaluation for this project is also planned for March 1994.

**(33) PD 162/91 Rev.1 (F) Intensification of Growth and Yield Studies in Previously Logged Forests**

**Budget and Funding Sources:**

Total Budget:	\$ 1,723,000
Government of the Independent State of Papua New Guinea:	\$ 95,000
Government of Japan:	\$ 1,328,000
Government of Switzerland:	\$ 200,000
Government of the United States:	\$ 100,000

Implementing Agency: Forest Research Institute, Lae, PNG

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: 1 October, 1992 (5 years)

The first Steering Committee was held on 12 April, 1993 to review advances in project implementation and concluded that the project was progressing well. The Steering Committee proposed some amendments to the original project document in order to clarify objectives and activities.

**(34) PD 170/91 Rev.1 (F) Modernization and Development of Egyptian Forest Nurseries**

**Budget and Funding Sources:**

Total Budget:	\$573,855
Government of the Arab Republic of Egypt:	\$275,855 */
Government of Japan:	\$298,000

\*/ total budget includes national in-kind contribution of E£918,000 (US\$1.00 = E£3.33)

Implementing Agency: Ministry of Agriculture and Land Reclamation, Arab Republic of Egypt

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 November, 1992 (1 year)

A joint review of the project was conducted on 30 April 1993 and concluded that the project is progressing well as planned. Instead of the seven nurseries originally proposed, eight have been established in Giza (two nurseries), Munifia, Kalyoubia, Garbia, Luxor, Qena, and Fayoum. At the time of the Twelfth Session of the Permanent Committee, nursery sites had been prepared and most of the equipment had been purchased and installed, including green houses, wells and irrigation systems. Also, seedling production had been initiated at each nursery. The Government of Egypt provided a building for the Central Seed Center and to house scientific information related to tree propagation. The consultants had been selected for the project and hiring procedures were nearly

completed. This project received its final evaluation in December 1993 and the resulting report is currently under preparation.

(35) PD 176/91 Rev.1 (F)                      **Sustained Management for Production, Conservation, Demonstration, Diffusion and Promotion Activities In Moist Tropical Forests in Ecuador's Northwest**

**Budget and Funding Sources:**

Total Budget:	\$ 1,007,600
Government of Japan:	\$ 573,353
Government of the United States:	\$ 100,000
Government of Great Britain:	\$ 77,050
Juan Manuel Durini Forestry Foundation:	\$ 257,179

Implementing Agency:                      Juan Manuel Durini Forestry Foundation, NGO's, Industrial Enterprises and INEFAN.

Session of Approval:                      ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 November, 1992 (3 years)

Project activities were initiated after the agreement was signed in October 1992. While awaiting the first disbursement of funds from ITTO, the executing agency initiated activities with the use of its own resources. The activities undertaken during the year include:

- **Establishment of Infrastructure** - The placement of infrastructure for the central project administration area has progressed. Two principle buildings have been constructed, one for sleeping/office space, and another currently used as the kitchen/meeting area.
- **Conservation Area** - The project has made substantial headway in activities concerning the demarcation and management of the conservation area. The conservation area has been delineated and the borders of the entire property have been clearly marked and is frequently patrolled. A botanical trail has been established with the assistance of an international consultant. Foliage samples have been taken to England for positive identification.
- **Selective Harvesting** - Within the 200 ha area to be harvested, three research plots have been set up, of 1 ha each measuring 100 x 100 m. In each plot, an inventory is being carried out and the data will be analyzed to define pre-harvest stand conditions. A logging road has been constructed to the project area. A contract for selective harvesting is being negotiated with a local logging company. Plans for road and skidder trail layout have been designed. Logging activities should be underway in October or November next year.
- **Plantations** - A permanent forest nursery has been established close to the main project administrative area. The nursery employs 8-12 people and seed is collected by the project. A 24 ha area was planted with laurel in March 1993 with the intention of forming a poli-cycle silvicultural system. To date, a total of 88 has of plantations have been established.
- **Rehabilitation of Degraded Areas** - Two plantations have been established as part of this component: a 25 ha teak (*Tecona grandis*) plantation on former pasture land and an 8.5 ha of laurel (*Cordia alliadora*) planted in former pasture land (mixed with banana).
- **Extension** - The project has held a number of meetings and training courses with neighboring communities, including a three-day workshop held at the project site. The project is assisting subsistence farmers to find economically viable alternatives to clearing the forest. In collaboration with local schools, two community nurseries have been set up. Furthermore, farmers have been trained in seed collection and are assisting the project to identify superior phenotypes of *Cordia alliadora* as sources of improved seed.

A review mission was carried out by the Secretariat in June 1993. The first Steering Committee meeting was held on 4 June 1993, which approved the Terms of Reference for National and International Consultants. They will assist the project in planning and evaluating the major activities outlined above. Since then, the implementing agency has negotiated contracts with consultants in ecology, silviculture, soils and botany. A mid-term review for this project is planned for January 1994.

(36) PD 184/91 Rev.1 (F) Multipurpose Tree Planting in Egypt

Budget and Funding Sources:

Total Budget:	\$614,819
Government of the Arab Republic of Egypt:	\$119,819 */
Government of Japan:	\$495,000

\*/ total budget includes national in-kind contribution of E£399,000 (US\$1.00 = E£3.33)

Implementing Agency: Ministry of Agriculture and Land Reclamation, Arab Republic of Egypt

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 November, 1992 (2 years)

A Steering Committee meeting was held on 30 April 1993 and found that the project was progressing well even though in some cases there was a delay in the approval by some governorates to allow the planting of timber trees along the irrigation canals. The Steering Committee also advised the implementing agency to maintain close contact with the Ministry of Irrigation in order to prevent the destruction of planted trees by dredging equipment cleaning the canals.

During the second half of the year, further progress was made in project implementation:

- In Gharbia Governorate 34 km have been planted with Eucalyptus, 16 km planted in Munifia Governorate with Morus alba, and in Fayoum Governorate 21 km were planted with Acacia saligna. The latter is showing signs of slow development because of the high content of salt in the soil.
- One additional man-made forest of 5 Feddans (about 2.5 ha) was established in Giza Governorate and planted with Jathropa.
- 15,000 seedlings were distributed and planted in reclaimed lands. The target for this activity for next year will be to distribute 600,000 seedlings.
- 50 Agriculture Engineers were trained in afforestation activities in July 1993.
- Several activities were undertaken to enhance public awareness on the need to plant trees for multiple-use purposes. These activities included the production and distribution of advertising stickers appealing people to plant trees. The campaign will include television and radio advertisements in the future and an arbor day was scheduled for 29 September 1993. A second Steering Committee meeting was held in December 1993 with the participation of the ITTO Secretariat.

(37) PD 186/91 Rev.2 (F) Tree Flora of Sabah and Sarawak

Budget and Funding Sources:

Total Budget:	\$ 1,224,800
Government of the United States:	\$ 100,000
Government of Japan:	\$ 612,800

Implementing Agency: - Forest Research Institute of Malaysia (FRIM)  
- Sabah Forest Department and  
- Sarawak Forest Department

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: January 1993 (3 years)

The Agreement concerning the implementation of the project was fully processed on 14 January, 1993 and the first installment (\$193,600) was released on 23 February 1993. To implement the project, three centers of activities has been established at: 1) FRIM in Kuala Lumpur, 2) Forestry Department in Kuching and 3) Forestry Department in Sandakan. Authors of the 59 families included in the first volume of the Tree Flora have confirmed their participation in preparing manuscripts. The appointment of a full time coordinator/chief editor has been made effective since April 1993. Of the 54 families to be included in the publication, 21 manuscripts have been submitted to editorial board. Currently, data of 2008 specimens from 13 families have been filed utilizing a specimen specific data program. A technical workshop on the data base was organized in Kuching on 9-15 November 1993. As a follow-up to workshop recommendations, efforts are being made to transfer the data into the updated RDE/BHRAMS program.

The first Steering Committee Meeting was held in Kuala Lumpur on 18 September 1993 and was attended by the ITTO Secretariat to review the progress in project implementation. In this meeting, a detailed work plan and technical guidelines to implement the project were discussed and approved. To date, revisions of 29 families are in various stages of progress and editorial work is nearly completed for Volume 1. The recruitment of authors for Volume 2, 3 and 4 of the Tree Flora is now under way.

**(38) PD 188/91 Rev.1 (F) Reforestation of Rioja**

**Budget and Funding Sources:**

Total Budget:	\$250,000
Government of Peru:	\$ 35,000
Ito Yokado Corporation:	\$215,000

Implementing Agency: National Forestry Action Program (NFAP), Municipality of the Province of Rioja, Rural Development Centre in Rioja and the Ministry of Agriculture of the Government of Peru.

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 September 1992 (2 years)

A full progress report for the period from March - September 1993 was submitted to the Secretariat. An description of the principal activities undertaken during this period is summarized below:

- **Coordination** - The project staff continued close coordination with the provincial authorities in undertaking project activities, principally the educational sector. The project collaborated with local authorities to carry out an assessment of the natural resources in the Rioja Province, resulting in a report which was presented to the INRENA office in Lima. Also, a proposal was developed for the creation of a Regional Forestry Fund which was presented to the regional authorities for consideration. This fund would be utilized to support reforestation and conservation activities in Rioja.
- **Seedling Production and Plantations** - A total area of 21 ha of forest plantations were established during the 1992-93 planting season. In preparation for the upcoming campaign, 125,000 seedlings are being produced in project nurseries. A temporary forest nursery has been

established in coordination with the Parent-Teacher Association in one of the Province's high schools. Furthermore, 117 kg of seed was collected from superior trees.

- **Extension** - Messages in environmental education were announced over the radio in a public awareness campaign. A course in forest nursery management was held at the Rioja Technological Institute for professionals, technicians, professors and students. In addition, talks and conferences were given at educational institutions throughout the Province.
- **Forestry Research** - The terms of reference were drafted for the development of a technical manual. The project has gained significant notoriety, especially during the visit of the President of Peru, Ing. Alberto Fujimori to Rioja. The project has also been visited by several other dignitaries and government officials. So far, the project is being implemented on schedule (as outlined in the workplan) and within budget. A mid-term review was undertaken in November/December by the Secretariat, and the report is currently under preparation.

(39) PD 189/91 Rev.1 (M,F,I) Publication of an Andean Forestry Journal

Budget and Funding Sources:

Total Budget:	\$162,000
Participating Countries:	\$ 44,000
Government of Japan:	\$118,000

Implementing Agency: Fundación Andina Bosques y Desarrollo.

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 December 1992 (18 months)

To date, the Andean Journal of Forestry (*Bosques y Desarrollo*) has produced eight editions, numbers 6-8 were published with project support. The Journal is published in Spanish and distributed within the six Andean countries, with a small percentage going to other parts of Latin America and the world. The journal is prepared and edited in Lima, Peru and printed in Cali, Colombia.

Communication and contributions from the various countries is gaining momentum. In each one of the participating countries, a volunteer National Director has been selected to develop articles and news items for contribution. National Editorial Committees have been set up in Colombia, Peru, Ecuador and Chile while they are in the process of formation in Bolivia and Chile. These Committees are composed of governmental and non-governmental organizations, forest industry, researchers academics and professional foresters. They have been set up to coordinate the flow of information and support the editorial work of the National Directors. Since these Committees are newly formed, they have not yet become institutionalized and the project is working to strengthen their role.

The executing organization is taking steps for self-financing future editions of the Journal. As of the end of the reporting period, \$5,000 had been collected from announcement, subscriptions and sale to the public. However, this is still far short of its goal of \$51,000 by April 1994. The Executing Agency finds it difficult to convince a public accustomed to receiving information free of charge in the forestry sector to agree to pay for subscriptions. The Journal will redouble its efforts to explore creative ways for obtaining financial backing.

(40) PD 10/92 Rev.1 (F) Books and a Data-Base on the Major and Minor Commercial Timbers of South-East Asia Volume 5(1) and Volume 5(2) within the Prosea Program

Budget and Funding Sources:

Total Budget:	\$ 1,664,550
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Government of Japan:	\$ 1,068,041
The European Community:	\$ 507,368
Tropenbos Foundation:	\$ 150,000

Implementing Agency: The Prosea Foundation

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: March 1993 (2 years)

Agreement to regulate the implementation of this project was signed in February 1993. Following the first installment of funds (\$503,591) on 22 March, 1993. The project initiated activities to engage authors of Volume 5 (1). This 500 page volume, covering 47 genera of timber compiled in 51 articles, is expected to be published by the end of 1993. The ITTO Secretariat participated in the Steering Committee Meeting held in Bogor on 2 October 1993. The detailed work plan for this project was approved and work for Volume 5 (2) which will cover 62 genera of flora work on this Volume has also commenced.

- (41) PD 9/92 Rev.1 (F) Forest Management in Islas de la Bahia, Honduras, Central America

Budget and Funding Sources:

Total Budget:	\$755,082
Government of Japan:	\$425,000
Government of the United States:	\$222,619
Government of Denmark:	\$ 75,000
APRODIB:	\$ 32,463

Implementing Agency: Asociación Pro-Desarrollo de Islas de la Bahía (APRODIB)

Session of Approval: ITTC Session XIII, November 1992, Yokohama, Japan

Starting Date and Duration: To be determined (3 years)

This project was approved by the Thirteenth Session of the Council in Yokohama and \$722,619 was made available for its implementation. Approval and financing were subject to the condition that field activities undertaken in relation to item 1.1.5 (e.g. reforestation) in the Project Document only be initiated on common forest and private properties with a total area of less than 20 ha in size. The draft project agreement was prepared by the Secretariat in December 1992, and has been signed by the Government of Honduras and the implementing agency.

In anticipation of project start-up, the first Steering Committee meeting was held in August 1993 to plan activities and discuss coordination between institutions. The Agreement was signed by the Executive Director at the end of November and the first installment of funds was transferred on 3 December 1993. The implementing agency has initiated project activities.

- (42) PD 11/92 Rev.1 (F) Development and Dissemination of Re-forestation Techniques of Mangrove Forests

Budget and Funding Sources:

Total Budget:	\$815,850
Government of Japan:	\$815,850

Implementing Agency: The Japan Association for Mangroves (JAM) in Cooperation with the National Mangrove Committee of Thailand (Thai NATMANCOM)



Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: August 1993 (42 months)

On 13 July 1993, an agreement between the implementing agency and Thai NATMANCOM was negotiated and signed. On 10 August 1993, the agreement governing the implementation of the project was signed between JAM and ITTO, and a draft workplan was submitted to the Secretariat. The first disbursement of \$252,000 was made on 3 September.

The main objective of this project is to research and refine techniques for mangrove re-afforestation. This will be done by establishing four pilot sites in four mangrove areas degraded due to different causes (tin mining, charcoal production shrimp farming, etc.). Furthermore, four case studies will be researched and presented from the neighboring countries of Malaysia, Bangladesh, Vietnam and Indonesia. To disseminate findings, National Mangrove Committees from the various Asian countries will send representatives to project workshops to share experiences generated from the pilot sites and case studies. The project will also generate documentation and audio-visual materials on re-afforestation practices.

The first Steering Committee meeting was held in Yokohama on 29 October 1993 to discuss and approve the workplan. The Steering Committee decided to include the socio-economic aspects of mangrove re-afforestation and management along with the technical considerations. The Steering Committee also discussed details for the first year's activities and a workshop is planned for April 1994.

- (43) PD 14/92 Rev.1 (F) **A Demonstration Program of Sustainable Utilization of Tropical Forests by Means of Differentiated Management in Hainan Island, China (Phase I)**

Budget and Funding Sources:

PHASE I (Two years)	
Total Budget:	\$ 1,250,000
Government of Japan:	\$ 1,250,000

Implementing Agency: The Department of Forestry of Hainan Province, China and the Chinese Academy of Forestry

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: December 1993 (5 years)

In the XII Session of the Permanent Committee, China requested the Permanent Committee to allow it to make adjustments in the proposal to facilitate financing. The total duration of the project was changed to five years, and some activities were shifted to the second and third phases as a result of the redistribution of the budget among the three phases.

The Permanent Committee approved of these changes and subsequently, the Government of Japan financed the entire first phase. The Secretariat and the Government of China finalized the Agreement governing the implementation of the project which was signed in December 1993. The first Steering Committee meeting was held in December 1993 and project activities have been initiated.

- (44) PD 6/93 Rev.2 (F) **Manual and World Natural Mangrove Atlas for Mangrove Ecosystem Restoration**

Budget and Funding Sources:

Total Budget:	\$732,984
Government of Japan:	\$732,984

Implementing Agency: International Society for Mangrove Ecosystems (ISME)

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: September 1993 (2 years)

The Agreement between the implementing agency and ITTO was signed on 8 September 1993. Shortly thereafter, the Secretariat approved of the Project Coordinator, and subsequently, a detailed workplan for project implementation was submitted to ITTO. On 4 October, the first disbursement of \$140,960 was transferred to ISME. The first Steering Committee meeting was held in Okinawa in November 1993 to review the project workplan. The Project Coordinator will begin full time work on 1 February 1994.

(45) PD 10/93 Rev.1 (M,F,I) **Seminar and Study Tour on Sustainable Forestry Management System Practiced in Natural Forests of Japan**

Budget and Funding Sources:

Total Budget:	\$235,968
Government of Japan:	\$235,968

Implementing Agency: ITTO Secretariat

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: November 1993 (4 days)

The first Steering Committee meeting between ITTO, Japan Forestry Agency, Japan Ministry of Foreign Affairs and the Congress Corporation (the consulting agency hired for this Seminar) was held on 27 July 1993. The Committee reviewed how project objectives would be met through proposed activities. The Committee defined topics for the Seminar and nominated candidates for the chairman, rapporteur and speaker positions. During the ensuing months, invitations went out to ITTO members and details for the itinerary were organized.

A second Steering Committee meeting was held on 26 October to finalize arrangements. On 5 November, participants departed for Hokkaido to participate in the study tour and seminar. The seminar proceedings have been completed and will be presented to the XIV Session of the Permanent Committee in May 1994.

### 3.2.4 Projects under Preparation for Implementation

#### 3.2.4.1 Projects with Complete Financial Allocations

Fifteen Projects in the field of Reforestation and Forest Management, which have been approved by the Council and for which financing is available, had still not become operational at the end of 1992. ITTO's financial commitment for these projects is \$10,329,700.

(1) PD 171/91 Rev.1 (F) **Conservation and Management for Multiple Use and Development of Colombian Mangrove Swamps**

Budget and Funding Sources:

PHASE I (one year)	
Total Budget:	\$ 1,135,640
Government of Japan:	\$ 750,000
Government of the United States:	\$ 155,596
INDERENA (in kind):	\$ 230,044

Implementing Agency: National Institute of Renewable Natural Resources and Environment  
INDERENA

Session of Approval: ITTC Session XI, December 1991, Yokohama

Starting Date and Duration: To be determined (3 years)

The first phase covers one year and is focused on diagnosis and strategic planning. The second phase covers a two year period and is focused on the execution of a plan of immediate action and the formulation of a long term investment plan for the sustainable management of Colombia's mangrove resources. The total requirement for ITTO support for both phases of the project is now \$2,269,785.

The first phase of this project was funded during the XIV Session of the Council in Kuala Lumpur, Malaysia in May 1993. Subsequently, the Agreement for the implementation of the project was sent to INDERENA on 6 July, 1993. The implementing agency has found the terms of the agreement acceptable and the Secretariat is awaiting the return of the signed Agreement.

(2) **PD 172/91 Rev.2 (F) The Recovery of Natural Systems of the Hillside of Caqueta (Phase I)**

Budget and Funding Sources:

PHASE I (18 months)	
Total Budget:	\$745,009
Government of Japan:	\$376,339
Government of the United States:	\$150,000
INDERENA (in kind):	\$218,670

Implementing Agency: National Institute of Renewable Natural Resources and Environment  
INDERENA

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: To be determined (3 years)

The Permanent Committee approved of a revised proposal for the phased implementation of this project during its Eleventh Session. The first phase covers 18 months and involves the diagnosis and organization of existing land management activities that reflect the priorities of the communities in the project area. These activities include actions to conserve and restore natural forest areas; encouragement of sustainable farming practices; background research to aid planning and restore traditional practices; community participation, training and extension work; and the strengthening of municipalities and other local institutions to develop the capacity for sustainability after the period of ITTO support.

During the Thirteenth Council Session in Yokohama, the Governments of Japan and the United States pledged to support the first phase of this project. Subsequently, the draft project agreement was prepared by the Secretariat and submitted to the Government of Colombia in December 1992. The agreement for the implementation of this project was signed on 2 August 1993. The initiation of project activities is pending final arrangement of mechanisms for administering ITTO funds and the deposit of all pledges in the Special Account.

(3) **PD 185/91 Rev.2 (F) Sustainable Forest Management and Development in Peninsular Malaysia**

Budget and Funding Sources:

PHASE I (three years)	
Total Budget:	\$ 1,586,304

Government of Japan:	\$ 1,056,789
Government of Malaysia:	\$ 529,515

Implementing Agency: Forestry Department Headquarters, Peninsular Malaysia

Session of Approval: Session XI, November 1991, Yokohama

Starting Date and Duration: To be determined (10 years)

The Project was approved by the Council at its Eleventh Session in December 1991. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

Due to the high cost of the project, the Government of Malaysia submitted a revised proposal on 17 December, 1992. The revised proposal was presented to the XII Session of the Permanent Committee in PCF(XII)/9 where the project has been broken down into two phases of three years each. The total project cost was reduced from \$5,533,711 to \$3,120,108, with a reduction of ITTO support lowered from \$3,468,623 down to \$2,061,078.

The Permanent Committee approved of the revised proposal and subsequently, the project was financed by the Government of Japan during the XIV ITTC. The draft of the Agreement to regulate the implementation of the project was finalized on 28 September 1993, and the Agreement was signed in Malaysia in December 1993.

**(4) PD 202/91 Rev.1 (F) Sustainable Forest Management Through Collaborative Efforts**

**Budget and Funding Sources:**

Total Budget:	\$ 1,324,194
Government of the Netherlands:	\$ 1,048,753
Government of Thailand:	\$ 334,194

Implementing Agency: The Society for the Conservation of National Treasures and Environment (SCONTE) and the Royal Forest Department of Thailand.

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: To be determined (3 years)

This Project was approved by the Eleventh Session of the Council and \$1,048,753 was made available for its implementation subject to the Secretariat receiving a detailed workplan for the project's implementation. At the Eleventh Session of the Council, the Government of the Netherlands indicated that it was interested in supporting the project but felt that it would need to send a mission to develop a detailed workplan for the project before it could confirm its support. As noted by the Tenth Session of the Committee, the Government of the Netherlands did mount such a mission and it was conducted during the period 10-23 June, 1992.

The workplan formulated by the mission was forwarded to the Ministry of Foreign Affairs in the Netherlands on 12 August, 1992 with the comments of the Secretariat. On 15 September 1993, the Secretariat received notification from the Government of the Netherlands that no commitment of funding can be made to the project because Thailand is not eligible for support from the Minister for Development Cooperation. However, the Ministry for Development Cooperation recognized the importance of sustainable forest management and reassessed its decision. As a result of this reassessment, a final decision was made to fully fund this project.

The Agreement was sent to the implementing agency for review in December 1993 and project implementation is expected to begin in the very near future.

- (5) **PD 204/91 Rev.1 (F)**      **Identification and Study of a Plantation Project for the Production of Timber (2500) in the Reserved Forest of Halo-Baloe (Plateau Region)**

**Budget and Funding Sources:**

Total Budget:	\$415,554
Government of Togo:	\$ 59,077
Government of Japan:	\$356,477

Implementing Agency: ODEF on behalf of the Government of Togo

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: To be determined (1 year)

Full financing of the project was made during the Twelfth Session of the Council and a draft project agreement was sent to the Government of Togo on 14 July, 1992. However, in July 1993, the Government of Togo advised that the draft Agreement had not yet been received. Another copy of the draft Agreement was sent to the Government of Togo on 17 August 1993. Subsequently, the Secretariat and the Government of Togo are negotiating some of the terms of the Agreement which is expected to be signed in the near future.

- (6) **PD 26/92 Rev.1 (F,I)**      **Development of Methods and Strategies for Sustained Management of Moist Tropical Forests in Cameroon**

**Budget and Funding Sources:**

Total Budget:	\$ 3,765,620
Netherlands/Tropenbos:	\$ 1,473,990
Government of Japan:	\$ 1,138,687
Government of Denmark:	\$ 100,000
Government of the United States:	\$ 50,000
Common Fund for Commodities:	\$ 668,413
Government of Cameroon:	\$ 334,530

Implementing Agency: Government of Cameroon's Ministry of Environment and the Tropenbos Foundation

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (5 years)

The project was approved during the Thirteenth ITTC Session and the Council authorized the Executive Director to authorize implementation as soon as earmarked funds for the total ITTC contribution became available in the Special Account. During the Thirteenth Session, the Government of Japan pledged \$450,000 and the Government of Denmark stated its willingness to contribute \$100,000 to support project activities. At the Fourteenth Session the Government of the United States pledged \$50,000 and the Government of Japan an additional \$666,810. Contacts were made with the Common Fund for Commodities for securing additional resources to finance the shortfall of the approved project budget. This effort resulted in the approval by the Common Fund to contribute SDR 470,713. This pledge was made on the condition that the scope of the project objectives and activities be broadened to strengthen the commodities aspect of the project and ensure a regional scope.

The Permanent Committee endorsed the changes in implementing agency from the IRA and Wageningen University to the Ministry of Environment and Forestry (Gov't of Cameroon) and

Tropenbos Foundation. The draft agreement for project implementation is currently under negotiation and project activities are expected to begin in the near future.

**(7) PD 39/92 Rev.1 (F) Dissemination and Training on ITTO Guidelines and Criteria**

**Budget and Funding Sources:**

Total Budget:	\$624,750
Government of the United States:	\$224,750
Government of Japan:	\$200,000
Government of Switzerland:	\$200,000

**Implementing Agency:** Fundação da Universidade Federal do Parana (FUNPAR) in coordination with the Brazilian Institute for Environment and Renewable Natural Resources (IBAMA)

**Session of Approval:** ITTC Session XIII, November 1992, Yokohama, Japan

**Starting Date and Duration:** To be determined (18 months)

This Project was approved by the Thirteenth Session of the Council and \$624,000 was made available for its implementation. The draft final agreement has been prepared by the Secretariat and submitted to the Government of Brazil in December 1992. The final terms of the agreement were negotiated between the Secretariat and the Government of Brazil and the final version was sent to Brazil in August 1993. A meeting was held between the Secretariat and the implementing agency in October 1993 to discuss details concerning project start-up. The project will be initiated as soon as the signed agreement is returned to the Secretariat and all pledges are deposited in ITTO's Special Account.

**(8) PD 42/92 Rev.1 (F) Reforestation and Sustainable Management and Utilization in the Natural Cloud Forests of Jaen-San Ignacio**

**Budget and Funding Sources:**

PHASE I (one year)	
Total Budget:	\$237,300
Government of Japan:	\$199,500
Government of Peru:	\$ 37,800

**Implementing Agency:** National Forest Action Program (NFAP), Ministry of Agriculture

**Session of Approval:** ITTC Session XIII, November 1992, Yokohama

**Starting Date and Duration:** To be determined (4 years)

The proposal specifies a one year planning phase (Phase I) and a three year implementation period (Phase II). The total project budget is calculated at \$1,585,250, with a total ITTO contribution of \$1,177,050.

During the XIV Session of the ITTC, Japan pledged \$199,500 for the implementation of Phase I. The agreement for this phase was negotiated between the Government of Peru and ITTO and was subsequently signed in November 1993. Project activities are anticipated to be under way upon receipt of the project work plan and the request by the implementing agency for the first transfer of funds.

- (9) **PD 5/93 Rev.1 (F)** **Ten-Year Production of Treated Residual Dipterocarps Forest Stands.**

**Budget and Funding Sources:**

Total Budget:	\$ 53,864
Government of Japan:	\$ 11,664
Government of Philippines:	\$ 42,200

**Implementing Agency:** Department of the Environment and Natural Resources (DENR)

**Session of Approval:** ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

**Starting Date and Duration:** February 1993 (2 years)

A draft of the agreement to regulate project implementation was signed in November 1993. The implementing agency is awaiting the deposit of pledges into ITTO's Special Account to initiate activities.

- (10) **PD 11/93 Rev.1 (F)** **A Strategy for the Sustainable Management and Harvesting of Forest Resources and Strengthening of Indigenous Territories in the Colombian Amazon**

**Budget and Funding Sources:**

Total Budget:	\$523,884
Government of Austria:	\$150,000
Government of Denmark:	\$ 50,000
Government of Norway:	\$ 50,000
Government of the United States:	\$ 88,643
Government of Colombia:	\$ 85,241
Puerto Rastrojo Foundation:	\$100,000

**Implementing Agency:** Puerto Rastrojo Foundation with the Cooperation of the National Institute of Renewable Natural Resources and Environment - INDERENA

**Session of Approval:** ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

**Starting Date and Duration:** August 1993 (3 years)

A draft of the Agreement to regulate project implementation was sent to the Government of Colombia for review on 6 July 1993. The Secretariat has received a communication from the Government of Colombia agreeing to the terms in the Agreement. The Agreement will be signed in the near future and the project will begin as soon as all pledges are received in ITTO's Special Project Account.

- (11) **PD 20/93 Rev.1 (F)** **Development of National Guidelines for the Sustainable Management of Natural Tropical Forests in Cameroon**

**Budget and Funding Sources:**

Total Budget:	\$451,900
Government of Japan:	\$364,900
Government of Norway:	\$ 50,000
Government of Cameroon:	\$ 37,000

**Implementing Agency:** Office National de Developement des Forêts (ONADEF)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (2 years)

This project was approved during the Fifteenth Session of the Council and funding was immediately pledged by the Governments of Japan and Norway. The draft agreement has been prepared and sent to the implementing agency for review.

**(12) PD 24/93 Rev.2 (F) Forest Management of Natural Forest in Malaysia - Phase II**

**Budget and Funding Sources:**

Total Budget:	\$950,258
Government of Switzerland:	\$283,779
Government of Japan:	\$283,779
Government of Malaysia:	\$382,700

Implementing Agency: Forestry Department Headquarters, Kuala Lumpur, Peninsular Malaysia

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (5 years)

This project was approved during the Fifteenth Session of the Council and funding was immediately pledged by the Governments of Japan and Switzerland. The terms of the Agreement were finalized and signed in late December 1993. Project activities are expected to get underway in the near future.

**(13) PD 25/93 Rev.1 (F) Evaluation of the Progress Made by Ecuador Towards Achievement of ITTO Target 2000**

**Budget and Funding Sources:**

Total Budget:	\$597,130
Government of Switzerland:	\$289,565
Government of Japan:	\$289,565

Implementing Agency: Ecuadorian Forest, Natural Areas and Wildlife Institute (INEFAN)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (2 years)

This project was approved during the Fifteenth Session of the Council and funding was immediately pledged by the Governments of Japan and Switzerland. The draft agreement has been prepared and sent to the implementing agency for review.

**(14) PD 26/93 Rev.1 (F) Development of Bentuang Karimun Nature Reserve as National Park (Phase I)**

**Budget and Funding Sources:**

Total Budget:	\$ 1,309,272
Government of Japan:	\$ 800,000
Government of Switzerland:	\$ 365,722
Government of Indonesia:	\$ 143,550



Implementing Agency: Directorate General of Forest Protection and Nature Conservation (PHPA)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (2 years)

This project was approved during the Fifteenth Session of the Council and funding was immediately pledged by the Governments of Japan and Norway. The draft agreement has been prepared and sent to the implementing agency for review.

**(15) PD 32/93 Rev.2 (F) Rehabilitation of Logged-Over Forests in Asia/Pacific Region (Sub-Project III)**

Budget and Funding Sources:

Total Budget:	\$558,779
Government of Japan:	\$558,779

Implementing Agency: Japan Overseas Forestry Consultants Association (JOFCA)

Starting Date and Duration: To be determined (2 years)

This project was approved during the Fifteenth Session of the Council and funding was immediately pledged by the Governments of Japan and Norway. The draft agreement has been prepared and sent to the implementing agency for review.

**3.2.4.2 Projects Awaiting Financing**

During 1993, the Council approved 11 Projects for which full financing was not allocated by the end of the year. This makes a total of 21 Projects pending financing when adding on the 10 Projects approved during the Thirteenth Session of the Council. A total \$16,798,178 is required for the implementation of these Projects. Financing pledged by Member Countries for this purpose amounted to \$1,048,558 at the end of 1993.

**(1) PD 174/91 Rev.2 (F) Rehabilitation of the Forest in the South Central Region of Côte d'Ivoire around the Tene Forest.**

Budget and Funding Sources:

Total Budget:	\$ 2,811,000
To be determined:	\$ 631,500
Government of Côte d'Ivoire:	\$ 2,179,500

Implementing Agency: Societe de Developpement des Plantations Forestieres - SODEFOR

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Twelfth Session in May 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account. However, unless full funding is secured before the Council's XVI Session, the project will fall under the sunset provision of Decision 2(X).

- (2) **PD 8/92 Rev.2 (F)**                      **Study on the Growth of Native Species of Commercial Interest in Honduras**

**Budget and Funding Sources:**

Total Budget:	\$947,467
Government of Japan:	\$ 50,000
Government of Honduras:	\$ 25,000
To be determined:	\$922,467

Implementing Agency: National School of Forestry Science (ESNACIFOR) through the National Center for Applied Forestry Research (CENIFA)

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (5 years - first phase)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but during its Fourteenth Session, the Government of Japan pledged \$50,000. The Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (3) **PD 15/92 Rev.3 (F)**                      **Establishment of a Germ Plasm Bank and Pilot Reforestation Units**

**Budget and Funding Sources:**

Total Budget:	\$412,020
APARAI:	\$ 17,500
To be determined:	\$394,520

Implementing Agency: Environmental Protection and Indigenous Land Reclamation Association - APARAI

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (4) **PD 16/92 Rev.2 (F)**                      **Timber Logging in Rondonia - Phase I: Socio-Economic and Environmental Diagnosis**

**Budget and Funding Sources:**

Total Budget:	\$381,600
Consortium:	\$ 28,800
To be determined:	\$352,800

Implementing Agency: A Consortium formed of three groups: INDIA (Research Institute for the Protection of Amazon Identity)/ECOPORE (Ecological Action in the Guapore Valley)/PACA (Cacoalense Environmental Protection)

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (2 years)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (5) **PD 18/92 Rev.1 (F)**                      **Research-Development Associated with Management Operations in the Closed Forest of Côte d'Ivoire: Determination of a Forest Typology Related to Silvicultural Systems**

**Budget and Funding Sources:**

Total Budget:	\$ 1,071,104
Government of Côte d'Ivoire:	\$ 472,546
Government of Japan:	\$ 248,558
To be determined:	\$ 350,000

Implementing Agency: SODEFOR/CTPT

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: To be determined (3 years - phase I)

The Project was approved by the Council at its Twelfth Session in May 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account. The Government of Italy offered support of Lira 500,000 corresponding to about \$350,000. At the Thirteenth Session of the Council, Japan also offered support of \$100,000 and at the Fourteenth Session it offered to complement the remaining required contribution. The project was then considered as fully funded and preparatory procedures to begin the implementation of the project were initiated. In this connection, a draft Agreement concerning the implementation of the project was drafted and sent to the Government of Côte d'Ivoire on 16 June, 1993 and was signed by the Government on 8 September, 1993.

However, recent developments indicate difficulties in securing project funding from one of the co-donors as pledged. Since this co-donor could not follow through on its commitment the project is still \$350,000 short of complete financing. Unfortunately, this means a further delay in project implementation.

- (6) **PD 32/92 Rev.1 (F)**                      **Agroforestry Systems for the Communities of Nova California and Extrema, Rondonia, Brazil**

**Budget and Funding Sources:**

Total Budget:	\$ 1,587,410
FUNATURA/Communities:	\$ 520,950
To be determined:	\$ 1,066,460

Implementing Agency: Pro-Nature Foundation (FUNATURA)

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (5 years)

To address the panel's concerns and clarify issues raised about the economic viability of project activities, FUNATURA presented an amendment to the project found in PCF (XI)/6 Rev.1. After substantial debate on the direct relevance of the proposal to ITTO core objectives and priorities, and the sustainability of project outcomes, the Permanent Committee on Reforestation and Forest Management commended and the Council approved the project. Although Norway expressed an interest in supporting the project if other donors were also willing to contribute, financing was not immediately allocated, but the Thirteenth Session of the Council authorized the Executive Director

to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

- (7) **PD 37/92 Rev.1 (F)** **Preliminary Studies and Preparation of a Management Plan for the Bokoue Forest**

**Budget and Funding Sources:**

Total Budget:	\$ 1,802,492
Government of Japan:	\$ 650,000
Government of Gabon:	\$ 537,200
To be determined:	\$ 1,265,292

Implementing Agency: General Directorate of Water and Forests

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (2 years)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but during the Fifteenth Session, the Government of Japan pledged \$650,000. The Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (8) **PD 38/92 Rev.2 (F)** **The Establishment of Community-Based Teak (*Tectona grandis*) Plantations on Degraded Forest Areas in the State of Kedah, Malaysia**

**Budget and Funding Sources:**

Total Budget:	\$ 1,919,506
Government of Malaysia:	\$ 1,368,948
To be determined:	\$ 550,558

Implementing Agency: Forestry Department of Kedah

Session of Approval: ITTC Session XIII, November 1993, Yokohama

Starting Date and Duration: To be determined (36 years)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (9) **PD 43/92 Rev.1 (F)** **Strengthening of the Amazon Forest Development Center for the Sustainable Management of Tropical Forests**

**Budget and Funding Sources:**

Total Budget:	\$889,520
Government of Peru:	\$370,400
To be determined:	\$519,120

Implementing Agency: Amazon Forest Development Center

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (2 years)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (10) **PD 45/92 Rev.1 (F)**                      **Agroforestry Systems for the Communities of Medicilandia, Para, Brazil**

**Budget and Funding Sources:**

Total Budget:	\$ 2,217,527
FUNATURA/Communities:	\$ 1,021,750
To be determined:	\$ 1,195,777

Implementing Agency:              Pro-Nature Foundation (FUNATURA)

Session of Approval:              ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (5 years)

To address the panel's concerns and clarify issues raised about the economic viability of project activities, FUNATURA presented an amendment to the project found in PCF (XI)/7 Rev.1. After substantial debate on the direct relevance of the proposal to ITTO core objectives and priorities, and the sustainability of project outcomes, the Permanent Committee on Reforestation and Forest Management approved the project. Financing was not immediately allocated, but the Thirteenth Session of the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (11) **PD 47/92 Rev.1 (F)**                      **Project on Sustainable Forest Management, Production and Regulation in an Area of the Colombian Andes**

**Budget and Funding Sources:**

Total Budget:	\$ 1,259,875
Government of Colombia:	\$ 517,000
To be determined:	\$ 742,875

Implementing Agency:              Instituto Mayor Campesino

Session of Approval:              ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Thirteenth Session in November 1992. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (12) **PD 48/92 Rev.2 (F)**                      **Biotechnological Development using Forest Species in the Zulia Basin, Municipality of Zulia, North Santander Department, Cimitarigua Community**

**Budget and Funding Sources:**

Total Budget:	\$ 1,362,502
Government of Colombia:	\$ 201,278
University of Javeriana	\$ 209,785
To be determined:	\$ 951,439

Implementing Agency: INDERENA and the Javeriana University  
Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia  
Starting Date and Duration: To be determined (5 years)

The Project was approved by the Council at its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (13) **PD 49/92 Rev.3 (F)**                      **Biological Control of Pathogenic Micro-Organisms in Forest Plantations of the Pamplonita and Arauca Basins, North Santander Department, Negavita Community**

**Budget and Funding Sources:**

Total Budget:	\$ 1,519,490
Government of Colombia:	\$ 187,940
University of Javeriana:	\$ 198,820
To be determined:	\$ 1,132,730

Implementing Agency: INDERENA and the Javeriana University  
Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia  
Starting Date and Duration: To be determined (5 years)

The Project was approved by the Council at its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (14) **PD 50/92 Rev.3 (F)**                      **Conservation and Integrated Development in the La Macarena Special Management Area**

**Budget and Funding Sources:**

Total Budget:	\$ 2,345,858
Government of Colombia:	\$ 759,074
To be determined:	\$ 1,586,784

Implementing Agency: INDERENA  
Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia  
Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (15) **PD 2/93 Rev.1 (F)**                      **Integrated Pilot Management of the Ngoua II Fores North - Phase I: The Preparation of the Management Plan**

**Budget and Funding Sources:**

Total Budget:	\$945,146
Government of Congo:	\$188,384
To be determined:	\$756,762

Implementing Agency: Direction Générale des Eaux et Forêts - Ministère des Eaux et Forêts

Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (18 months)

The project was approved by the Council during its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

**(16) PD 3/93 Rev.1 (F) Management and Conservation of the Forest of Bangou - Phase I: Development of the Management Plan**

**Budget and Funding Sources:**

Total Budget:	\$999,048
Government of Congo:	\$200,684
To be determined:	\$798,364

Implementing Agency: Direction Générale des Eaux et Forêts

Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (18 months)

The project was approved by the Council during its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

**(17) PD 12/93 Rev.3 (F) Integrated Forest Fire Management in Indonesia - Phase I: National Guidelines on the Protection of Tropical Forests Against Fire**

**Budget and Funding Sources:**

Total Budget:	\$ 1,030,024
The Government of Japan:	\$ 100,000
The Government of Indonesia:	\$ 93,500
To be determined:	\$ 836,524

Implementing Agency: Directorate General of Forest Protection and Nature Conservation, Ministry of Forestry, Indonesia

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (2 years)

The project was approved by the Council during its Fifteenth Session in November, 1993. The Government of Japan pledged \$100,000. However, complete financing was not allocated at that time although the Common Fund for Commodities has expressed an interest in supporting this project. The Council authorized the Executive Director to initiate implementation as soon as full amount of earmarked funds for the ITTO contribution became available in the Special Account.

**(18) PD 21/93 Rev.1 (F) Forest and Farmers: Sustainable Coexistence**

**Budget and Funding Sources:**

Phase I - Total:	\$ 1,356,579
To be determined:	\$ 927,908
Government of Thailand:	\$ 313,095
Executing Agency:	\$ 115,576
Phase II - Total:	\$ 1,271,719
To be determined:	\$ 805,900
Government of Thailand:	\$ 339,247
Executing Agency:	\$ 126,572
Total - Phases I & II:	\$ 2,628,298
To be determined:	\$ 1,733,808
Government of Thailand:	\$ 652,342
Executing Agency:	\$ 250,948

Implementing Agencies: Save the Children and Thai Royal Forest Department

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (3 years - Phase I)

The project was approved by the Council during its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

**(19) PD 36/93 Rev.1 (F) Securing the Implementation of Improved and/or New Established Nurseries in Egypt**

**Budget and Funding Sources:**

Total Budget:	\$ 301,730 + £E1,178,000
To be determined:	\$ 207,000
Government of Egypt:	£E1,178,000

Implementing Agency: Undersecretary for Afforestation, Ministry of Agriculture and Land Reclamation

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (1 year)

The project was approved by the Council during its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Government of Japan has expressed an interest in supporting the project. The Council authorized the Executive Director to begin implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

**(20) PD 37/93 (F) Silvicultural Management in the Forests of Bajo San Juan**

**Budget and Funding Sources:**

Total Budget:	\$884,199
To be determined:	\$726,699
Government of Colombia:	\$157,500



Implementing Agency: National Institute for Renewable Natural Resources and Environment (INDERENA)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (3 years)

The project was approved by the Council during its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Common Fund for Commodities has expressed an interest in supporting the project as a co-financier. The Council authorized the Executive Director to begin implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

(21) PD 40/93 Rev.1 (F) **Improvement of Data Processing Technique for Sustainable Forest Management**

Budget and Funding Sources:

Total Budget:	\$940,841
To be determined:	\$534,041
Government of Malaysia:	\$406,800

Implementing Agency: Forest Research Institute of Malaysia (FRIM)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (3 years)

The project was approved by the Council during its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

### 3.3 NON-PROJECT ACTIVITIES

#### 3.3.1 Demonstration Models for Sustainable Production of Timber and Non-Timber Products and Conservation

Budget and Funding Sources:

To be determined.

In discussions during its XII Session, the Permanent Committee recognized the importance of establishing a network of demonstration areas. Subsequently, an informal working group lead by Malaysia was formed to determine the most appropriate action for pursuing this activity. The informal working group drafted a Terms of Reference for the continued implementation of the Activity on Demonstration Areas for Sustainable Management of Production Forests. The Committee reviewed the Terms of Reference and made various modifications, and with the addition of a budget, this activity was developed into a pre-project. The XIV Session of the Council approved this pre-project, PPD 8/93 (F) *Demonstration Areas for Sustainable Management of Production Forests* contained in Appendix IV of PCF(XII)/17 Rev.3. Following the XIV Council, this pre-project was funded by the Japanese Lumber Importers' Association for \$110,000. Details concerning this pre-project are described in PCF (XIII)/7, *Report on Pre-Project Work in Progress*.

### 3.3.2 The Economic Case for Natural Forest Management

#### Budget and Funding Sources:

Total Budget:	\$219,000
(for the Asia/Pacific region)	
Government of Australia:	\$ 50,000
Government of Japan:	\$169,000

Implementing Agency: Forest Research Institute of Malaysia - FRIM

During the XII Session of the Permanent Committee, it was reported that participating countries in the project would be sending their country reports to FRIM by April 1993. However, these reports were not received by the anticipated date and therefore, the final report is still under preparation as described herein.

Members of the FRIM team are now preparing a country report to complement and improve the reports submitted by participating countries. Case studies are also being prepared on the value of timber and non-timber benefits as suggested by the review mission. Additional case studies which will strengthen the report are also under preparation. These include carbon sequestration and the impact of logging activities on water and soil quality. After receiving comments and suggestions, the report will be amended and finalized in the three working languages for presentation to the XIV Permanent Committee in May 1994.

### 3.3.3 Working Group on Guidelines for Management of Tropical Forest Plantations

#### Budget and Funding Sources:

Total Budget:	\$ 50,000
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The English version of the document has been published and was distributed during the XIV Council Session. Due to difficulties with the terminology of the French and Spanish translations, the publication in these two languages was delayed. They are, however, being edited for printing. The Plantation Guidelines should be ready for distribution in the very near future.

### 3.3.4 Working Group on Guidelines for the Conservation of Biodiversity in Tropical Production Forests.

#### Budget and Funding Sources:

Total Budget:	\$ 50,000
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The XIII Session of the ITTC adopted the "Guidelines for the Conservation of Biological Diversity in Tropical Production Forests" as noted in Decision 4 (XIII). To complement this decision, a Pre-project proposal was formulated, PPD 12/92 "Publication and Dissemination of the ITTO Guidelines on the Conservation of Biological Diversity". It was approved and recommended for immediate financing and implementation as soon as funds were available in the Special Account {Decision 1 (XIII)}.

During the XIV Session of the ITTC, the Council allocated the funds required to finance this pre-project. This activity has now been completed with the publication of the *ITTO Guidelines on Conservation of Biological Diversity in Tropical Production Forests* in all three working languages of ITTO under PD 12/92 (F).

### 3.3.5 Protection of Tropical Forests Against Fire

During its Eleventh Session, the Committee recalled its adoption of the draft terms of reference for the ITTO Expert Panel on the Protection of Tropical Forests Against Fire at its Tenth Session. It also recalled its recommendations at that Session to commission a consultancy report and following the receipt

of the report, that an Expert Panel be constituted, provided that voluntary contributions were available in the ITTO Special Account to support this activity.

In response to the Committee's wishes, a Pre-Project has been formulated to guide the work of the consultants and Expert Panel in the formulation of Guidelines for the Protection of Tropical Forests Against Fire. This Pre-Project is found in Annex I of document PCF (XII)/17 Rev.3, and has a total budget of \$102,060 required to draft and publish these Guidelines. During its Twelfth Session, the Committee evaluated and approved this Pre-Project. It was subsequently financed during the XIV Session of the Council.

As an outcome of the Consultative Visit, the Government of Indonesia submitted a proposal, **PD 12/93 Rev.2 (F) Integrated Forest Fire Management - Phase I: National Guideline on the Protection of Tropical Forests Against Fire** now being considered during the XV Council Session.

#### 4. FOREST INDUSTRY

Taking into account the reports of the Panel of Experts for technical appraisal of project proposals, the Permanent Committee on Forest Industry in 1993 appraised and evaluated 2 pre-projects which were submitted in time and with sufficient level of preparation for appraisal:

- (i) Expansion of the Production Capability of Small-Medium Scale Furniture Manufacturers for the Purpose of Increasing Malaysia's Exports of Value-Added Timber Products [PPD 9/93 Rev.1 (I)].
- (ii) Promotion of Processing of Value-Added Tropical Timber Products in the Asia-Pacific Region: Phase 1 [PPD 12/93 (I)].

The Committee approved for implementation the pre-project PPD 9/93 Rev.2 (I). The Committee also decided that the pre-project proposal PPD 12/93 (I) was highly relevant to the core of ITTO policy work and that proposed activities are related to ongoing work under an approved pre-project study to assist preparation of the ITTO Guidelines for the Development of Forest Industries. The Committee decided that this new proposal [PPD 12/93 (I)] may eventually be reconsidered and reassessed at a later stage in light of the results to be made available in the ongoing pre-project.

##### 4.1 COMPLETED PRE-PROJECTS

Two pre-projects were completed and considered by the Forest Industry Committee in 1993:

- (i) Feasibility of a Promotion Center for Furniture Manufacturing in Ecuador

This pre-project was implemented by the National Association of the Small-Scale Timber Industries (ANEPIM), from Ecuador. The key finding of this study is that the Ecuadorian secondary wood industry could increase its exports and become more competitive internationally if the identified problems hampering expansion and product quality were addressed. The study has recognized the necessity to improve conditions in the furniture industry through technical assistance and recommended the creation of a Furniture Design Center for training and for provision of technical information. The full report on this pre-project study is reproduced in document PPR 27/93 (I).

The pre-project also provided for the preparation of a revised project proposal [PD 4/93 Rev.2 (I)] to implement the recommended furniture industry improvement program in Ecuador.

- (ii) Harmonization and Integration of Work Proposed under PD 177/91 (M,F,I) and PD 41/92 (F)

This pre-project was carried out by a group of experts representing consumer and producer member countries which worked to integrate project proposals PD 177/91 (M,F,I) and PD 41/92 (F). This Working Group considered that these project proposals essentially dealt with three functions:

- (a) developing an ITTO information sharing network covering all three producer regions and including the publication and dissemination of an ITTO Newsletter;
- (b) liaison between ITTO and producer member countries primarily to facilitate project work and ITTO presence in the region; and
- (c) identification of training needs and supporting development of training programs.

The Working Group prepared a harmonized project proposal [PD 17/93 (M,F,I) "ITTO Network for Information Sharing and Project Support"] whose scope covers the first two functions above. The Working Group considered that it would be premature to include the training component in PD 17/93 (M,F,I) as it was felt that a further examination of the training requirements and

the means of delivery was required. The report summarizing the results of the Working Group is reproduced in document PCI(XII)/6.

#### 4.1.1 Pre-Projects in Progress

Eleven approved pre-projects are under implementation or under preparation for execution. Summaries of their status of development at the end of 1993 are given below:

(i) Institutional Strengthening of IBAMA's Forest Products Laboratory (\$ 56,000)

This pre-project study provides assistance in the planning of future research work of the Forest Products Laboratory of the Brazilian Institute for Environment and Renewable Natural Resources (IBAMA). The study reviews research and development activities of the laboratory with a view to adjust and improve its capability. The study will consider and prioritize the following areas:

- (a) studies and technological research aimed at improving the knowledge of lesser-known wood species, thereby expanding their commercialization and industrialization possibilities;
- (b) identification and selection of lesser-known species for industrial uses, aimed at the sustainable production of the forest resources; and
- (c) development and dissemination of technology to increase the utilization of tropical timbers for different uses.

The implementation of the pre-project study is under the responsibility of IBAMA, which started its implementation in the second half of 1992.

The pre-project is anticipated to be completed in April 1994. The work implemented so far includes the elaboration on the first draft of the document entitled "The IBAMA's Forest Products Laboratory Research and Sustainable Development in the Forestry Activity - Diagnosis and Formulation of Guidelines". This document was elaborated at the national level only, but will support the external consultants work. The document is a critical analysis of the work carried out by the Laboratory during its twenty year existence and its relation with the industrial sector and other related research institutions.

(ii) Manpower Development of the Sarawak Forest Sector (\$ 151,184)

This pre-project study is assessing the present and future workload requirements of the Sarawak Forest Department and determining the training needs of both the public and private sectors to assist in the development of manpower for the entire Sarawak forest and timber sectors.

The pre-project study follows up on the recommendations of the ITTO Sarawak Mission, which found that manpower development is essential if the economic potential of the forest resources of Sarawak, its forest industries and other forest values are to be maintained.

The implementation of the pre-project study is under the responsibility of the Forest Department of the State Government of Sarawak, Malaysia, which commenced project activities in the second half of 1992. The study is expected to be completed early in 1994.

(iii) Technical and Economic Feasibility of Large-Scale Construction of Wooden Houses in Brazil (\$77,500)

This pre-project is reviewing literature on timber species available in the Brazilian market and on their use for wooden houses. The study will also review current timber housing construction projects and assess the constraints for wider and enhanced utilization of construction timber in

Latin America. The pre-project will make recommendations on future studies needed and prepare a project proposal on building a demonstration house for tropical regions.

A technical roundtable was held 9 to 10 December 1993. A broad range of topics related to housing were discussed at the meeting, including:

- (a) housing sector in Brazil;
- (b) use of wood in civil construction;
- (c) systems of wood construction;
- (d) innovative projects;
- (e) technical norms;
- (f) economics aspects; and
- (g) social and environmental aspects.

The implementation of the pre-project is under the responsibility of the Foundation of the University of Parana (FUNPAR), Brazil. The study is expected to be completed early in 1994.

(iv) The Industrial Utilization and Marketing of Eucalyptus Plantations of the Province of Loja, Ecuador (\$ 57,000)

This pre-project study will assess the potential options and feasibility of industrial use of small logs from eucalyptus plantations in Loja. The assessment shall take into account:

- (a) existing experiences and knowledge in eucalyptus processing and utilization;
- (b) production capability in Loja;
- (c) sites for pilot or demonstration processing units;
- (d) plantation management systems and logging methods;
- (e) markets and marketing possibilities; and
- (f) community organization and training requirements.

The study is also expected to reformulate an earlier Ecuadorian project proposal to assist local indigenous Loja communities in managing and utilizing their eucalyptus plantations. The reformulated proposal shall be designed with a focus on training, extension and demonstration activities.

The implementing agency for this pre-project study is the Subsecretariat for Forestry and Renewable Natural Resources, Ministry of Agriculture and Livestock, Ecuador. Work under this study was expected to start in early 1992, but institutional restructuring in Ecuador has caused a delay. Pre-project activities in 1993 were limited to identification and pre-selection of consultants.

(v) Provision of Assistance for Reassessment and Reformulation of Zairian Project Proposals PD 205/91(I) National Saw Maintenance Centre and PD 209/91 (I) Study of Zairian Timber with a View to Promoting Certain Species (\$44,000)

In coordination with the Zairian TFAP follow-up unit, this pre-project is assisting the Government of Zaire in preparing project proposals for presentation to ITTO, under the following terms of reference:

- (a) Assess the wood production situation in Zaire, including the status and prospects for utilization and promotion of lesser-used species.

- (b) On the basis of the findings of activity (a) and taking account of the Zairian institutional capability and institutional support that may be needed, develop the project profile presented under PD 209/91 into a full project proposal.
- (c) Review and assess availability of appropriate saws and sawdoctoring training needs in Zaire and prepare recommendations for action to fill gaps, in light of ITTO priorities set up in the Action Plan. The planned activities may include the development of a full project proposal based on the profile presented under PD 205/91.

Work under item (a) and (b) above has been completed and the fully developed project proposal, PD 209/91 Rev.2 (I) - Study of Zairian Timber with a View to Promoting Certain Species, was approved for implementation by the ITTO Council. The completion of pre-project activities under item (c) above has been delayed due to internal difficulties in Zaire.

(vi) Pre-feasibility Study on Harmonization of Tropical Plywood Standards (\$50,325)

Following a recommendation by the ITTO-sponsored World Conference on Tropical Plywood, the Government of Indonesia submitted and the Council approved a proposal to study the feasibility of developing appropriately harmonized tropical plywood standards for use in international trade.

The objectives of the study are as follows:

- (a) Review plywood standards of major producing and importing countries.
- (b) Review and assess plywood standards adopted or likely to be adopted by major regional trade blocks such as the EEC and North America.
- (c) Consult major tropical plywood producers with a view to assess the feasibility of developing common standards that may appropriately meet the domestic markets as well as the requirements and standards of major importing markets.
- (d) Prepare recommendations and proposals for follow-up action if development of harmonized tropical plywood standards are deemed appropriate and feasible.

The study will be implemented by consultants selected by ITTO in consultation with relevant agencies from the submitting country.

On the basis of information provided by the Secretariat and presented in document PCI(XII)/8, the Committee decided to revise upwards the approved budget for implementation of the pre-project entitled: "Pre-Feasibility Study on Harmonization of Tropical Plywood Standards". The Committee agreed to increase the total budget to US\$ 88,000 to allow the study to appropriately cover the main plywood markets and major producing regions.

Actual pre-project implementation started in December 1993. Consultants have been contacted, and a detailed workplan is being prepared. Implementation of field activities are expected to commence in February 1994.

(vii) Creation of a Center for the Promotion of Lesser-Known Species in Europe (\$52,500)

This pre-project will study the feasibility of establishing a Center in Europe to undertake the promotion of lesser-known tropical timber species from all three producing regions. The proposal for establishing a promotion Center has been in the ITTO agenda since 1988, when such a proposal was put forward as a result of an ITTO pre-project study on lesser-known species implemented by CTFT (France). This additional study was approved to assess the Center's feasibility and appropriateness.

The implementation of the pre-project study is under the responsibility of the Office National de Developpement des Forets (ONADEF) in Cameroon. Work is expected to commence in March 1994.

(viii) Reviewing and Preparing Supporting Documents for Work on Guidelines for Sustainable Development of Forest Industries (\$ 57,200)

Following extensive discussions of a proposal contained in a paper entitled "ITTO Guidelines for Development of Sustainable Forest Industries: A Discussion Paper," put forward by the Chairman of the Forest Industry Committee, Prof. Nils Erik-Nilsson, a pre-project study was approved to establish the basis for further work on the Guidelines.

Specialized consultancy services will be used to prepare a first draft of a document containing proposals on Guidelines for the Development of Sustainable Forest Industries. The draft will recognize that a simultaneous adaption of the forest industries to sustainable forest management and vice-versa is a prerequisite for the sustainable development of both forestry and forest industries. A profitable forest industry is a basic prerequisite for sustainable forest management.

The conception of the Guidelines will mainly take into account the enterprises' perspective but will also include matters which relate to development of national policies. Furthermore, the Committee decided that in drafting the Guidelines, optimum use should be made of existing knowledge, as appropriate, such as those contained in completed and ongoing ITTO projects as well as relevant work by UNIDO and FAO. Particular attention should be paid to documents related to these Guidelines already perused by the Committee, namely:

- (a) Planning and Management of Forest Industries in Developing Countries, a joint ITTO/FTP-FINNIDA/FAO publication, 1992.
- (b) ITTO Guidelines for Development of Sustainable Forest Industries: A Discussion Paper (Appendix III in the Report of the Tenth Session of the Permanent Committee on Forest Industry), 1992.
- (c) The ITTO Action Plan: Criteria and Priority Areas for Programme Development and Project Work, 1990.
- (d) Both the contents and formats of the Guidelines already adopted by ITTO:
  - ITTO Guidelines for Sustainable Management of Natural Tropical Forests, 1990;
  - Guidelines for the Establishment and Sustainable Management of Planted Tropical Production Forests, 1993; and
  - Guidelines for the Conservation of Biological Diversity in Tropical Production Forests, 1993.

Funds for implementation of this pre-project were made available in the end of 1993. Work is expected to start early in 1994.

(ix) Sustainable Development of the Plywood Industry in Latin America (\$115,500)

This pre-project will conduct a survey to provide updated information on the structure of the Latin American/Caribbean Plywood Industry. The study will analyze and make available information on location, raw material supply, production capacity, technology, employment, markets, etc., which are essential for planning further development of the plywood sector, particularly in a region where the industry has not developed as expected due to financial and marketing constraints.



The implementation of this pre-project study is under the responsibility of the Brazilian Association of the Plywood Manufacturing Industry (ABIMCE). Work is expected to commence early in 1994.

- (x) Development work to Phase Out Trade on Unsustainably Produced Timber: I - Assessment of Future Mahogany Supply and Alternative Industries Operations for Sustainable Production (\$337,400)

This pre-project carried out a preliminary assessment of the present situation and future prospects for the supply of amazonian mahogany and explore alternative models for sustainable production. The study's immediate objectives were:

- (a) to analyze the supply and demand situation of mahogany, both for local and export markets;
- (b) to identify alternative models of production, including economic, social and environmental aspects, as well as organizational arrangements and institutional issues;
- (c) to evaluate the feasibility of the selected models; and
- (d) to prepare project proposals for follow-up action.

The study produced the following technical reports:

- (i) Forest Resources (Portuguese)
- (ii) Mahogany Production and Commercialization in Brazil (English)
- (iii) Mahogany Production in Indian Land
- (iv) Mahogany International Market (Portuguese)
- (v) North American Markets (English)
- (vi) British Market (English)
- (vii) Public Policies and use of Forest Resources in the Amazon (Portuguese)

The pre-project study was implemented by FUNATURA, a Brazilian conservation NGO. The study's final report was made available in November 1993 and will be considered by the Forest Industry Committee in its Fourteenth Session in May 1994.

- (xi) Expansion of the Production Capability of Small-Medium Scale Furniture Manufacturers for the Purpose of Increasing Malaysia's Exports of Value-Added Timber Products (\$ 62,760)

This pre-project will study the Malaysian production of furniture and furniture parts for export to consumer markets in Asian countries. The studies will focus on Malaysian small scale furniture industries and on possible subcontracting arrangements that could be encouraged with partners in Taiwan, Province of China and Japan. The study will also make recommendations on possible incentives and mechanisms to promote subcontracting partnerships on furniture manufacturing.

Contractual arrangements for the implementation of the pre-project are been finalized.

## 4.2 PROJECTS

Taking into account the report of the Panel of Experts for technical appraisal of project proposals, the Committee appraised and approved 6 project proposals which were submitted in time and with sufficient level of preparation for appraisal:

PD 79/90 Rev.2 (I)	Seminar and Round Table on the Development of Furniture and Joinery Industries
PD 1/93 Rev.1 (M,F,I)	ITTO Fellowship Programme - Phase II
PD 4/93 Rev.2 (I)	Furniture Industry Improvement Program
PD 17/93 Rev.3 (I)	Network for Information Sharing and Project Support
PD 29/93 Rev.1 (M,F,I)	International Workshop: Development of Sustainable Systems for Utilization of Tropical Forest Resources
PD 39/93 Rev.1 (I)	Research and Development in Energy Alternatives from Biomass (Wood and Agricultural Residues) through Briquetting, Gasification and Direct Combustion

In the six-year period between 1987 and 1993, the Council approved a total of (66) projects in the field of Forest Industry, though financing and allocation of funds were effected only for (45) projects as of December 1993. The scope and status of on-going projects as well as five projects completed in 1993 are briefly summarized in sections 4.2.1 and 4.2.2.

### 4.2.1 Projects Completed in 1993

- (1) PD 11/87 (I) Malaysian Timber Industry Board and Timber Industry Upgrading

Budget and Funding Sources:

Total:	\$345,000
Govn't of Japan:	\$345,000

Implementing Agency: Malaysian Timber Industry Board (MTIB)

Starting Date: January 1989

Duration: Planned - 36 months  
Actual - 50 months

This project implemented a training program for forest industries and government executives from Malaysia. The training program included both short term courses in technical areas in the timber industry (marketing, furniture standards and design, feasibility studies) as well as formal education courses at the graduate level, leading to university degrees in business administration.

The staff of MTIB and selected managers and technicians from the timber industry attended training events offered by specialized training institutions and received on-the job training in further processing industries. Upon project completion in February 1993, a total of 56 MTIB officers and trainees from the timber industry had participated in training activities with financial support provided by the project.

Fulfilling its immediate training objective, the project has built up a core of well-trained and specialized officers in MTIB, who have significantly improved the Board's capacity to further contribute to the development of tropical timber based industries.

MTIB was also restructured to achieve another stated project output: more effective services rendered by the Board to the wood-based industries. The MTIB reorganization work included:

- (i) a reassessment of MTIB's organizational and personnel requirements in the light of government policies prioritizing development and promotion of further processing industries;
- (ii) preparation of a proposal on MTIB's restructuring, to be submitted to the Malaysian Government Public Services Department (PSD);
- (iii) approval by PSD of 30 new posts and the upgrading of several existing posts in MTIB;
- (iv) design and implementation of a corporate strategy to fully develop MTIB into a service-oriented organization specialized in: (a) market intelligence and promotion; (b) provision of consultancy and advisory services to the wood industry; and (c) implementation (as appropriate) of government policies and regulations related to the timber industry; and
- (v) computerization of MTIB operations, which included acquisition of modern computer hardware and software, development of a computerized information system, and specialized computer training for the MTIB staff.

Apart from the project duration which had to be extended by 14 months, the project was implemented as planned with successful completion of designed activities and achievement of stated objectives.

(2) **PD 160/91 Rev.2 (I) International Workshop on Improved Utilization of Timber Resources in Southeast Asia**

**Budget and Funding Sources:**

Total:	\$141,760
Govn't of Japan:	\$121,360
IUFRO:	\$ 10,200
Donor Agencies:	\$ 10,200

Implementing Agency: Forest Research Institute of Malaysia (FRIM)

Starting Date: March 1992

Duration: Planned - 6 months  
Actual - 12 months

This project organized an international workshop on the improved utilization of timber resources in Southeast Asia. The workshop provided a forum for researchers and representatives of donor agencies to discuss and prepare a work plan and proposals for the implementation of tropical timber research in the four priority research areas identified by IUFRO in a regional review paper.

The priority research areas considered and developed were:

- (i) utilization of commercially less accepted species;
- (ii) utilization of wood residues;
- (iii) utilization of plantation grown species; and
- (iv) utilization of rattan and bamboo.

The workshop was convened in Kuala Lumpur, Malaysia, from 7 to 11 December 1992. A total of 46 participants attended the workshop from 12 countries and 7 international, regional, and national agencies such as GTZ, IUFRO, IDRC, Winrock, ATTC and MTIDC. Country reports on the four research areas listed above were presented by participants from Bangladesh, People's Republic of China, India, Indonesia, Malaysia, Papua New Guinea, Philippines, Sri Lanka, Vietnam, and Japan. In addition, two consumer countries, the Netherlands and the United States, presented reports on their utilization of these resources.

The workshop has determined that follow-up actions should include submitting project proposals to donor agencies for funding work covering the four research areas identified. Additionally, the mechanism for implementation of the projects has been outlined and agreed upon. This includes identifying lead institutes for the research areas, appointment of coordinators, establishment of information networks, etc. The workshop proceedings will be made available early in 1994.

The project was implemented as planned, with the exception of the six-month extension in project duration. Apart from the pending publication of the proceedings, all proposed activities have been completed and stated objectives have been achieved.

**(3) PD 37/87 Rev.3 (I) Industrial Use of New Forest Species in Peru: Phases I and II**

**Budget and Funding Sources:**

Total:	Phase I \$ 829,250	Phase II \$ 841,750
Govn't of Japan:	Phase I \$ 448,750	Phase II \$ 461,250
Govn't of Peru:	Phase I \$ 380,500	Phase II \$ 380,500 (in kind)

**Implementing Agency:** General Directorate of Forests and Wildlife of the Ministry of Agriculture and selected timber industries of Pucallpa, Iquitos and Lima

**Starting Date:** April 1990

**Duration:** Planned - 24 months  
Actual - 41 months

This project designed and implemented an applied research program to promote industrialization and commercial introduction of about 40 lesser-known timber species found in Peru. The selected species were processed and tested in selected wood industries in the departments of Lima, Loreto and Ucayali.

In the project Phase I sawnwood products were manufactured on a trial basis and promoted in the domestic and international market (Europe and Japan). Under Phase I, concluded in December 1991, the following activities were implemented:

- (i) wood technology studies to complement information on the technical properties of 20 selected species;
- (ii) wood raw material processing trials (3,500 m<sup>3</sup>) involving sawing, machining, drying and durability preservation research;
- (iii) pilot industrial production of selected products, including sawnwood for structural and non-structural use in construction, parquet and moldings;
- (iv) assessment of species and products likely to meet the requirements of the Japanese and European markets and trade promotion activities in these external outlets; and
- (v) dissemination of project results and findings to professionals in the construction industry through seminars and consultations:

- seminar on "Utilization of New Species in Timber Construction" (Lima, 85 participants);
- seminar for carpenters and other wood construction workers on "Practical Aspects of Using New Forest Species on Timber Construction" (Lima, 100 participants);
- seminar on "Using New Species in the Timber Industry" (Pucallpa, 100 participants);
- seminar on "Sawdoctoring" (Pucallpa);
- forum on "Timber Opportunities as a Construction Material" (Lima, 168 participants); and
- Technical Consultation on "Timber Properties and Wood Technology" (Lima, 60 participants).

The project Phase II was implemented from January 1992 to September 1993 and focussed on further promotion of parquet and molding products and training and marketing activities. The following activities were implemented under Phase II:

- (i) trial processing and marketing of 30 lesser used species;
- (ii) dissemination of project results through five seminars, two convened in Pucallpa, two in Lima, and one in Iquitos;
- (iii) organization in Lima of a workshop on lesser-known species data bank, in cooperation with project PD 134/91 Rev.2 (I), Selection and Introduction of Lesser-Known and Lesser-Used Species for Specific End-Uses - Phase II.
- (iv) establishment of a service to offer information and technical assistance to timber producers and users (SIAT);
- (v) promotion of the new species through visits to major traders and users and product use follow-up with provision of technical assistance and product performance assessment;
- (vi) organizing and sending trade promotion missions to Japan and Europe;
- (vii) printing and dissemination of technical sheets with information on the new species and products;
- (viii) construction of a demonstration building using the new species in the University of la Molina;
- (ix) establishment of a data bank on forest industries also timber traders in Peru; and
- (x) planning and design of studies to provide information related to the ecology of species studied in the project.

The project was implemented as planned, with the exception of the 17 month extension in project duration. All proposed activities have been completed and stated objectives have been achieved. As a direct result of the project 40 lesser-used species are finding growing acceptance in the national market. Eighteen species were also found appropriate for external markets and some of them are already being exported to Spain, Italy and United States.

The project also included a significant participation of the private sector. Twelve private timber processing companies directly participated in the project activities and over 1,500 managers, technicians and wood consumers received training and information on the processing and use of species studied in the project.

An ex-post evaluation at a later stage may be needed to properly assess the project contribution to commercial introduction of lesser-used species in quantitative terms. The intended situation after

project completion included a scenario where the timber industry of Pucallpa, Iquitos and Lima would have at least 10% of their production made up of lesser-used species researched and promoted by the project.

- (4) **PD 54/89 (I)** **Study on Utilization Structure of Tropical Timber Products in Korea and Promotion of Processed Wood Products Supply from Tropical Timber Producing Countries**

**Budget and Funding Sources:**

Total:	\$123,000
Govn't of Japan:	\$ 73,000
Govn't of ROK:	\$ 50,000 (in kind)

Implementing Agency: Korean Forest Research Institute

Starting Date: September 1990

Duration: Planned - 24 months  
Actual - 36 months

This project surveyed the Korean market for tropical timber and reviewed the country's timber imports and utilization trends. The project studies covered both primary industries (sawmilling and plywood manufacturing) and secondary industries (furniture, musical instruments, joinery). The studies identified industries and markets with potential to expand import and consumption of processed tropical timber products manufactured in producing countries. To this effect, the project surveyed and assessed the potential of selected producing countries from Africa, Asia/Pacific and Latin America/Caribbean to supply higher value-added parts and components to be used in production lines of furniture and musical instruments mills in the Republic of Korea.

The project also reviewed policies and regulations applying to timber production, processing and trade in selected producing countries, providing useful information to assist and promote investment by Korean forest industries in the producing countries. A review of Korean policies and mechanisms for investment in foreign countries, focusing in the forest products industry was prepared. A directory of Korean companies with investments in logging and timber processing in producing countries was also made available by the project.

The final project report includes chapters on: (i) timber market and wood utilization in Korea; (ii) timber supply and demand; (iii) production and utilization of tropical timber in Korea; (iv) aspects of production management; (v) global trends and investment options for the Korean timber industry; and (vi) conclusions and recommendations.

- (5) **PD 93/90 (I)** **Introduction of Lesser-Known Species in the Amazon Plywood Industry**

**Budget and Funding Sources:**

Total:	\$254,540
Govn't of Japan:	\$254,540

Implementing Agency: Brazilian Association of Plywood Industries - ABIMCE

Starting Date: April 1991

Duration: Planned - 24 months  
Actual - 29 months

This 24-month project implemented industrial trial research to promote use of lesser-known species in the plywood industry, mainly as core veneers. Species from both low land ("varzeas") and high land were tested on industrial scale in two plywood mills. The trial panels were analyzed and compared with commercial ones. The physical and mechanical properties and other panel quality aspects were assessed in the laboratories of existing research institutes. The work also included an economic evaluation of the feasibility of using lesser-known species for veneer and plywood manufacturing.

The results of the project were presented and discussed in the First International Congress on Tropical Timber Plywood organized by ABIMCE and convened in October 1992 in Manaus, Brazil. The results of industrial tests carried out under the project indicate that 6 out of 22 lesser-known species tested had limited potential for plywood production because of undesirable wood characteristics such as internal tension or irregular grain. Moreover, use of lesser-known species usually resulted in lower final conversion ratios from log to finished panel, increasing manufacturing costs. However, harvesting a larger number of species was found to decrease logging and forest management costs, thus offsetting the higher manufacturing costs resulting from lower finished panel yields.

The main project conclusions summarized in the final report are:

- (i) The introduction of lesser-known species in the Amazonian Plywood Industry under the conditions studied, can significantly reduce logging costs;
- (ii) Technical problems in the utilization of new species, using the presently adopted technology in the Amazon, reduces the yield and increases the costs of plywood manufacturing;
- (iii) As an overall result, the introduction of new species in the plywood industry reduced the costs of the final product by about 5%;
- (iv) The decrease in production costs was small, but this can represent a significant contribution to the achievement of sustainable management of tropical forests;
- (v) Out of the 22 species tested at least 15 species can be used for plywood production. This will represent a substantial increase in availability of new material for the industry, as at the present a limited number of species is utilized;
- (vi) The introduction of the new species is not expected to create any market problem. Evaluation of quality and properties of the final products indicated that the panels produced with new species meet market standards;
- (vii) The involvement of the plywood industry in all phases of the project was considered fundamental to the success of the project. By doing so, costs of the project were reduced and dissemination of the results was facilitated.

#### 4.2.2 Projects Under Implementation

- (1) PD 3.a/87 (I) **Enhancing Locally the Value of Lesser Known Species (Manufacture of Blockboards from Lesser Known Species in Cameroon)**

Budget and Funding Sources:

Total:	\$239,000	
Govn't of Cameroon:	\$ 80,000	(in kind)
Govn't of Japan:	\$159,000	

Implementing Agency: Office National de Developpement des Forets (ONADEF)  
Centre Technique Forestier Tropical (CTFT)

Starting Date and  
Proposed Duration: September 1990 (12 months - exceeded)

This project will facilitate transfer of technologies to Cameroon for processing raw materials from lesser-known timber species into a manufactured stable product (edge-glued panel). A research center in Cameroon (ONADEF, formerly CENADEFOR), assisted by the Centre Technique Forestier Tropical (France,) is responsible for project development activities. Two hundred edge-glued panels have been manufactured and used in school and office furniture, kitchen and dining room tables, and other products. The performance of these products is under evaluation. The project also organized a two day training workshops aimed at promoting and raising the interest of the private sector in manufacturing and using edge-glued panels.

Additional activities underway include:

- (i) a second training session for the private sector;
- (ii) testing the experimental panels for manufacturing doors and housing components;
- (iii) market studies; and
- (iv) marketing and product promotion activities.

A mission from the Tropical Forest Technique Center (CTFT) has inspected all materials related to the project and provided advice on the research methodology. The project has continued to develop and manufacture boards and run comparison tests on various manufactured products - school furniture, doors, partitions. The construction of a demonstration house is an additional objective included in the project. The project is expected to be completed early in 1994.

- (2) PD 4/87 Rev.1 (I) **Training in Planning and Management of Forest Industries in Developing Countries**

Budget and Funding Sources:

Total:	\$ 1,772,500
FINNIDA:	\$ 1,772,500

Implementing Agency: Forestry Training Program (FTP) with the assistance of FAO and ITTO

Starting Date and  
Proposed Duration: October 1989 (4.5 years)

This 4.5-year project is implementing - in Africa, Latin America/Caribbean and Asia/Pacific - training programs with the aim of increasing and improving the contribution of existing and new timber-based industries to regional and sub-regional development. The project includes: (1) a survey of the training materials and review of the curricula of the existing training institutions specializing in forest industries; (2) preparation of appropriate training materials and further-training proposals necessary for forest industries planning, management and operation; (3) designing and holding six training workshops to improve the knowledge and skills of about 120 managers of forest industry enterprises and representatives of public agencies from producing regions; and (4) designing and implementing at the national level six complementary and further-training programs to enhance skills in planning and management of appropriate forest industries.

Implementation of the project started in October 1989 with the recruitment of a project manager. The implementation is progressing as scheduled. The preparatory work and phase I of the project have been completed, and in addition to training workshops has included the execution of the following activities:

- establishment of the expert network in participating countries;



- surveying training needs in planning and management of forest industries;
- preparation of guidelines for planning and management of appropriate forest industries and methodology for their evaluation; and
- convening the first three regional training workshops in Accra, Ghana (January 1991); Panama City, Panama (April 1991); and Abidjan, Côte d'Ivoire (February 1992).

Under project phase II, the fourth regional training workshop was organized in Belem, Brazil in September 1992. The workshop was attended by 21 trainees from Bolivia, Brazil, Peru and Trinidad and Tobago. The regional workshops were complemented by four national level further-training courses in Kumasi, Ghana in May/June 1992, Quito, Ecuador in October 1992, Yaounde, Cameroon in April 1993, and Belem, Brazil in September 1993. The national courses consisted of two different parts. In the first week, trainees were instructed in training skills and in planning and implementation of training activities. During the next two weeks, the teacher candidates tested their newly gained skills by practicing as lecturers in additional training activities.

The printing of final texts of the project technical documents and teaching material have been finalized, and the following publications are available in English, French and Spanish:

- Planning Forest Industries in Developing Countries;
- Training in Planning and Management of Forest Industries in Developing Countries (text and slide presentation); and
- Course Notes and Cases for Group Work.

In November 1993 the Permanent Committee on Forest Industry reviewed the progress in the implementation of the project. Following its recommendation, the Council agreed to approved supplementary funds to the project amounting to \$244,000 for 1993 and \$146,000 for 1994, to make-up for recent strong devaluation of the Finnish marks.

The table below lists the completed training events and the two workshops planned for Asia in 1994:

	1991	1992	1993	1994
<b>Regional Training Workshop</b>	Accra (Ghana) Panama City (Panama)	Belem (Brazil) Abidjan (Cote d'Ivoire)		Kuala Lumpur (Malaysia)
<b>National Training Workshop</b>		Kumasi (Ghana) Quito (Ecuador)	Yaounde (Cameroon) Belem (Brazil)	Jakarta (Indonesia)

(3) **PD 12/87 (I) Research on Utilization of Tropical Timber in Construction**

Budget and Funding Sources:

Total:	\$494,422	
FRIM:	\$220,538	(in kind)
Govn't of Japan:	\$273,884	

Implementing Agency: The Forest Research Institute of Malaysia, FRIM

Starting Date and  
Proposed Duration: October 1990 (5 years)

This project consists of a research program in timber housing construction being carried out by the Forest Research Institute of Malaysia, to increase and improve the utilization of timber in housing and building construction in the country. Research emphasis is on timber use and performance in load bearing applications. Expected outputs include several technical papers, manuals and design guides.

The contractual agreement for project implementation was finalized in September 1990. As of December 1993 the following activities had been completed:

- (i) recruitment of a research scientist;
  - (ii) selection and purchase of research equipment, including hydraulic jacks, hydraulic loading control systems and load cells;
  - (iii) studies on selection and definition of construction standard sized components (wall panels, roof rafters, joints, etc.) and preparation of an Information Paper on this subject;
  - (iv) studies and testing on timber joints and fasteners;
  - (v) designing, manufacturing and testing trussed rafters;
  - (vi) preparation of four technical reports for publication, namely: (i) Selection of Standard Sized Components; (ii) Strength of Nailed Joints in Mengkulang; (iii) Strength of Metal Plate (Punched-Plate) Joints in Mengkulang; and (iv) Strength of Bolted Joints in Mengkulang;
  - (vii) design of a steel framework testing rig for testing full scale housing components;
  - (viii) preparation for a tender to fabricate and install the testing rig;
  - (ix) bending tests on beams and columns; and
  - (x) technical drawing for the first model house, including building of miniature models.
- (4) **PD 60/89 (M,F,I) Fellowship and Related Assistance Program to Promote Tropical Forest Sector Development**

**Budget and Funding Sources:**

Total:	\$950,262
Govn't of Japan:	\$564,000
Govn't of the Netherlands:	\$378,622
Govn't of Australia:	\$ 7,640

**Implementing Agencies:** ITTO in cooperation with JICA and FAO

**Starting Date and**

**Proposed Duration:** July 1989 (2 years with annual extensions to 1993)

The objective of this project, commonly known as the "Fellowship and Small Grants Programme," is to promote human resources development and institutional strengthening in the forestry sectors of member countries. Activities include the funding of fellowships for short-term activities such as visits to research or educational institutions; participation in seminars, workshops, training courses, and conferences; technology transfer; and preparation of technical documents through authors' contracts.

In November 1993 the Organization approved a new project proposal [PD 1/93 (M,F,I)] to allow continuation of the fellowship program. The tables below provide information on the implementation of fellowships approved under the program.

**Fellowships Approved under PD 60/89 and PD 1/93**

	PD 60/89 ITTC(VIII-XIV)	PD 1/93 ITTC(XV)	GRAND TOTAL
Total	168	20	188
Completed	94	0	94
Operational	45	0	45
Pending	22	20	42
Terminated	7	0	7

**Fellowships Approved in 1993**

	PD 60/89 ITTC(XIV)	PD 1/93 ITTC(XV)	GRAND TOTAL
Total	27	20	47
Completed	7	0	7
Operational	14	0	14
Pending	5	20	25
Terminated	1	0	1

**(5) PD 63/89 Rev.1 (I) Low-Cost Houses from Small-Diameter Trees, Plantation Thinnings and Tree Tops and Branches**

**Budget and Funding Sources:**

Total:	\$ 2,465,005.23
Govn't of Japan:	\$ 563,654.00
Govn't of the Netherlands:	\$ 236,351.23
Govn't of the Philippines:	\$ 1,665,000.00 (in kind)

**Implementing Agency:** Forest Products Research and Development Institute (FPRDI)

**Starting Date and  
Proposed Duration:** April 1991 (3 years)

This 3-year project is a research and development program to improve processing of logging residues and silvicultural thinnings and their utilization as housing materials. The project is studying low capital and labor intensive technologies to allow the use of these raw materials for manufacturing lumber, finger-jointed pieces, plywood and wood cement/gypsum boards to be used in suitably designed low-cost houses. Appropriate drying and preservation techniques for the construction materials proposed are also being researched.

Model houses have been built with the construction materials generated through this project. A feasibility study on the establishment of small scale community-based enterprises and assessment of socio-economic benefits will follow and complete the program.

The contractual agreement for project implementation was concluded at the end of March 1991 with immediate project commencement. Research is underway in the following subjects: sawmilling, preservation, solar drying, finger-jointed columns and beams, gluing, grouping species by strength class, suitability of timber species for wood wool cement boards, costing of industrial plantation wood, veneer production from lower quality logs, non-conventional methods of drying veneer, and design of housing components from small diameter trees.

The first meeting of the project Steering Committee was held 2 October 1992 with representatives of FPRDI, Department of Environment and Natural Resources, Philippine Wood Producers Association and ITTO. The second steering committee meeting was held at the Forest Products Research and Development Institute (FPRDI) on August 4, 1993.

Following are a few highlights of the research activities accomplished to date:

- (i) sawing trials on 18 species of small diameter logs from lesser known species;
- (ii) preservation studies including treatment of laminated glue beam specimens and lumber for foundations and beams;
- (iii) testing and evaluation of 22 structural size finger jointed and glue nail laminated beams;
- (iv) analysis of air drying results and construction of a table model for a 2,500 bd. ft. prototype dryer;
- (v) veneer production studies;
- (vi) design and construction of a 1.8 cubic meter furnace dryer;
- (vii) gluing tests;
- (viii) evaluation of 10 species for their mechanical properties;
- (ix) fabrication of a miniature scale model for a one-bedroom house, resulting in a revised house plan; and
- (x) completion of a pre-feasibility study covering the technical, financial, and market aspects of processing small diameter logs and logging wastes for housing components.

A one-bedroom low cost demonstration house using the materials derived/developed from the project was constructed at the Department of Science and Technology in Metro Manila. Cement bonded boards were used for the walls, railings and flooring. The trusses and doors developed in this project were also used. The demonstration house has a floor area of 26.50 m<sup>2</sup> constructed at a cost of US\$4,000. A second demonstration house was constructed at the tent city where refugees of the Mt. Pinatubo eruption are currently housed and a third will be constructed on the grounds of the FPRDI.

A memorandum of agreement has been signed by the (Department of Science and Technology and the Housing and Urban Development Coordinating Council on pilot testing low cost housing designs. It was stated that the HUDCC was scheduling construction of between 3,000 and 4,000 units that would use FPRDI designs and research results produced by the project.

**(6) PD 73/89 (M,F,I) Assistance for Project Identification and Formulation**

**Budget and Funding Sources:**

Total:	\$746,900
Govn't of Denmark:	\$200,000
Govn't of Japan:	\$546,900

Implementing Agency: ITTO

Starting Date and  
Proposed Duration: April 1990 - 1 year [with extensions approved at ITTC(IX) & (X)]

The objective of this project is to improve project identification and formulation capabilities of the responsible personnel in ITTO producer member countries in order to expand national absorption capacity for investment and aid in the forestry sector. The importance of the project was recognized in Council Decisions 2(X) and 2(XI), which reminded and encouraged Members to use the expert facility available under the project to enhance their ability to identify and formulate good projects.

Three regional training workshops on project formulation were contracted to the Economic Development Institute of the World Bank for implementation; a trilingual Seminar Director was appointed and the workshop for English-speaking participants took place in Bangkok, 18 February-8 March 1992, with the support of the ASEAN Agriculture Development Planning Centre (ADPC). Sixteen participants attended from Ghana, Indonesia, Malaysia, Nepal, Papua New Guinea, Philippines, and Thailand. The workshop for French-speaking participants took place in Abidjan, 3-21 June 1991, with the support of the World Bank's Resident Mission in West Africa. Fifteen participants attended from Cameroon, Congo, Côte d'Ivoire, Gabon, Togo, and Zaire. The training workshop for Spanish and Portuguese-speaking participants was held in Quito, Ecuador, 6-24 January 1992.

In addition to earlier work by a consultant in Ecuador and the mission to Papua New Guinea in 1991, upon request from the governments of Côte d'Ivoire, Gabon and Ghana, consultancy missions to assist these countries in the preparation/reformulation of project proposals were carried out in 1992.

No additional consultancy missions were effected in 1993. However, the Council decided to continue the project and approved a supplementary allocation of funds amounting to \$ 330,000 earmarked for training workshops on the use of the new ITTO Project Preparation Manual and to continue to fund missions to assist in the preparation of selected projects upon request from producing Members. Institutions are currently being selected to assist ITTO in the designing and convening of the training workshops.

- (7) **PD 94/90 Rev.3 (I)                      The Integration of Forest-Based Development in the Western Amazon - Phase II - Technology for Sustainable Utilization of Raw Forest Materials**

**Budget and Funding Sources:**

Total:	\$ 3,425,000	
Govn't of Brazil:	\$ 1,550,000	(in kind)
Govn't of Japan:	\$ 1,575,000	
Govn't of Switzerland:	\$ 300,000	

**Implementing Agency:**                      State of Acre Technology Foundation (FUNTAC)

**Starting Date and**

**Proposed Duration:**                      March 1993 - estimated (3 years)

This 3-year project is planning and initiating the industrial processing and utilization of timber and non-timber raw materials to be sustainably produced in the Antimari State Forest (Acre, Brazil). The proposed forest industry development will be based on the results of the socio-economic and environmental studies and preliminary forest management guidelines prepared in the project phase I: PD 24/88 (F), Integration of Forest-Based Development in the Western Amazon - Phase I - Forest Management to Promote Policies for Sustainable Production.

The contractual arrangements for project implementation were finalized in February 1993. The first meeting of the Steering Committee was also convened in February 1993 to discuss a detailed work plan covering the initial six months of project implementation. Land tenure remains the major immediate problem to be addressed by the implementing agency and Brazilian Government as the legal process to establish the Antimari State Forest has not been completed.

A work plan has been prepared for the initial studies on watershed basins, ecosystems, community organization and assistance, processing and marketing of rubber and Brazil nut, management of timber stands, and marketing research. Work on all these studies has started with the exception of ecosystems, which still depends on recruitment of an expert.

The second steering committee meeting is planned for January 1994.

(8) **PD 102/90 (I) Development of Waferboard Products from Potential Tropical Wood Species for Building Pre-Fabricated Houses**

**Budget and Funding Sources:**

Total:	\$371,858.02
Govn't of Japan:	\$ 72,480.02
INPA:	\$299,378.00 (in kind)

Implementing Agency: Amazonia National Research Institute (INPA), Forest Products Department (DPF)

Starting Date and

Proposed Duration: November 1992 (18 months)

This 18-month project is implementing a research program on the utilization of Amazonian tropical species for manufacturing waferboard for construction use. Board will be experimentally produced with three different species. Variables that will be studied are resin content and pressing time. The boards' strength and dimensional stability properties will be analyzed. The experimental boards manufactured under optimum conditions will be used as wall and flooring materials in a prototype house where they will be compared with commercial plywood panels.

Major equipment needed for the project (waferizer and particle dryer) have been received and installed in INPA's laboratories. Field work is under progress to collect the raw materials of selected species which will be used for board manufacturing. Board manufacturing, preparation of structural wood components and prototype house building are expected to be completed by the end of 1994.

(9) **PD 107/90 (I) Strategies for Sustainable Wood Industries in Sarawak**

**Budget and Funding Sources:**

Total:	\$591,398.50
State Govn't of Sarawak:	\$ 56,821.00 (in kind)
Govn't of Japan	\$447,407.50
Govn't of Australia:	\$ 16,000.00

Implementing Agencies: Ministry of Resource Planning, State Government of Malaysia (through the Forest Department and the Sarawak Timber Industry Development Corporation)

Starting Date and

Proposed Duration: December 1992 (13 months)

This 13-month project is preparing a sector plan for the development of forest industries in Sarawak. The project will develop the proposed plan through the following steps:

- (i) review and update market studies;
- (ii) determine the current (and currently proposed) capacity of the wood processing industry;

- (iii) determine forest management units and assess their production potential;
- (iv) determine the product mix which will optimize the economic return to the State; and
- (v) recommend changes to enable the forest sector to produce the optimum product mix.

The project became fully operational in April 1993 when some of the international consultants to assist in the project implementation were selected and started working.

A work plan for the implementation of the Project was developed in cooperation with the relevant sections of the Forest Department and the Sarawak Timber Industry Development Corporation (STIDC). The Plan contains, in addition to time schedules and estimates of manpower requirements, etc., detailed proposals for the formats to be used in the data collecting work.

Data collection needed for the studies on forest resources, wood processing industries, forest products markets and transport started in June 1993. The data were obtained from existing records of the Forest Department, the STIDC, the Transport Department, and the Department of Statistics. A sample survey of the wood based industries was initiated, in order to supplement and verify existing data. The sole output of the project will, according to the project document, be the sector plan. Some intermediate outputs can be expected, which will be part of the documentation of the project. The following intermediate outputs have been identified:

- (i) work plan;
- (ii) data set describing the forest resources;
- (iii) data set describing the existing wood based industries;
- (iv) market forecasts for Sarawak timber products;
- (v) data set on existing transport facilities; and
- (vi) investment estimates for wood processing industries.

A project monitoring meeting was convened in September 1993. A revised work plan has been made available determining in detail what activities are planned, who should do the job, where the activities should take place, what outputs are expected, when the activities should be completed and in what form the results will be presented. The planning phase has been completed and project experts are now concentrating on resource and industry data collection. Collection and analysis of data resources are critical to project success as appropriate information on resources is essential to the determination of production potential of forest management units. Preliminary survey work indicated that the critical resources data are available in the Forest Department and the project staff should be able to complete the collection and collation work as planned.

**(10) PD 108/90 Rev.1 (I) Forest Industry Development Studies**

**Budget and Funding Sources:**

Total:	\$535,000
Govn't of Japan:	\$475,000
Govn't of PNG:	\$ 60,000 (in kind)

Implementing Agency: Forest Authority, Papua New Guinea

Starting Date and  
Proposed Duration: July 1992 (2 years)

This 2-year project is implementing forest industry development studies with a view to assess the possibilities of increasing socio-economic benefits through establishing appropriate forest industries in Papua New Guinea. The project is surveying the existing timber industries of PNG and will follow-up with the preparation of a forest industry development plan. This plan will include the implementation of pre-industrial surveys and pre-feasibility studies for the establishment of an integrated sawmill and wood-based panel plant, an export wood chipping mill, a MDF plant and a pulp mill.

Through international bidding the implementing agency selected an expatriate consultancy company to provide technical assistance (including a forest industry specialist, forest industry policy analyst, and experts for marketing and feasibility studies). The first meeting of the project Steering Committee was held on 30 September 1992 with participation of representatives of the Forest Authority, National Forest and Conservation Action Program, Forest Industries Association of PNG and ITTO.

Activities conducted and completed as planned include six sectoral review discussion papers covering: forest management, revenue, costs and surplus distribution, timber acquisition, allocation and exploitation, marketing processes, the commercial investment climate, and the timber tenure system. The issues raised in these discussion papers were treated in a major paper entitled "Forest Sector Review - 1993". This document also contained a chapter outlining a preliminary forest sector development strategy for PNG. This subject will be treated more extensively following the contributions of the finance and taxation specialist and the forest products marketing specialists.

Several industrial development options were considered including the establishment of satellite sawmilling facilities, centralized sawmilling facilities based on either a dedicated or open log market, plywood manufacture and medium density fiberboard manufacture. The establishment of pulp and paper or additional export mixed tropical hardwood chip facilities was rejected as being financially and technically unattractive under current global market conditions.

The project specialists provided inputs into operational problems currently being tackled by the new National Forest Authority. The problems considered were related to the need to urgently design a new forest revenue system, the development of "National Forest Guidelines" and the operational review of several timber operations in respect of contractual compliance. The specialists have also provided technical advice to a number of wood processing operations that needed help in overcoming both operational and forward planning problems.

Project outputs have included the draft "Forest Sector Review - 1993" which was presented to the National Forest Authority and representatives of forest industry. The document formed the basis for legislative and policies initiatives. The project has provided a major input into a government policy reform which is now virtually complete, leading to adoption of the National Forestry Development Guidelines and the recommendation of a new revenue system. The project is expected to be completed in the first half of 1994.

**(11) PD 109/90 Rev.4 (I) Assistance to Modernization, Restructuring and Development of Wood-Based Industries in Cote d'Ivoire**

**Budget and Funding Sources:**

Total:	\$ 2,885,000	
Govn't of Japan:	\$ 648,000	
Govn't of Cote d'Ivoire:	\$ 2,237,000	(in kind)

**Implementing Agencies:** Societe de Developpement des Plantations Forestieres  
Ministry of Agriculture and Animal Resources

**Starting Date and  
Proposed Duration:** March 1994 - estimated (3 years)



This 3-year project will provide Cote d'Ivoire with an overview of the forest resources, forest industries, and timber market on which the planning and execution of a detailed forest sector development plan can be based. A technical and economic assessment of existing timber industries will be carried out to link industry development to sustainable wood supply from five selected forest management units.

Contractual agreements have been finalized in 1993 and the project implementation is expected to commence early in 1994.

(12) **PD 133/91 Rev.1 (I) Technological and Dendrological Study on Schinopsis (Anacardiaceae) in Chiquitania and the Bolivian Chaco**

**Budget and Funding Sources:**

4	Total:	\$218,125
	Govn't of Bolivia:	\$ 88,225 (in kind)
	Govn't of Japan:	\$129,900

Implementing Agency: Forestry Development Center (CDF), assisted by the General Directorate of Standards and Technology

Starting Date and

Proposed Duration: July 1992 (18 months)

This 18-month project is implementing a systematic and comprehensive research study on the identification and utilization of the Schinopsis species in Eastern Bolivia. The major activities planned and presented as detailed sub-projects include: (1) natural regeneration, (2) dendrological studies, (3) sampling, (4) preparation of test materials, (5) physical and mechanical tests, (6) anatomical studies, (7) durability studies, (8) determination of tannin contents, (9) assessing and evaluation of results, and (10) a final seminar.

The project became operational in July 1992. The implementing agency appointed two consultants to assist with dendrological and wood technology studies, and started planning sampling activities and other field work. Between mid-September 1992 and late February 1993, four trips were effected to survey zones of the schinopsis genera in the study area. Selected trees were felled in November and December 1992 and transported to various laboratories in late March. As of early April 1993, extraction activities had been completed, dendrological studies on three species had been performed, sites for regeneration had been located, and the remaining planned project activities had commenced.

The following studies have been completed as of December 1993:

- (i) dendrological studies;
- (ii) gathering of samples from the forest;
- (iii) preparation of test samples; and
- (iv) designing and setting-up plots for the regeneration studies.

The determination of physical and mechanical properties and durability tests are nearing completion. The processing and evaluation of final results started in November of 1993.

All studies are expected to be completed by January 1994. A final seminar is to be held in February 1994.

(13) **PD 137/91 Rev.2 (I) Strategy for a Sustainable Wood Industry Sector in Ecuador**

**Budget and Funding Sources:**

Total:	\$495,082
Govn't of Ecuador:	\$ 26,559 (in kind)

Govn't of Japan:	\$268,523
Govn't of the U.S.A.:	\$200,000

Implementing Agencies: Subsecretariat for Forestry and Renewable Natural Resources  
Ministry of Agriculture and Livestock, Government of Ecuador

Starting Date and  
Proposed Duration: March 1992 (11 months)

This project prepared a basic plan for the sustainable development of Ecuadorian wood processing industries, based on existing information on forest resources in the country and the long-term demand and supply outlook for forest products. Project activities were completed in 1993 and project outputs include the following reports:

- (i) forest resources and sustainable production potential;
- (ii) existing forest industries;
- (iii) markets;
- (iv) development strategy and optimum production mix; and
- (v) proposal for sustainable development of forest industries.

The project's final report was made available in October 1993 and will be considered by the Permanent Committee on Forest Industry in the 1994 spring Session.

**(14) PD 143/91 Rev.2 (I) Non-Wood Tropical Forest Products: Processing, Trade and Collection**

**Budget and Funding Sources:**

Total:	\$374,000
Govn't of Japan:	\$150,000
Govn't of U.S.A.:	\$200,000
Govn't of Norway:	\$ 24,000

Implementing Agencies: FUNATURA, with the assistance of IBAMA, EMBRAPA, INPA, MPEG, SUDAM, UFPA, and FCAP

Starting Date and  
Proposed Duration: March 1993 - estimated (2 years)

This two-year project is studying the non-wood forest products of a selected pilot tropical forest area (Tapajos National Forest) in Santarem, in the East Brazilian Amazon. The project is surveying products with commercial potential and assessing their role in the local and regional economies. The study will also focus on assessment of further processing possibilities aimed at adding value to products which are mostly traded by the local communities with little or no processing. The study is expected to provide valuable information on the role and potential of non-wood forest products as integral and perhaps essential components of sustainable tropical forest management in the Amazon basin.

The project became operational in September 1993.

**(15) PD 150/91 Rev.1 (I) Identification and Nomenclature of Commercial Tropical Timber Species in the Andean Sub-Region**

**Budget and Funding Sources:**

Total:	\$ 1,057,000	
Govn't of Japan:	\$ 550,000	
INIAA:	\$ 507,000	(in kind)

**Implementing Agencies:** National Agriculture and Agro-Industrial Research Institute (INIAA), assisted by Forestry Agencies in the Andean Sub-Region countries

**Starting Date and Proposed Duration:** February 1993 (3 years)

The objective of this 3-year project is to harmonize nomenclature for major commercial timber species in the Andean sub-region and prepare a practical manual for their dendrological and anatomical identification. The study will include work on 100 species identified in the project proposal. The project will also plan and implement training activities to promote proper identification of species and use of harmonized nomenclature.

The project became operational in February 1993. The first steering committee meeting was held at the National Institute of Agriculture and Agro-industrial Research on August 21-22, 1993 and was organized to present the results of the first six months of the project. The progress report submitted for the period February/July 1993 indicated that much of the work carried on during the first six months was related to data collection and coordination with participating countries. The project leader has conducted the initial visits to the collaborating countries, coordinated with the field laboratories, collected species samples in each participating country, and started planning database development.

**(16) PD 152/91 Rev.1 (I) Harmonization of Technical Tropical Timber Standards in the Andean Sub-region**

**Budget and Funding Sources:**

Total:	\$478,000	
Govn't of Japan:	\$316,000	
INIAA:	\$162,000	(in kind)

**Implementing Agencies:** National Agriculture and Agro-Industrial Research Institute (INIAA) Technical Standards and Industrial Technological Research Institute (ITINTEC)

**Starting Date and Proposed Duration:** February 1993 (2 years)

This 2-year project will promote standardization as a means of improving the quality of Andean tropical timber products and increasing export timber supply and access to consumer markets. The specific objectives of the project are:

- (i) to identify the main reasons for the limited use of technical standards for forest products in the Andean Sub-region and to suggest actions to ensure effective use of standards; and
- (ii) to promote and encourage the use of the sawnwood grading rules of the National Hardwood Lumber Association (NHLA) in the five Andean Sub-region countries;

The project became operational in February 1993. Initial activities were related to securing participation of collaborating forestry institutions and timber industry associations of cooperating Andean countries. Other activities underway include:

- (i) assessment of standardization policies and constraints to use of standards;
- (ii) identification and assessment of options to promote use of appropriate standards; and
- (iii) identification and selection of consultants to assist with training activities on sawnwood grading rules.

The Permanent Committee on Forest Industry agreed to expand activities under the project to allow for a sub-contract with the National Forestry Chamber. The sub-contract is for implementation of activities to promote use of standards in the industry, and will be implemented in addition to all other activities already planned in the project document. The costs of the additional activities will be met by internal rearrangement of the approved project budget.

**(17) PD 154/91 Rev.2 (I) Integrated Development of Timber and Timber Products Marketing Structure in Ecuador**

**Budget and Funding Sources:**

Total:	\$244,000
Govn't of Japan:	\$244,000

Implementing Agency: INEFAN, Ministerio de Agricultura y Ganaderia del Ecuador

Starting Date and  
Proposed Duration: August 1992 (18 months)

This 18-month project is studying the current timber marketing structure in Ecuador in order to improve commercialization of timber products in the national and international markets. The project became operational in August 1992. In November 1992 two consultants were appointed by the implementing agency to assess the timber marketing situation in Ecuador and to prepare a proposal for the development and application of a strategy aiming at further developing the Ecuadorian forest industry.

Studies already completed by the project coordinator and project consultants include:

- (i) assessment of forest resources;
- (ii) timber marketing and trade;
- (iii) timber trade flow maps; and
- (iv) two case studies on timber exports.

The project is also sponsoring market promotion study trips. One for compilation of information on potential export products and markets (Malaysia, Japan, USA) has been completed. A second trip, to Switzerland, Germany and Holland for market analysis, is planned. The project leader has visited Peru to hold discussions and learn from timber promotion activities developed under ITTO project PD 37/87 Rev.3 (I) "Industrial Use of New Forest Species in Peru".

**(18) PD 155/91 Rev.2 (I) Seminar on Sustained Forest Industry Development in the Andean Group Countries**

**Budget and Funding Sources:**

Total:	\$184,000
Govn't of Japan:	\$ 84,000
Govn't of the U.S.A.:	\$100,000

Implementing Agency: INEFAN, Ministry of Agriculture, Ecuador

Starting Date and

Proposed Duration: August 1992 (1 year)

This 1-year project will prepare and convene a sub-regional seminar to promote appropriate policies and measures for the development of sustained forest industries in the Andean countries. The contractual agreement for project implementation was finalized in August 1992. A project coordinator has been appointed and has prepared a detailed work plan for project activities.

A monitoring meeting with the participation of the ITTO Conservation Officer was convened in July 1993. The meeting focused on issues dealing with contracting consultants, administrative arrangements and budget. The project coordinator has provided a tentative seminar program to ITTO, and terms of reference for preparation of case studies have been finalized. The seminar has been scheduled for February 1994.

(19) **PD 47/88 Rev.3 (I) Utilization of Lesser Used Species as Alternative Raw Materials for Forest-Based Industries**

Budget and Funding Sources:

Total:	\$ 2,263,992.60
Govn't of the Philippines:	\$ 1,500,000.00 (in kind)
Govn't of Japan:	\$ 763,992.60

Implementing Agency: The Forest Products Research and Development Institute (FPRDI)

Starting Date and

Proposed Duration: February 1993 (5 years)

This 5-year project will promote the utilization of 20-24 lesser-known species from the Philippines through research and dissemination of information on wood characteristics and technical properties, as well as by manufacturing and testing selected products.

The contractual arrangements for project implementation were finalized in October 1992. The project became operational in February 1993 with nomination of the project coordinator, assistant project coordinator and 23 study leaders, in addition to 8 research assistants and 6 research aides.

A request from FPRDI for a special permit to collect and transport some lesser-used/lesser-known species (LUS/LKS) in some forest concession areas was granted by the Department of Environment and Natural Resources (DENR). The sawmilling of sample logs was undertaken and the lumber specimens were distributed to research units in charge of studies.

Typical studies concern the anatomical, chemical, physical and mechanical properties of some LUS/LKS. At present there are 18 R&D studies being implemented under the project.

(20) **PD 179/91 Rev.1 (I) Industrial Utilization and Improved Marketing of Some Ghanaian Lesser-Used Species from Sustainably Managed Forests**

Budget and Funding Sources:

Total:	\$ 1,134,180
Govn't of Ghana:	\$ 148,907 (in kind)
Govn't of Japan:	\$ 865,273
Govn't of U.S.A.:	\$ 120,000

Implementing Agencies: Forestry Research Institute of Ghana  
Ghana Timber Export Development Board

Starting Date and  
Proposed Duration: June 1993 (3 years)

This three-year project is implementing industrial utilization and marketing research activities to promote production, trade and consumption of products manufactured with lesser-used Ghanaian tropical timber species for which inventory data and technical properties information are available. While the project will focus on product development research and market studies, research on the environmental impact of harvesting lesser-used species at various intensity levels will also be included. Dissemination of the technologies developed and other project results to forest industries of Ghana and selected countries in the region will occur through training workshops, seminars, and publications.

The project became operational in June 1993. A comprehensive review of the literature on the properties and areas of utilization of the 14 selected lesser-used species has been carried out. A survey has been conducted on ten selected mills/companies to find out (1) the extent to which the lesser-used species are being processed into value-added products, (2) the level of interest and willingness of the companies to partake in the project, and (3) to ascertain the managerial and technological experience of the companies. After reconnaissance surveys, three sites have been selected for environmental impact studies. These are Draw River Forest Reserve in the wet evergreen zone, Bura Forest Reserve in moist evergreen zone and Asukese Forest Reserve in the moist semi-deciduous zone.

(21) PD 209/91 Rev.2 (I) Study of Zairian Timber with a View to Promoting Certain Species

Budget and Funding Sources:

Total:	\$695,116
Govn't of Japan:	\$695,116

Implementing Agency: Center for Timber Promotion (Ministry for Environment)

Starting Date and  
Proposed Duration: March 1994 - estimated (5 years)

This 5-year project will contribute to restructuring and strengthening the Zairian Center for Timber Promotion (CTP) and assist with the implementation of research and marketing activities to promote the utilization and trade of lesser-known species found in Zaire. The activities include:

- (i) the renovation and equipping of CTP's office and laboratory facilities;
- (ii) collection and information on Zairian species and establishment of a data bank;
- (iii) implementation of basic research on wood anatomy and mechanical strength;
- (iv) on-the-job training of Zairian staff on timber technology, marketing and data base management operations;
- (v) organization of market promotion events in major domestic outlets; and
- (vi) organization of overseas promotion missions and participation in international timber fairs.

Contractual arrangements for project implementation were completed in 1993. ITTO is holding consultations with the donor country concerning the disbursement of project funds to allow project commencement.

(22) PD 13/92 (I) **First Timber Industrialists Meeting in Central America**

**Budget and Funding Sources:**

Total:	\$ 30,000	
Central American Forest Industries:	\$ 9,000	(in kind)
Govn't of the U.S.A.:	\$ 21,000	

Implementing Agencies: Instituto Nacional de Recursos Naturales Renovables  
Tropical Forest Action Plan - Central America

Starting Date and  
Proposed Duration: March 1993 (6 months)

This project promoted interaction between private sector timber industrialists in Central America by convening a regional meeting, as suggested at the TFAP-CA roundtable held in Honduras in September 1991. The objective of the meeting was to establish a Central American Timber Industrialists Network to facilitate the horizontal exchange of experiences between the different countries in the fields of management, industrial technology, harvesting and other aspects related to productive forest activities.

The meeting was convened in August 1993. More than 60 registered participants from industry, government, academia, and technical support staff attended the meeting. Workshop discussions were lively, constructive and technical. All of the project objectives were adequately addressed. Fundamental challenges to Central American forest industry development remain in the areas of management, financing, development policies and access to market information. The Conference through the "Panama Declaration" made a series of recommendations, including the need to support further work towards:

- (i) promoting larger projects for region-wide forest management;
- (ii) strengthening efforts towards formation of a Central American Forest Service;
- (iii) providing financial and moral support to the next regional meeting of industry representatives;
- (iv) supporting efforts to develop a system of standards for the industry;
- (v) developing entrepreneurial and professional interchange;
- (vi) establishment of a chamber or syndicate of Central American Forest Industrialists;
- (vii) establishment of an association of the professional foresters of Central America;
- (viii) development of a system to certify forest products;
- (ix) establishment of an agency to finance forest industry development in Central America; and
- (x) establishment of other mechanisms to promote regional integration and cooperation on forest industry development.

**(23) PD 17/92 Rev.4 (I) Technology Transfer/Commercialization of Selected Cocowood Utilization Technologies**

**Budget and Funding Sources:**

Total:	\$ 1,966,983
Common Fund for Commodities:	SDR320,750
Govn't of Japan:	\$ 290,000
Govn't of Philippines:	\$ 1,200,000 (in kind)

**Implementing Agency:** Forest Products Research and Development Institute (FPRDI)

**Starting Date and**

**Proposed Duration:** February 1994 - estimated (3 years)

This project will promote technologies for processing and commercialization of cocowood materials for the production of housing components, furniture and other higher value-added products in the Philippines and other Asia/Pacific countries. It will review and update existing know-how on cocowood processing and utilization developed at the Forest Products Research and Development Institute to implement a program on pilot production technology transfer, and commercializations including at least five pilot technologies for which feasibilities studies will be made and equipments made and tested.

The contractual arrangements for the implementation of the project are expected to be finalized in the first half of 1994.

**(24) PD 20/92 Rev.1 (I) The Identification, Properties and Uses of the Tropical Timber Imported to China from Africa**

**Budget and Funding Sources:**

Total:	\$126,700
Govn't of China:	\$ 40,000 (in kind)
Govn't of Japan:	\$ 86,700

**Implementing Agency:** Research Institute of Wood Industry, Chinese Academy of Forestry

**Starting Date and**

**Proposed Duration:** March 1993 (3 years)

This three-year project is producing technical and promotional material to assist Chinese importers and users to properly identify, process and utilize tropical timbers from Africa. The technical literature on African tropical timbers is being reviewed and technical data will be stored in computers for utilization by interested parties in China. The literature review will be complemented by research on wood anatomy and selected physical properties to be implemented in the laboratories of the Research Institute of Wood Industry. The project is part of a comprehensive program that includes the study of species from Southeast Asia, Africa, and Latin America/Caribbean.

The project became operational in March 1993. In June 1993 three scientists from CRIWI visited the CIRAD in France and the Department of Forest, Wageningen Agriculture University in the Netherlands for collection of wood specimens and information relevant to the project. Ninety-one tropical timber samples from Africa and information on additional twenty-five species were collected.

The following additional work has been completed at CRIWI: collection of technical information on important commercial timbers from Africa; samples of 180 species of African timbers have been collected; wood anatomical studies have started with the observation and description of wood structure. Work has also begun on the computerized database creation. A study tour to Ghana and Cameroon



to collect technical information and wood samples of species potentially marketable in China has been planned.

(25) PD 46/92 (I) **World Conference on Tropical Plywood in the Latin America/Caribbean Region**

**Budget and Funding Sources:**

Total:	\$238,650	
Govn't of Ecuador:	\$ 5,000	(in kind)
Govn't of Japan:	\$223,650	

Implementing Agency: Ecuadorian Timber Industrialists Association and Government Forestry Service

Starting Date and  
Proposed Duration: June 1993 (6 months)

This six-month project is organizing and will convene a World Conference on Tropical Plywood in Quito, Ecuador, in a follow-up to a recommendation of the December 1991 World Conference on Tropical Plywood in Asia/Pacific Region [PD 70/89 Rev.2 (I)]. The conference will provide a forum for exchange of information, consultation and cooperation between producers and consumers of tropical plywood. The conference will focus on the following issues related to the tropical plywood industry:

- (i) global and regional supply and demand prospects;
- (ii) processing advances and improvement of quality, yield and waste reduction;
- (iii) industrial standardization;
- (iv) sustainability of forest resources and Year 2000 Objective;
- (v) updating and improvement of forest statistics;
- (vi) restructuring of the plywood industry in consuming countries;
- (vii) transfer of technology to producing countries; and
- (viii) improvement of information and access to markets in consuming countries.

The project will sponsor participation of 40 representatives of government and private sector of ITTO member countries actively involved in production and trade of tropical plywood. The contractual arrangements for project implementation have been finalized in May 1993. Preparatory work has begun for the conference. Nomination of conference officials and the establishment of working committees have been completed. Conference issues and potential speakers have been identified. A tentative conference program has been developed. The proposed agenda includes three sessions: a) trade and investment, b) resources and production, and c) technology.

The Conference is tentatively scheduled for May 1995.

(26) PD 17/93 Rev.3 (M,F,I) **ITTO Network for Information Sharing and Project Support**

**Budget and Funding Sources:**

Total:	\$913,000	(Phase I)
Govn't of Japan:	\$713,000	
Govn't of U.S.A.:	\$100,000	
Govn't of Denmark:	\$100,000	

Implementing Agency: ITTO

Starting Date and  
Proposed Duration: December 1993

This project will establish a network service to increase availability and flow of information within ITTO member countries, and establish an ITTO presence in each of the three producing regions to improve the effectiveness of ITTO activities in these regions. This will enhance the ITTO's profile, and enable greater dissemination of results of ITTO's projects and other activities.

The specific project objectives are:

- A. Establish a service for collection and dissemination of information, and prepare and distribute a newsletter covering the three main fields of ITTO activities, namely reforestation and forest management, economic information and market intelligence, and forest industry.
- B. To improve ITTO's representation and to enhance specific aspects of ITTO's operational activities in producing regions, including the following:
  - (1) strengthen the Secretariat's ability to monitor specific projects as requested and instructed by the Executive Director;
  - (2) facilitate and provide information and planning assistance to project preparation and evaluation in producing regions;
  - (3) represent ITTO in conferences, seminars and other meetings as instructed by the Executive Director; and
  - (4) facilitate efforts by member governments to collect and forward information to be used in the Council's annual review and assessment of the world tropical timber situation.

The project implementation requires sub-contracting regionally in Africa, Asia/Pacific and Latin America/Caribbean the provision of services related to the (i) collection and editing of articles for publication of the newsletter; (ii) assistance to ITTO project monitoring and evaluation activities; and (iii) other activities to improve ITTO's presence and representation in the region.

Arrangements to commence the project have been completed by December 1993 and cooperating agencies/consultancy companies will be selected in the first half of 1994.

**(27) PD 1/93 Rev.1 (M,F,D) ITTO Fellowship Programme - Phase II**

Budget and Funding Sources:

Total:	\$426,441.89 (966,488.00 - for two years)
Govn't of Japan:	\$400,000.00
Govn't of Australia:	\$ 26,441.89

Implementing Agency: ITTO

Starting Date and  
Proposed Duration: 2 years (19 May 1993)

This two-year project continues the work begun under the first phase of the Fellowship Program [PD 60/89 (M,F,D)]. Its primary objective is the promotion of human resources development and institutional strengthening of the forestry sectors of member countries.

Fellowships are awarded preferentially to holders of technical diplomas, bachelor's degrees or master's degrees who are wishing to further their education through graduate or professional degree programs, conferences, study-tours, and other forms of academic study. Funds are not generally awarded for the conduct of Ph.D. research, except in cases where the thesis is of critical importance to ITTO. Selection criteria include conformity with the objectives of the Program and ITTO's Action Plan, expected benefits for the forestry sectors of producer member countries, and high probability of the candidate being able to publish his or her results in an ITTO publication or scientific journal, among others. The Program is administered by a Fellowship Program Officer, employed by ITTO and funded on a half-time basis by project funds.

ANNEX 1

STATUS OF MEMBERS AS AT 31 DECEMBER 1992

<u>Member</u>	<u>Provisional Signature</u>	<u>Provisional application</u>	<u>Ratification, accession (a), acceptance (A) approval (AA)</u>
Australia			16 Feb 1988
Austria			6 Mar 1986 (a)
Belgium/Luxembourg	29 Jun 1984	28 Sep 1984	21 Feb 1986
Bolivia	1 Nov 1984	25 Jun 1985	
Brazil	31 Mar 1985	31 Mar 1985	
Cameroon	15 Apr 1985	14 Jun 1985	19 Nov 1985
Canada			21 May 1986 (a)
China			2 Jul 1986 (a)
Colombia			27 Mar 1990 (a)
Congo	7 Mar 1985		28 Mar 1985
Côte d'Ivoire	27 Mar 1985	27 Mar 1985	
Denmark	29 Jun 1984		28 Sep 1984
Ecuador	31 Mar 1985	31 Mar 1985	19 Jan 1988
Egypt	31 Mar 1985	31 Mar 1985	16 Jan 1986
European Economic Community	29 Jun 1984	29 Mar 1985	
Finland	10 May 1984		13 Feb 1985
France	29 Jun 1984	29 Jun 1984	6 Aug 1985 (AA)
Gabon	26 Sep 1984	19 Mar 1985	18 Nov 1988
Germany	29 Jun 1984	29 Jun 1984	21 Mar 1986
Ghana	29 Mar 1985		29 Mar 1985
Greece	29 Jun 1984	28 Nov 1984	26 Jul 1988
Guyana			7 Oct 1992 (a)
Honduras	27 Sep 1984	29 Mar 1985	
India			19 Feb 1986 (a)
Indonesia	13 Jun 1984		9 Oct 1984
Ireland	29 Jun 1984		4 Oct 1984
Italy	29 Jun 1984		29 Mar 1985
Japan	28 Mar 1984		28 Jun 1984 (A)
Liberia	8 Mar 1984		29 Mar 1985
Malaysia	14 Dec 1984		14 Dec 1984
Myanmar			16 Nov 1993 (a)
Nepal			3 Jul 1990 (a)
Netherlands	29 Jun 1984	20 Sep 1984	29 May 1987 (A)
New Zealand			5 Aug 1992 (a)
Norway	23 Mar 1984		21 Aug 1984
Panama			3 Mar 1989 (a)
Papua New Guinea			27 Nov 1986 (a)
Peru	31 Mar 1985	31 Mar 1985	
Philippines	31 Mar 1985	31 Mar 1985	
Portugal			3 Jul 1989 (a)
Republic of Korea			25 Jun 1986 (a)
Spain	27 Feb 1985	24 Apr 1985	1 Apr 1986
Sweden	23 Mar 1984		9 Nov 1984
Switzerland	30 Apr 1985		9 May 1985
Thailand			9 Oct 1985 (a)
Togo			8 May 1990 (a)
Trinidad & Tobago	29 Apr 1985		9 May 1986
Union of Soviet Socialist Republics	28 Mar 1985		20 May 1985 (A)
United Kingdom	29 Jun 1984		18 Sep 1984
United States of America	6 Apr 1985	26 Apr 1985	25 May 1990 (A)
Zaire			20 Nov 1990 (a)

ANNEX 2

PROFESSIONAL MEMBERS OF THE ITTO SECRETARIAT  
AS AT 31 DECEMBER 1992

Dr. B.C.Y. Freezailah  
Executive Director

Mr. J.E.K. Aggrey-Orleans  
Assistant Director  
Economic Information and Market Intelligence

Dr. Manoel Sobral Filho  
Assistant Director  
Forest Industry

Mr. Lachlan A.J. Hunter  
Assistant Director  
Management Services

Mr. Gary R. Burniske  
Conservation Officer  
Reforestation and Forest Management

Mr. Takeichi Ishikawa  
Projects Manager  
Forest Industry

Dr. Steven E. Johnson  
Statistician  
Economic Information and Market Intelligence

Mr. Charas Mayura  
Finance/Administrative Officer  
Management Services

Mr. Emmanuel Ze Meka  
Projects Manager  
Reforestation and Forest Management

Mr. John J. Leigh  
Systems Analyst  
Economic Information and Market Intelligence

Dr. Douglas C. Pattie  
Projects Manager  
Forest Industry

Dr. Efransjah  
Projects Manager  
Reforestation and Forest Management

### ANNEX 3

#### 1993 ITTO PUBLICATIONS

##### *General Information*

1. GI - 6      Annual Reports 1992 (E)
2. GI - 7      Annual Review and Assessment of the World Tropical Timber Situation, 1992 (E,F,S)
3. GI - 8      Reports of the Sessions of the International Tropical Timber Council and Permanent Committees on Reforestation and Forest Management (PCF), Forest Industry (PCI), and Economic Information and Market Intelligence (PCM)  
ITTC(XIV) & PC(XII) - Kuala Lumpur, Malaysia, 11-19 May 1993 (E,F,S)  
ITTC(XV) & PC(XIII) - Yokohama, Japan, 10-17 November, 1994 (E,F,S)
4. GI - 9      Guidelines for the Selection and Employment of Consultants and Guidelines for the Procurement and Payment of Goods and Services Financed From the Special Account, 1993 (E,F,S)

##### *ITTO Technical Series*

5. TS - 11      Status and Potential of Non-Timber Products in the Sustainable Development of Tropical Forests, Proceedings of an International Seminar Held in Kamakura, Japan, 17 November 1990, 1993 (E,F)
6. TS - 12      The Economic and Environmental Value of Mangrove Forests and their Present State of Conservation, (includes country reports on Indonesia, Malaysia, Thailand, and Fiji), International Society for Mangrove Ecosystems (ISME) and Japan International Association for Mangroves (JIAM), 1993 (E)
7. TS - 13      Conservation and Sustainable Utilization of mangrove Forests in Latin America and Africa Regions, 1993

##### *ITTO Policy Development Series*

8. PS - 4      Guidelines for the Establishment and Sustainable Management of Planted Tropical Production Forests, 1993 (E,F)
9. PS - 5      Guidelines for the Conservation of Biological Diversity in Tropical Production Forests, 1993 (E,F,S)

##### *Pre-Project Reports*

10. PPR 19/91 Rev.1 (I) Industrial Processing of Rubberwood Timber in Africa (Cameroon, Cote D'Ivoire, and Ghana), National Forestry Development Agency (ONADEF), Cameroon, 1991 (revised 1993) (E,F)
11. PPR 27/93 (I)      Feasibility of a Promotion Center for Furniture Manufacturing in Ecuador, Asociacion Industriales Madereros (AIMA), 1993
12. PPR 28/93 (M)      Assessment of the Market News Service (MNS) for Tropical Timbers, August 1993 (E,F,S)
13. PPR29/93 (I)      Development Work to Phase out Trade on Unsustainably Produced Timber: 1 - Assessment of Future Mahogany Supply and Alternative Industrial Operations for Sustainable Production, September 1993 (E)

***Project Reports***

14. PD 2/87 (F)      Rehabilitation of Logged-Over Forests in Asia/Pacific Region: 1. Sub-Project I Report, Japanese Overseas Forestry Consultants Association, Sub-Project II Report, JOFCA, 1993
15. PD 158/91(M)      Market Intelligence: Analysis of the Wood Flow as a Basis for an Early Warning System for the Tropical Timber Market - Phase II, Foundation for Forest and Forest Products, 1993 (E)

***Other Publications***

16. OP - 11      Monographs on Appropriate Forest Technologies, World Bank, Washington D.C., 1993
1. Land Resources Series - No.1, *Jatropha Curcas*, A Multipurpose Species for Problematic Sites (E)
2. Land Resources Series - No.2, The Importance of *Mycorrhiza* to Forest Trees (E)
17. OP - 12      Substitute Bamboo for Wood in China, November 1993 (E)

***Serial Publications***

18. Market News Service (started in June 1990) - Bi-weekly
19. ITTO Forest Management Update (started in April 1991) - Quarterly

Note: Most ITTO publications (roughly 80%) are done in house (re: editing, lay-out, typography and reproduction).

## ANNEX 4

### SCHEDULE OF OFFICAL TRAVEL AND PARTICIPATION AT CONFERENCES

#### 1. Administration

##### *Executive Director*

19 January - 3 February 1993	First Special Session of the International Tropical Timber Council and Second Preparatory Committee for the Renegotiation of the ITTA, 1983, Quito, Ecuador.
16 - 23 February 1993	Attended and addressed the Global Forest Conference: Beyond UNCED Response to Agenda 21, held in Bandung, Indonesia.
9 - 14 March 1993	Attended the Third Meeting of the Project Steering Committee for PD 11/87 (I) "MTIB and Timber Industry Upgrading", held in Kuala Lumpur, Malaysia.
6 - 22 April 1993	United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983 (First Part), Geneva, Switzerland.
6 - 25 May 1993	Visited Indonesia for consultations with Government authorities. Fourteenth Session of the International Tropical Timber Council in Kuala Lumpur, Malaysia.
13 - 28 June 1993	United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983 (Second Part), Geneva, Switzerland.
13 - 23 July 1993	Visited Brazil for consultations with Government authorities.
10 - 22 September 1993	Attended and addressed the Fourteenth Commonwealth Forestry Conference and the International Forum on Investment Opportunities in the Rubberwood Industry, held in Kuala Lumpur, Malaysia.
2 - 17 October 1993	United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983 (Third Part), Geneva, Switzerland.
4 - 7 November 1993	Visited Malaysia for consultations with relevant authorities.
14 - 23 December 1993	Visited Malaysia to sign the agreements for the implementation of two ITTO sponsored projects: PD 185/91 Rev.2 (F) "Sustainable Forest Management and Development in Peninsular Malaysia", and PD 24/93 Rev.2 (F) "Forest Management of Natural Forests". Attended and addressed the Dedication of the Mangrove Ecosystem Information Service (MEIS) to the Mangrove World, held in Madras, India. Visited Thailand for consultations with relevant authorities.

##### *Assistant Director for Management Services*

16 January - 11 February 1993	To service the Second Preparatory Committee for the Renegotiation of the ITTA, 1983, Quito, Ecuador.
4 - 21 May 1993	Fourteenth Session of the International Tropical Timber Council in Kuala Lumpur, Malaysia.



21 - 29 June 1993                      Presented a paper on behalf of ITTO at the Common Fund Seminar on Development of International Commodity Strategies, Brussels, Belgium; consultations with the Common Fund at their Headquarters, Amsterdam, The Netherlands.

18 - 27 September 1993              Preparation mission for the Sixteenth Session of the International Tropical Timber Council, Bogota and Cartagena de Indias, Colombia.

*Finance/Administrative Officer*

4 - 21 May 1993                      Fourteenth Session of the International Tropical Timber Council in Kuala Lumpur, Malaysia.

**2.    Economic Information and Market Intelligence**

*Assistant Director*

22 - 31 January 1993                Attended and serviced the Preparatory Committee for the Renegotiation of a Successor Agreement to the ITTA, 1983, and the First Special Session of the ITTC, Quito, Ecuador.

15 - 17 March 1993                Participated in the "Workshop on Methodologies for Assessment of the Commercial and Biological Conservation Status of Timber Trees", Cambridge, U.K.

13 - 16 April 1993                Attended and serviced the First Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.

25 - 27 April 1993                Attended the Third and Final Meeting of the Organizing Committee for the Establishment of an Independent World Commission on Forests and Sustainable Development, New Delhi, India.

11 - 19 May 1993                Attended and serviced the Fourteenth Session of the ITTC and Twelfth Sessions of the Permanent Committee, Kuala Lumpur, Malaysia

21 - 25 June 1993                Attended and serviced the Second Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.

4 - 15 October 1993                Attended and serviced the Third Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.

*Statistician*

22 - 23 April 1993                Attended and monitored seminar on Forest Resource Accounting (Activity PPA/11-13), London, U.K.

11 - 18 May 1993                Attended and serviced the Fourteenth Session of the ITTC, Kuala Lumpur, Malaysia.

18 - 23 October 1993              Monitored and participated in the first week of the final workshop under PD 118/90 (M), Kuala Lumpur, Malaysia.

*Systems Analyst*

25 February - 5 March 1993	Monitored and participated in the second workshop under PD 118/90 (M), Cali, Colombia.
10 - 12 March 1993	Reviewed PD 95/90 (F) and attended its First Steering Committee. Reviewed PD 188/91 (F), Lima, Peru.
11 - 18 May 1993	Attended and serviced the Fourteenth Session of the ITTC, Kuala Lumpur, Malaysia.
6 August 1993	Participated in the "Forests, People & Water" forum. Gifu, Japan.
1 - 5 November 1993	Monitored and participated in the last week of the final workshop under PD 118/90 (M), Kuala Lumpur, Malaysia.
29 November - 10 December 1993	Reviewed PD 95/90 (F) and attended its Second Steering Committee. Reviewed PD 188/91 (F), Lima, Rioja and Pucallpa, Peru.

### 3. Reforestation and Forest Management

*Conservation Officer for Reforestation and Forest Management*

30 January - 15 February 1993	Final Evaluation for PD 164/91 and Monitoring Visit and Steering Committee Meeting for PD 128/91, Panama.
10 - 30 March 1993	Monitoring and Evaluation Visits and Attend Workshop for PD 34/88, Bolivia.
8 - 20 May 1993	Fourteenth Session of the International Tropical Timber Council, Kuala Lumpur, Malaysia.
28 May - 15 June 1993	Monitoring and Evaluation Visits and Attend Steering Committee Meetings for PD 138/91, PD 156/91, PD 154/91, PD 155/91, PD 176/91, PD 137/91, PD 46/92 and PPF-04-08, Ecuador.
26 - 29 June 1993	Attend Concluding Workshop for PD 114/90, Okinawa, Japan.
11 - 17 July 1993	Monitoring and Evaluation Visits and Attend Steering Committee Meeting for PD 103/90, Nepal.
3 - 19 August 1993	Steering Committee Meeting for PD 9/92, Honduras; Monitoring and Evaluation and Steering Committee Meeting for PD 128/91, Panama; Steering and Consultative Committee Meetings for PD 172/91, Colombia.
8 - 26 October 1993	Monitoring and Evaluation Visit and Attend Steering Committee Meetings for PD 68/89, PD 99/90, PD 39/92, PD 97/90, PD 69/89, and PPD 3/92, Brazil.
26 - 28 November 1993	Attend Steering Committee Meeting for PD 6/93, Okinawa, Japan.

*Projects Manager for Reforestation and Forest Management (Africa Region)*

3 - 6 January 1993	Steering Committee Meeting for PD 15/87 Rev.1, Gabon.
7 - 13 January 1993	Monitoring and Steering Committee Meeting for PD 52/89 R.4 and PD 131/91 R.2, and Monitoring of PD 132/92 Rev.1, Cameroon.
20 - 24 February 1993	Monitoring, Field Visits and Steering Committee Meeting for PD 77/90, Congo.
3 - 9 April 1993	Annual Review for PD 162/91 Rev.1, Papua New Guinea.
17 - 27 April 1993	Final Evaluation Workshop for PD 74/90 Rev.1, Hamburg, Germany.
28 - 30 April 1993	Annual Review for PD 170/91 Rev.1 and Monitoring and Steering Committee Meeting for PD 184/91 Rev.1, Egypt.
14 - 17 July 1993	Annual Review for PD 75/90, Ghana.
27 September - 2 October 1993	Attend CSCE Conference on the Sustainable Development of Temperate and Boreal Forests, Canada.
27 November - 10 December 1993	Final Evaluation of PD 53/89 Rev.1 and Steering Committee Meetings for PD 52/89 R.4 and PD 131/92 Rev.2, Cameroon.
11 - 20 December 1993	Final Evaluation for PD 170/91 Rev.1, and Monitoring and Steering Committee Meeting for PD 184/91 Rev.1, Egypt.

*Projects Manager for Reforestation and Forest Management (Asia Region)*

8 - 20 May 1993	Fourteenth Session of the International Tropical Timber Council, Kuala Lumpur, Malaysia.
22 - 24 May 1993	Attend Steering Committee Meeting for PD 120/91 Rev.4, Sabah, Malaysia.
16 June - 3 July 1993	Monitoring and Field Visits for PD 89/90, PD 84/90, attend Steering Committee Meeting for PD 10/92 Rev.1, Kalimantan, Indonesia; Attend Steering Committee Meeting for PD 106/90 Rev.1, Sarawak, Malaysia.
18 September - 2 October 1993	Monitoring and Field Visits for PD 10/87, PD 115/90 Rev.1. and Attend Meetings for PD 185/91 Rev.2 and PD 186/91 Rev.2, Malaysia. Attend Steering Committee Meeting for PD 10/92 Rev.1, Indonesia.
5 - 8 November 1993	Participate in Seminar and Study Tour - PD 10/93 Rev.1., Hokkaido, Japan.
10 - 17 December 1993	Attend Steering Committee Meeting for PD 130/91 Rev.2, Philippines; Monitoring, Field Visit and Steering Committee Meeting for PD 14/92 Rev.2, P.R. China.

#### 4. Forest Industry

##### *Assistant Director*

- |                      |   |
|----------------------|---|
| 20 - 22 January 1993 | Serviced the preparatory meeting for the United Nations Conference for the Negotiation of a successor agreement to the ITTA, 1983, Quito, Ecuador.  |
| 1 - 10 February 1993 | Participated in steering committee and monitoring meetings on ITTO Forest Industry projects, Brasilia and Rio Branco, Brazil.   |
| 5 - 18 April 1993    | Participated in a review meeting on project PD 4/87 Rev.1 (I) and in the first part of the United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Helsinki, Finland and Geneva, Switzerland. |
| 10 - 20 May 1993     | Serviced the Fourteenth Session of the ITTC and Twelfth Sessions of the Permanent Committee on Forest Industry, Kuala Lumpur, Malaysia.   |
| 21 - 25 June 1993    | Attended the second part of the United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.  |
| 13 - 23 July 1993    | Accompanied the Executive Director in a visit to Brazilian Forestry and Foreign Affairs Authorities and Brazilian tropical timber industry associations in Brasilia, Belem, and Monte Dourado, Brazil.                          |
| 14-16 September 1993 | Participated in a monitoring meeting on project PD 107/90 (I) "Strategies for Sustainable Wood Industries in Sarawak", Kuala Lumpur, Malaysia.  |
| 2 - 16 October 1993  | Attended the third part of the United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.   |

##### *Projects Manager (Mr. T. Ishikawa)*

- |                     |  |
|---------------------|--|
| 10 - 19 April 1993  | Attended the first part of the United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.  |
| 9 - 20 May 1993     | Serviced the Fourteenth Session of the ITTC and Twelfth Sessions of the Permanent Committee on Forest Industry, Kuala Lumpur, Malaysia.        |
| 18 - 28 June 1993   | Attended the second part of the United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland. |
| 1 - 18 October 1993 | Attended the third part of the United Nations Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland.  |
| 1 - 2 November 1993 | Attended the exhibition of Chubu Woodworking Machinery Manufacturers' Association at Nagoya.   |

*Projects Manager (Dr. D. Pattie)*

- |                     |  |
|---------------------|--|
| 3 - 6 August 1993   | Participated in the steering committee meetings for PD 63/89 Rev.1 (I) and PD 47/89 Rev.1 (I) at the Forest Products Research and Development Institute in Laguna, Philippines.  |
| 18 - 25 August 1993 | Participated in a seminar for Central America Wood Industrialists in Panama City, Panama under Project PD 13/92 (I). Attended the steering committee meetings for PD 150/91 Rev.1 (I) and PD 152/91 Rev.1 (I) in Lima, Peru. |
| 3 - 8 December 1993 | Participated in the steering committee meeting for PD 108/90 (I) in Port Moresby, Papua New Guinea.  |

ANNEX 5

CONTRIBUTIONS TO THE SPECIAL ACCOUNT DURING FINANCIAL YEAR 1993  
(in U.S. dollars)

	1993	1992
<b>PRE-PROJECT SUB-ACCOUNT:</b>		
Australia	\$15,960.00	\$30,340.00
Canada	\$38,759.69	\$0.00
Denmark	\$0.00	\$95,000.00
The Netherlands	\$10,000.00	\$81,229.71
Norway	\$0.00	\$25,000.00
Sweden	\$57,127.86	\$0.00
Switzerland	\$19,525.00	\$0.00
United Kingdom	\$197,542.00	\$106,619.15
U.S.A.	\$26,909.96	\$50,000.00
Private - Union pour le Commerce des Bois Tropicaux dans la CEE (U.C.B.T.)	\$0.00	\$30,000.00
Private - Pilot Club of Yokohama	\$925.93	\$2,265.42
<b>Total:</b>	<b>\$366,750.40</b>	<b>\$420,454.28</b>
<b>PROJECT SUB-ACCOUNT</b>		
Australia	\$81,331.94	\$68,415.21
Denmark	\$175,000.00	\$200,000.00
France	\$0.00	\$293,444.92
Japan (*)	\$12,678,186.66	\$10,426,164.00
The Netherlands	\$65,872.26	\$121,407.11
Norway	\$15,000.00	\$35,000.00
Switzerland	\$150,000.00	\$637,125.00
Sweden	\$0.00	\$333,468.03
United Kingdom	\$196,962.00	\$136,400.00
U.S.A.	\$371,000.00	\$904,000.00
Japan Lumber Importers Association (JLIA)	\$88,890.00	\$76,170.00
Asian Tropical Timber Organization (ATTO)	\$0.00	\$5,000.00
Private - Ito Yokado Corp.	\$39,272.12	\$0.00
Association of Wood Laminating Technology	\$85,763.29	\$0.00
Nagoya IWMFF	\$20,664.86	\$0.00
<b>Total:</b>	<b>\$13,967,943.13</b>	<b>\$13,236,594.27</b>

(\*) Part of funds were later allocated to Pre-Project Sub-Account.

ANNEX 6

ADMINISTRATIVE BUDGET - 1993

Estimated Expenditures for the Financial Year 1994  
(in United States dollars)

[Post Adjustment Multiplier: 165.6; U.N. Rate of Exchange US\$1.00 = Yen 106]

		<u>Estimated Total</u>
A.	SALARIES AND BENEFITS	
A1.	Salaries .....	1,335,788
A2.1	Staff Assessment .....	283,930 1 */
A3.	Post Adjustment .....	1,099,409
A4.	Rental Subsidy .....	125,911
A5.	Education Grant (incl. Education Travel) .....	127,357
A6.	Dependency Allowance .....	73,742
A7.	Home Leave .....	66,473
A8.	Language Allowance .....	4,000
A9.	Overtime .....	40,000
A10.	Mobility & Hardship Allowance .....	17,069
A11.	Separation Benefits .....	0
A12.	Removal Costs .....	6,000
A13.	Repatriation/Recruitment Travel .....	10,000
	Component Total:	<u>\$2,905,749</u>
B.	INSTALLATION COSTS	
B1.	Assignment Grant .....	17,706
B2.	Lumpsum Benefit .....	13,898
	Component Total:	<u>\$31,604</u>
C.	OFFICIAL TRAVEL	
C1.	Transportation/Tickets .....	127,500
C2.	DSA & Travel Expenses .....	49,540
	Component Total:	<u>\$177,040</u>
D.	SOCIAL SECURITY	
D1.	Provident Fund .....	214,459
D2.	Accident/Health Insurance .....	27,781
D3.	Japanese National Scheme .....	47,820
	Component Total:	<u>\$290,060</u>

\*/ Payable by Japan (not included in total estimates) and applied to Staff Members who are Japanese nationals or permanent residents in Japan only.

		<u>Estimated Total</u>
E.	SPECIAL ACTIVITIES	
E1.	Consultants .....	70,000
E2.	Workshops and Meetings .....	20,000
E3.	Other Activities .....	-
Component Total:		<u>\$90,000</u>
F.	DATA PROCESSING	
F1.	Computer Software and Servicing .....	23,000
F2.	Communications, User Charges and Supplies .....	35,000
F3.	Training and Staff Development .....	15,000
Component Total:		<u>\$73,000</u>
G.	OTHER COSTS	
G1.	Communications .....	65,000
G2.	Publications .....	40,000
G3.	Transport .....	30,000
G4.	Library .....	15,000
G5.	Supplies .....	45,000
G6.	Hospitality .....	13,000
G7.	Bank Charges .....	16,000
G8.	Audit .....	45,000
G9.	Miscellaneous .....	10,000
Component Total:		<u>\$279,000</u>
H.	COUNCIL MEETINGS	
H1.	Costs not met by Japan .....	25,000
Component Total:		<u>\$25,000</u>
I.	COSTS MET BY JAPAN	
I1.	Office, Equipment, Utilities .....	**/
I2.	Council Meetings .....	**/
I3.	Initial Travel .....	**/
I4.	Removal Costs .....	**/
I5.	Supporting Staff .....	**/
Component Total:		<u>**/</u>
J.	CONTINGENCY SPECIAL/RESERVE .....	--
Component Total:		<u>--</u>
GRAND TOTAL:		<u><u>\$3,871,453</u></u>

\*\*/ Paid directly or reimbursable by Japan based on actual expenditures.



# CONTRIBUTIONS TO THE ADMINISTRATIVE BUDGET FOR 1993

PRODUCER MEMBERS	<u>Contribution</u>
Africa	
Cameroon . . . . .	45,900
Congo . . . . .	47,600
Côte d'Ivoire . . . . .	47,600
Gabon . . . . .	47,600
Ghana . . . . .	45,900
Liberia . . . . .	45,900
Togo . . . . .	45,900
Zaire . . . . .	47,600
Asia & Pacific	
India . . . . .	54,400
Indonesia . . . . .	302,600
Malaysia . . . . .	249,900
Myanmar . . . . .	
Papua New Guinea . . . . .	56,100
Philippines . . . . .	49,300
Thailand . . . . .	42,500
Latin America	
Bolivia . . . . .	49,300
Brazil . . . . .	256,700
Colombia . . . . .	52,700
Ecuador . . . . .	34,000
Guyana . . . . .	35,700
Honduras . . . . .	27,200
Panama . . . . .	27,200
Peru . . . . .	62,900
Trinidad & Tobago . . . . .	25,500
SUB-TOTAL:	<u>\$1,700,000</u>

**CONSUMER MEMBERS**

	<u>Contribution</u>
Australia .....	30,600
Austria .....	18,700
Canada .....	20,400
China .....	64,600
Egypt .....	25,500
European Community	
Belgium/Luxembourg .....	45,900
Denmark .....	20,400
France .....	79,900
Germany .....	62,900
Greece .....	23,800
Ireland .....	22,100
Italy .....	64,600
Netherlands .....	73,100
Portugal .....	30,600
Spain .....	44,200
United Kingdom .....	76,500
Finland .....	18,700
Japan .....	593,300
Nepal .....	17,000
New Zealand .....	17,000
Norway .....	18,700
Rep. of Korea .....	178,500
Russian Federation .....	22,100
Sweden .....	18,700
Switzerland .....	18,700
U.S.A. ....	93,500
	<hr/>
SUB-TOTAL:	\$1,700,000
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GRAND TOTAL:	\$3,400,000
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