



ITTO

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13-20 November 1996
Yokohama, Japan

**DRAFT REPORT
OF THE
INTERNATIONAL TROPICAL TIMBER COUNCIL
AT ITS TWENTY-FIRST SESSION**

**Yokohama, Japan
13-20 November 1996**

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REPORT

Item I: Opening Ceremony

1. The Twenty-first Session was opened by the Vice-Chairman, H.E. Mr. Wisber Loeis (Indonesia), as the Chairman, Mr. Don Wijewardana (New Zealand) was unable to attend for health reasons. The Vice-Chairman conveyed Council's wishes for the Chairman's speedy recovery and read out his message to Council.

In his message, the Chairman regretted his inability to attend, but was confident that the experienced Vice-Chairman would successfully accomplish his duties. It was to be expected that Members would wish to devote the greater part of the Session to examining Council's *modus operandi* under the new Agreement, which was due to come into force on 1 January 1997. There were three important areas:

- I. Improved efficiency in management of the Organization, especially of the Council Sessions, in order to attract high-level attendance with concomitant high-level decision-making.
- II. Immediate and rapid implementation of measures designed to achieve Objective 2000. There had been many developments since ITTO first developed its criteria and indicators and now it was necessary to keep ahead of the field by comparing ITTO's work in this field with that of others.
- III. Dissolution of the disadvantages of working as separate producer and consumer groups through integrated methods of work to ensure that the objectives of the ITTA, 1994 are met.

During the Twentieth Session, important steps had been taken in these three areas and it was essential to continue the process. The Chairman wished the Twenty-first Session every success in its endeavours.

The Vice-Chairman (hereinafter referred to as the Chairman), then recalled his experiences as Chairman of the U.N. Conference on the Negotiation of a Successor Agreement to the ITTA, 1983 and the fact that the current Council Session marked the tenth anniversary of the founding of ITTO. The Chairman had not been "present at the creation", but he had been posted as Indonesia's Ambassador to Tokyo, close to the ITTO Headquarters, enabling him to deepen his knowledge of the workings and mandate of the ITTO.

ITTO had undergone continuous institutional reforms which had sharpened its mechanisms of operation. During the Geneva negotiations "nothing was agreed until all was settled", and the Chairman had at times despaired of final agreement yet, eventually, a compromise was struck, on 26 January, 1994. Even then, national hesitation persisted, and it was not until 13 September 1996 that the Chairman had attended the UNCTAD meeting and witnessed a mood of refreshing optimism. But it was important to sustain the momentum towards the Year 2000 Objective, which, the Chairman recalled, had originated in his own country, Indonesia, at the Eighth Session in Bali in 1990. He appealed to the donor community to furnish the resources for the Bali Partnership Fund, which would greatly strengthen the work of producing countries for the achievement of the Objective. Japan deserved praise for her advance commitment of finance to the Fund, and the Chairman earnestly hoped for additional pledges at every Session henceforth.

The ITTC Chairman (Mr. Wijewardana), had promoted at the last Session a more efficient method of working and the present Chairman stated that he intended to continue this development by the use of a schedule to regulate the meetings of the Council and the Permanent Committees.

After welcoming distinguished guests (the Deputy Minister of Lands and Forestry of Ghana, the Hon. Faisal Anabah, and the Vice Minister for Forests of Papua New Guinea, the Hon. Mr. Cosmas Bintun Kuok) and thanking those who had worked to prepare the Session, the Chairman declared the Twenty-first Session open.

2. The Deputy Director of the Economic Affairs Bureau of the Ministry of Foreign Affairs of Japan, Mr. Seichi Kondo, noted his pleasure at returning to the city of his birth and delivered a message from the Minister of Foreign Affairs:

On behalf of the Government and people of Japan, the Minister thanked delegates for their countries' commitment to the Year 2000 Objective, congratulated the Organization on its tenth anniversary and thanked those groups concerned with the preparation of the Session.

The fate of the tropical forests had been subject to considerable debate in the post Cold War era. The work of UNCED in 1992 and of the U.N.C.S.D. at present exemplified these international endeavours, and ITTO had played an important role in promoting the principle of sustainable management of tropical forests based on the interdependence of consumer and producer countries. ITTO pioneered guidelines, criteria, and indicators towards this objective.

The Minister was pleased to note that the new Agreement would come into force on 1 January 1997, and that the Year 2000 Objective and the Bali Partnership were at the core of that Agreement. He saw the ITTO as a successful international commodity organization, due in no small measure to the solidarity of the Members. Japan was host to the ITTO Headquarters, and had contributed through financial resources and technology to the development of producer countries. In the next ten years it was important for Member countries to continue in the same spirit of cooperation.

3. The Deputy Minister of Lands and Forestry of Ghana, the Hon. Faisal Anabah, expressed his regret over the Chairman's illness and wished him a speedy convalescence. The Minister, Mr. Kwabena Adjei, had been hoping to attend the Sessions, but owing to national commitments this had not been possible. The Minister send his felicitations on the occasion of ITTO's tenth anniversary, and thanked the Government of Japan and all other contributors to the growth of the Organization.

The Minister stated that the anniversary was a time to renew commitment to the purposes of the Organization, and this requirement was reinforced by the fortuitous coincidence which ushered in a new legal mandate in the shape of the ITTA, 1994. This periodic restatement of rights, duties, and obligations of membership was akin to the function of daily prayers for persons of diverse religious avocations.

Ghana had been an active member of the ITTO since its establishment. She had gained a greater understanding of sustainable forest management and an increased capability to identify the problems and to solve them. Interchange with other members had enabled Ghana, hopefully, to avoid the tragic policy failures seen elsewhere in the tropics. ITTO was an avenue of assistance, advice, and clear vision for national planning in land-use, a supplement, and not a substitute, to Ghana's own resources. The most important lesson gleaned from ten years of membership was for decision-makers to maintain a clear view and not to develop automatic resistance to the flood of economic development prescriptions.

The Minister informed Council that Ghana had recently held a forest stakeholders' meeting which had reinforced in Ghanaian minds the fundamental determination of their own options, irrespective of the level of foreign aid available, and despite the prevalent scarcity of finance. Nevertheless, ITTO membership had helped Ghana to develop with other members a vision of international development which was sensitive to developing countries making the transition to sustainable forest management. This was the challenge of the ITTA, 1994, couched in terms imbued with the letter and spirit of the Rio Earth Summit decisions of 1992. The Year 2000 Objective, ITTO's own freely agreed principle of action, was part of the new treaty, and it was hoped that the provisions for additional finance to achieve the Objective would be honoured by donor countries.

Ghana was fully aware that, when seeking resources from the ITTO, she must also fulfil her own duties and obligations. A basis of mutual trust would serve as the arena for testing the sincerity of producer and consumer commitment to the cardinal purposes of the Organization. The Organization could grow and prosper on this foundation.

4. The Vice-Minister for Forests of Papua New Guinea, Mr. Bitan Kuok, addressed the Council. He commenced by conveying the greetings of his Prime Minister, Sir Julius Chan, and the Minister of Forests, Hon. Andrew Baing. The Minister pledged Papua New Guinea's commitment to ITTO's objectives and to the ITTA, 1994. His country had implemented a range of measures towards achieving ITTO's Year 2000 Objective and these included the 1991 Forestry Act; the creation of the Papua New Guinea Forest Authority in 1993 and the publication of National Forestry Development Guidelines in the

same year; new control procedures and a Logging Code of Practice in 1995/6; and finally the development of a comprehensive National Forest Plan this year. Furthermore, ten sessions of three week training courses were being conducted to ensure that both national and expatriate foresters appreciated the new legal sustainable forest management initiatives.

However, even training 150 foresters by June 1997 was still not enough to meet the Year 2000 Objective; donor assistance was needed to train the private sector as well. International training courses were useful, but foresters need to be trained in their own country where they were familiar with the environment and the unique land tenure system.

Nevertheless, in Papua New Guinea there was concern that markets for tropical timber were shrinking due to substitution. This discouraged producer countries from meeting sustainable management objectives or investing in long-term domestic processing facilities. Given this likely scenario, Papua New Guinea continued to rely on log exports.

The Vice-Minister noted that three ITTO projects were currently under implementation in his country, and reports would be made during the course of the Sessions. He wished to thank the Governments of Japan, Switzerland, and the U.S.A. whose voluntary contributions to ITTO's Special Account had funded these projects.

In conclusion, the Vice-Minister requested Council to consider the possibility of Papua New Guinea as a venue for its expected Twenty-sixth Session in 1999.

5. The Representative of the European Union, Mr. Enzo Barattini, conveyed best wishes for a prompt recovery to the Chairman, and expressed gratitude that the Vice-Chairman was one who had demonstrated his capabilities so well at the negotiations for the successor treaty. He also thanked the Executive Director and Secretariat for the preparation of the Session, but noted that late arrival of certain important documents made consideration of some subjects difficult.

Mr. Barattini hoped that countries which had not yet completed their procedures to become parties to the ITTA, 1994 would soon do so. Dialogue between producers and consumers had improved since the last Session, and more was expected at this one. However, it was disappointing that at the last Session there was no outcome on the question of organization of work under the new Agreement; the European Union attached great importance to progress in this matter. So the Executive Director's report on the issue for this Session was very important and needed the attention of all Members. The Union wished to see a settlement on outstanding concerns such as the duration and structure of Sessions, financial issues, and relations with other organizations working in the field of forestry sector development.

With respect to the Project Cycle, the Union welcomed the consultants' report but was reticent in giving its full approval because of the abstract nature of several recommendations and the budgetary implications of the proposals for restructuring the project monitoring control function.

Transparency in the Organization's work was most important, Mr. Barattini stated. Separate Council and Committee sessions were a possible means of clarification of work during the Sessions. ITTO's active participation in IPF was appreciated, and closer cooperation between the ECE/FAO Timber Committee was certainly also desirable.

Mr. Barattini thanked the Executive Director for the draft Administrative Budget for 1997, but expressed the Union's view on the uncertainties of Members' adhesion to the ITTA, 1994, which was that expenditure should be limited to prevent any increase in contributions.

The Union assured the Chairman of its full support at this, the final Session under the ITTA, 1983.

6. The Representative of the FAO, Mr. Jim Bourke, brought greetings from Mr. David Harcharik, Assistant Director-General and Head of FAO's Forestry Department. He wished to highlight a few of FAO's current activities which had relevance to ITTO.

Sustainable forest management was, as always, a major focus, as was evident at the October meeting of the FAO European Forestry Commission in Geneva, and would again be prominent at the Ashville, U.S.A. meeting of the FAO North American Forests Commission, 18-22 November 1996. FAO was also co-sponsoring the Kochi workshop to take place immediately after this Session.

Mr. Bourke stated that FAO was in the process of preparing a technical handbook on tropical forest management, and ITTO's input was welcomed. FAO's recent publication "FAO Model Code of Harvesting Practice" had links with the new handbook. Also, the FAO Asia-Pacific Forestry Commission had established a working group on sustainable forest management in the Asia-Pacific region under the leadership of Indonesia. It would concentrate on S.E. Asia as work had already been completed for the South Pacific nations.

In the area of data collection and analysis there was also considerable activity. An outlook study, the European Timber Trends study (ETTS 5) had recently been completed. The Asia-Pacific Forestry Sector Outlook was progressing well, and ITTO had made valuable inputs. Another study, Global Fibre Supplies, would make projections up to 2010. Modelling of global forest products production, consumption and trade was under development. All these studies required as source material updates on the 1995 FAO Global Forest Resource Assessment, and a new Assessment is due for 2000. Some of the information from these studies will be presented at the Committee on Forestry meeting (COFO) in March 1997 in Rome and in FAO's biennial report "The State of the World's Forests".

Mr. Bourke noted that both FAO and ITTO were involved in training programmes in forestry statistics. FAO was covering all forests, and including non-wood forest products, and ITTO's mandate would expand under the ITTA, 1994, so there was merit in cooperation.

FAO's two advisory committees on pulp and paper, and on wood-based panels would be replaced by a single committee, the FAO Advisory Committee on Paper and Wood Products, which would meet for the first time in Rome from 23 to 25 April, 1997.

FAO was also a co-organizer of the World Forestry Congress, scheduled for 13-27 October 1997 in Antalya, Turkey. The theme would be "Forestry for Sustainable Development: Towards the 21st Century". This occasion was a good opportunity for exchanges of experiences among forestry interests.

Mr. Bourke concluded by congratulating the ITTO on the entry into force of the ITTA, 1994 in January 1997. The new Agreement would, he believed, result in even greater cooperation between FAO and ITTO.

Item 2: Ascertainment of the Quorum

7. The Executive Director informed the Council that the quorum had been met (Annex I of this document gives a full list of participants).

Item 3: Adoption of the Agenda and Organization of Work

8. In response to a request from Mr. Enzo Barattini (European Union), Council agreed to amend Item 10 in the provisional agenda to match the precise wording of Decision 8(XX). Council thereupon adopted its agenda (Annex II of this document). The Chairman drew Council's attention to the Schedule of Activities which had been drawn up provisionally by his Bureau.

Item 4: Report on the Membership of Council

9. The Executive Director reported that there had been no changes to the Membership of Council since he had reported at the Twentieth Session, so the complete membership remained at fifty-three, composed of twenty-six producers and twenty-seven consumers.

Item 5: Distribution of Votes

10. The Executive Director referred Council to the annex to Document ITTC(XXI)/1, which recorded the distribution of votes for 1996, as approved by Council at its Twentieth Session.

Item 6: Admission of Observers

11. Council considered the applications for admission by the countries and organizations recorded in Document ITTC(XII)/Info.3 and decided to admit all as observers to the Session.

Item 7: Statement by the Executive Director

12. The Executive Director, Dr. B.C.Y Freezailah, expressed regret at the absence of the Chairman, and had conveyed to him Council's best wishes for a swift return to health. However, the Executive Director was confident that the Vice-Chairman's diplomatic gifts and wise leadership would enable him to fill the Chairman's role.

Dr. Freezailah announced the release of a Special Commemorative Brochure containing the story of ITTO to commemorate the tenth anniversary. Additionally, the City of Yokohama and the Government of Japan had organized a special tree-planting ceremony. As the founding Executive Director, Dr. Freezailah considered it a privilege to have worked with others in the cause of the tropical forests. In particular, he requested Council to remember those departed personalities who had rendered service to ITTO.

[Council observed a minute's silence in remembrance of the late Mr. Michihiko Saigo, formerly Mayor of Yokohama; the late Mr. Saburo Okita, formerly Minister of Foreign Affairs of Japan; the late Mr. Arthur Morrell, who passed away while serving as Chairman of the Permanent Committee on Economic Information and Market Intelligence; the late Ms. Aase Moltke-Leth of Denmark; the late Mr. Chai Fook Loong from Malaysia; the late Mr. Benson Gwyon, formerly Director-General of the Liberian Forest Authority, and the late Mrs. Taeko Inagaki, for several years a Secretary in the Secretariat].

The Executive Director recalled the past decade as one of growth, beginning from the moment when he had arrived at Narita Airport on 1 November, 1986, to be met by a delegation of the Ministry of Foreign Affairs, the City of Yokohama, and the Forestry Agency. Meanwhile, European government support had been fostered by the International Institute for Environment and Development and Mr. Arthur Morrell's trade group. The advice the Executive Director had received was to quickly make a mark with the new Organization. In seeking to do so, he had the benefit of the wise counsel of Dato' Muhammad Jabil, formerly head of the Forestry Department of Malaysia, Mr. Alf Leslie, formerly Director of Forest Industries in the Forestry Department of FAO, Mr. Terence Hpay, formerly a senior official in the Commodities Division of UNCTAD, and Mr. Katsuhiko Kotari, Special Adviser to the Japan International Cooperation Agency.

As the Executive Director had begun his work in November 1996, he had first opened a line of communication with the environmental community through a meeting with H.R.H. Prince Barnhard of The Netherlands, a permanent consultation with Prof. Duncan Poore, and an historic meeting of conservation NGOs and timber trade associations in Copenhagen. It was his view that opening channels of free communication would establish the basis for an open, transparent, and participatory process within ITTO.

No-one writing a history of ITTO could fail to give due recognition to the exemplary role of Japan. A full array of offices with logistical support was sited on the Minato-Mirai 21 (21st Century Future Port) redevelopment area. All were aware of the other fields of ITTO's endeavour where the generosity of Japan was again displayed. On this sound basis, the Organization had grown as a cooperative effort to which all members had contributed.

However, Dr. Freezailah wished to raise a deeper issue than that of celebration. Had the obligations of membership exercised a beneficent influence on members? There was a genuine moral pressure enshrined in the mandate. An exploration of the issue led logically to the conclusion that the core of ITTO's work lay not merely in administration of the provisions of the ITTA, but in the normative function which entailed, through guidelines, creating a code of best practice for sustainable tropical forest management. This code had to be responsive to the imperatives of the contemporary movement of ideas on sustainable development. Public opinion was needed by ITTO as an ally. A constantly changing entity, rooted in deep-seated customs and feelings, public conscience tended to be constantly in revolt against international organizations because these were perceived as domains where the nation-state's will was not dominant. Constraints imposed on international organizations were blamed on the organizations themselves in their mediatory role between the national and international spheres.

The Executive Director stated that he had explored these ideas in his document on Entry into Force of the ITTA, 1994 [ITTC(XXI)/6], and had derived concepts from valuable consultations with delegations at the ITTC(XX), a group of consumer members meeting in Geneva, and written inputs from Australia and the U.S.A. The paper contained some options for action from other reports before Council, such as the project cycle work [ITTC(XXI)/6] and the Technical Working Group on ITTO's Statistical Functions [PPR 40/96 (M)]. Other related to forthcoming matters, such as the revision of the ITTO Action Plan. Dr. Freezailah cautioned against "quick fix" solutions; all decisions should be carefully integrated into the overall evolution of the Organization. Over the last decade reform had been continuous; every Session since 1987 had witnessed a decision to review some mechanism or procedure. There was no need to re-visit older areas, nor was the entry into force of the ITTA, 1994 to be seen as a time for radical reform. Controversial issues were subject during compromise solutions during the negotiations for the new treaty, and need not be re-awakened. Financial resources also needed to be considered when new options were introduced.

Dr. Freezailah next drew Council's attention to its duty to adopt an Administrative Budget for 1997. It was hoped that members who had yet to take the necessary legal procedures in respect of the ITTA, 1994 would use their acceptance of the budget as a means of hastening their accession. Discipline and prudence were paramount considerations in the preparation of the draft budget. It was vital that the structure and functions of the Organization should not be fractured by destabilization of its finances.

The Organization, the Executive Director noted, signified with producer members when it was perceived to be assisting them in the sustainable management of tropical forests. Council's decision to despatch a Mission to Bolivia was taken in this spirit, after intensive consultations. The Mission leader, Dr. Kenneth King of Guyana, was well-known in forestry and international finance and administration. The Mission, which the Executive Director had been privileged to accompany, had engaged in consultations at all levels with every kind of stakeholder. The Minister for Sustainable Development himself had given the Mission much of his personal attention. Dr. Freezailah expressed his gratitude to all members of the mission, noting that the burden of writing the report had fallen mainly on Dr. King, and the joint rapporteurs Dr. Duncan Poore (U.K.) and Mr. John François (Ghana). His great concern was that Council should allocate enough time for an open forum on the recommendations of the report [ITTC(XXI)/9], including devoting further time at the next Session. Dr. Freezailah appealed to Members to approach the report with a patient understanding of the difficulties facing any developing country seeking to make the transition to sustainable forest management. The aspirations of the Government and people of Bolivia were seeking encouragement from the actions of the Organization.

ITTO had received recognition at UNCED, and at post-UNCED processes, such as the U.N. Commission on Sustainable Development, the Open-Ended Inter-Governmental Panel on Forests (IPF), is an honorary sponsor of the Commonwealth Forestry Conference (12 - 17 May, 1997, Harare), and would contribute to forthcoming independent fora like the Eleventh World Forestry Congress (13 - 22 October, Antalya) through its work on guidelines, criteria, and indicators, and trade. ITTO also planned, as at the last World Forestry Congress, to hold a satellite meeting to present the decade of growth and highlight key projects. Within the Secretariat's capacity, ITTO was represented at as many IPF initiatives as possible, and had presented a paper entitled "Trade and Environment in Relation to Forest Products and Services" at the Third Session of the IPF. Dr. Freezailah was a member of the Independent World Commission on Forests and Sustainable Development, which had embarked on regional hearings to help define the subjects of its mandate. Although ITTO had no means to provide direct financial assistance to conferences like those convened by IUFRO, it had been able to help individuals wishing to attend and present papers through its Fellowship Programme.

However, the International Workshop on the Integrated Application of Sustainable Forest Management Practices, scheduled for after the current Session in Kochi, Japan, was an IPF-related initiative which ITTO, along with Japan, Malaysia, Canada, Mexico, and FAO, ITTO was co-sponsoring. Developing country members would be well advised to seize this opportunity to exchange experiences on tropical, temperate, and boreal forests.

Dr. Freezailah announced that ITTO had established a HomePage on the World Wide Web. At the same time, Japan had promised to provide the requisite computer infrastructure for improved communications, and, once in place, it was planned to reduce the large number of documents currently being shipped to members and build a cost-effective network.

The "Tropical Forest Update" (TFU) had also been a most successful magazine and the three regional consultants had been invited to participate in this Session in order to determine how their assignments could be made more effective. An important task in their mandate was to provide material to the TFU. At the same time, the Editor of the Newsletter had made special journeys to view particular projects and derive first hand experience to be reported in the TFU. The Secretariat planned to explore avenues for the resources to acquire two large-screen computers and a high-quality colour scanner and printer to enable in-house production of camera-ready copy for overseas printing. Technical staff would also then be needed to assist the Editor with maintenance of the mailing lists and response to queries.

The Executive Director appealed to donors to place the TFU on a firm and enduring basis. The same concern applied to the Project Identification and Formulation Training Workshops, the Fellowship Programme, the Forestry Statistics Training Workshops, and other endeavours by the Organization in the field of human resources development. The response to the Executive Director's previous appeals had not been particularly encouraging.

With the entry into force of the ITTA, 1994, came the establishment of the Bali Partnership Fund. Its existence was a testimony to members' commitment to assist producer members to make the transition to sustainable management. At the same time, the six years of continuous work by the Expert Panel on Technical Appraisal of Project Proposals had led to a body of wisdom of great benefit to any member submitting a proposal. The Panel also required regular funding.

ITTO, Dr. Freezailah concluded, had reason to be proud of its survival on a wave of international goodwill. The seal now displayed the motto "The Year 2000 Objective". Unity and solidarity under this banner would ensure the Organization a place in the judgement of history.

Item 8: Annual Review and Assessment of the World Tropical Timber Situation

13. Following accepted practice, this item was addressed during the proceedings of the Joint Committee Session. The chairman of the Session, Mr. Geoffrey Pleydell (U.K.) reported to the Council that document ITTC(XXI)/3 "Elements for the Annual Review and Assessment of the World Tropical Timber Situation 1996" had been presented. Once again a serious matter arising was the limited and late responses to the annual Forecasting Enquiry. Networks of national correspondents and the statistical training workshops were important. The Secretariat was also working with other agencies such as ECE/FAO Timber Section, FAO, and ITC to coordinate its statistical work and avoid overlap. Members were encouraged to suggest revisions to the format of the Review to make it more in keeping with the new requirements of the ITTA, 1994. Data corrections and additional data for the current Annual Review were needed before 31 December 1996.

Item 9: International Tropical Timber Agreement, 1994

- a) Report on the U.N. Conference on the ITTA, 1994 - Decision 2 (XX)
- b) Report on the Preparation for Entry into Force of the ITTA, 1994 - Decision 4(XIX)

14. The Chairman drew the attention of delegates to document ITTC(XXI)/6 dealing with these issues and the Executive Director took the floor to introduce his report, which addressed both agenda items. He had received some comments before the preparation of his report and had attended an informal meeting of consumers in Geneva in September. After circulation of the report, comments from the U.S.A. had been received.

a) Dr. Freezailah informed the Council that the meeting of parties to the ITTA, 1994 had been convened on 13 September, 1996 at the UNCTAD HQ in Geneva. The parties decided to bring the ITTA, 1994 into force on 1 January 1997.

b) The Executive Director recalled that the ITTO had begun ten years ago. So there was a decade of experience whose lessons could be utilized to plan the transition to the new Agreement. Changes were necessary in order to be efficient. Also relevant were the consultants' report on strengthening the project cycle (document ITTC(XXI)/8) and the report of the expert panel on strengthening ITTO's statistical functions {PPR 40/96 (M)}, both currently before Council. Therefore summaries of these reports were included in the Annexes to the document.

Dr. Freezailah cautioned against over-ambitious targets for reform. The Organization could be overwhelmed. It had progressed under the new Agreement so current mechanisms were still in order. Secondly, the ITTA, 1994 was still a tropical forests agreement except for the statistical and data issues. Thirdly, ITTO was still not strong enough to solve all the problems of tropical forests; some problems impinged on national sovereignty and others lay outside the forestry sector. Fourthly, the sustainable development of tropical forests would require large investments and financial resources were always scarce in developing countries. Bolivia's difficulties as described by Dr. King were a typical example.

So there was a limited absorptive capacity in a given period of time. There were two clusters of issues. The first comprised the additional tasks flowing from the new or revised objectives of the ITTA, 1994. The other consisted of legal requirements for the entry into force, or were linked to administrative procedures. Three issues were considered important; those connected with the entry into force, the functions of the new Committee on Finance and Administration, and a review of the basic control documents.

On the issue of entry into force the Executive Director informed Council that at its Twenty-Second Session in May 1997 it would be necessary to decide upon the terms of accession under Article 39 of the ITTA, 1994. A sample text was presented in his report (p.8; 1(c)). Again, Council would have to make a decision on how to treat the arrears accumulated under the ITTA, 1983. One possible option was for donors to defaulting countries to pay the arrears in exchange for reduced donations to be made good by the country's own currency. The new Committee on Finance and Administration would also need a decision on its Chairmanship and Vice-Chairmanship. Some possible agenda items were also listed in the Executive Director's report. Finally, in this cluster, the review of basic control documents would be necessary, including the Rules of Procedure, the Staff Regulations and Rules, and the Financial Rules and Rules relating to Projects of the ITTO. However, the Headquarters Agreement was still operable in its current form.

Dr. Freezailah then addressed the other cluster of issues. In his report (pp.11-12) he had enumerated the new and revised objectives. There were four main tasks, firstly, to up-date the ITTO Action Plan; secondly to promote non-discriminatory timber trade practices; thirdly, to plan and implement increased work schemes in the field of Economic Information and Market Intelligence; and fourthly to expand work on sustainable forest management. Annex VI of the document presented a summary of the new tasks including estimates of the financial implications; five new staff were necessary, two at the professional, and three at the general service level. The Executive Director proposed that Council might consider charging these extra costs to the Programme Support fund, as a two year ad hoc measure, to avoid additional drain on the Administrative Budget. Other measures, two Expert Panels to review and update of the Action Plan, and of the Guidelines, Criteria, and Indicators, together with the extra day of Council required to promote consultations on sustainable forest management, resources flow, and non-discriminatory trade practices, could all be funded from the Special Account.

15. The Representative of the U.S.A., Ms. Jan McAlpine, read a statement from her Government concerning the acceptance by the U.S.A. of the ITTA, 1994:

"I, Warren Christopher, Secretary of State of the United States of America, having seen and considered the International Tropical Timber Agreement, 1994, which was signed on behalf of the U.S.A. on 1 July, 1994, do hereby accept and confirm the said Agreement, and every Article and Clause thereof on behalf of the Government of the United States of America."

Washington, D.C., 7 November 1997

[Ms. McAlpine later reported the actual deposit of the instrument, made on 14 November 1996].

16. The Representative of Brazil, Mr. Alfonso José Sena Cardoso, informed Council that Brazil's Permanent Representative at the United Nations in New York had been instructed to sign the ITTA, 1994 on behalf of his Government. Brazil had participated in the negotiations, "a number of long journeys into the night" [quotation from playwright Eugene O'Neill] had been made. A common quest for textual consensus passed through many statements of positions.

Brazil still regretted, after three years, that consensus could not be reached on a wider ambit to cover temperate and boreal forests in the scope of the new Agreement. UNCED had stressed the universal balance of rights and obligations of producers and consumers of all timber, regardless of their

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geographical location. The Bali Partnership Fund was perhaps the only example Brazil could see of international cooperation on forestry along the lines agreed in Rio de Janeiro in 1992. Brazil was convinced as before that the achievement of the Year 2000 Objective would depend on the resources made available to producing countries, and on the non-discriminatory access to markets with remunerative prices for tropical timber products. Therefore, Mr. Sena Cardoso said, Brazil's decision to subscribe to the ITTA, 1994 did not derive from any substantial change in Brazil's negotiating position. On the contrary, Brazil would adhere to certain important convictions in her foreign policy. Brazil was committed to international cooperation, and, by way of illustration of this, had offered Rio as the venue for UNCED and was active in the UNCSD Inter-governmental Panel on Forests. Brazil works to use her forest resources efficiently in an environmentally and socially sound manner. ITTO could help Brazil foster these goals.

17. The Chairman thanked Brazil for the statement, and asked for clarification of the procedures within Brazil for acceding to the ITTA, 1994.

18. The Representative of Brazil, Mr. Alfonso José Sena Cardoso, replied by stating that such matters were subject to Congressional approval, which meant that as soon as the signature was deposited with the Secretary-General of the United Nations the process of ratification in Congress would begin.

19. The Representative of Australia, Dr. Kwame Asumadu, confirmed Australia's commitment to the ITTO. He proposed that a small group of producers, consumers, and Secretariat be established to examine priorities in the light of the new Agreement, bearing in mind that ITTO should be both efficient and effective. Australia further suggested that a group should meet during the Session to prepare terms of reference for the joint group.

20. The Spokesperson for the Consumers, Mr. David Drake (Canada), expressed the consumers' pleasure that the entry into force of the ITTA, 1994, would soon eventuate. A new vision was needed, and the Action Plan revision would be a key element, as noted by the Executive Director. The Chairman (Mr. Don Wije-wardana) in his statement in absentia had also highlighted the importance of making the Organization better serve the needs of its Members. This was a shared interest for all Members. Finally, Mr. Drake wished to congratulate Mr. Edward Nsenkyire (Ghana) who had just been appointed by the producers as their spokesperson, at the same time thanking the former spokesperson Mr. Amha Buang (Malaysia) for his long service to the Organization.

21. The Delegate of Japan, Mr. Toshikatsu Aoyama, welcomed the entry into force of the ITTA, 1994, and confirmed Japan's intention to continue support of ITTO activities, including the Bali Partnership Fund, under the new Agreement. He urged countries who had not done so already to ratify the Agreement as soon as possible. Mr. Aoyama reserved Japan's case on the question of new tasks under the ITTA, 1994.

22. The Representative of the European Union, Mr. Enzo Barattini, thanked the Executive Director for his report. Other elements could be added, but the report served as a basis for discussion. Priorities among tasks required thought. Australia's proposal was an excellent one in this context. But the Project Cycle (item 12 of the agenda) also needed attention, and it was important not to neglect policy work when addressing the project programme.

23. The Representative of Switzerland, Mrs. Manuela Jost Ernst, noted that the Executive Director's report had given a good overview. She reiterated the need to consider the report as an integrated item linked to the Project Cycle consultancy report [Document ITTC(XXI)/8]. It was necessary to stress the comparative advantage of ITTO against the background of many organizations dealing with tropical forests. The heart of this advantage lay in the fact that ITTO was constructed as a trade organization but had developed a deep concern for the protection and conservation of natural resources. Therefore what measures should be taken which reflected the comparative advantage of ITTO among existing agencies?

Mrs. Jost Ernst stated that in the transition period into the new Agreement it was absolutely essential to have complete transparency in the financial accounts. Additional resources of revenue should be identified wherever possible. Switzerland could not give her full support to the notion that the Committee on Finance and Administration should undertake policy dialogue on international financial cooperation. It was too early to decide on such an important task, which should be retained at the political level.

New objectives did indeed point to new tasks. However, such new tasks did not automatically mean a linear increment of the budget. Such an approach was too narrow. It was a question of redistributing work and maximizing synergies. Some old budget structures might have become obsolete and could be re-assigned.

Mrs. Jost Ernst said that Switzerland attached great importance to the revisions of the Action Plan, the Guidelines, Criteria, and Indicators, and the project cycle. The year 2000 was not far away, and the task of revising the Action Plan was urgent. A clear Council decision was needed on this matter. Switzerland was ready to support financially a consultancy and expert panel which would undertake this revision. Moreover, Switzerland was encouraged to learn that the additional five staff members would not burden the Administrative Budget for a period of two years. This proposal showed that careful management of finances was able to achieve economies.

Switzerland also believed that Council and Committee Sessions could be better structured and supported the idea of segregating the two types of meetings. Moreover, Switzerland was never entirely at home with the producer and consumer caucuses, which she believed created a risk of polarization rather than consensus. So, Mrs. Jost Ernst concluded that there would be considerable debates on priorities under the ITTA, 1994, and supported Australia's proposal.

24. The Delegate of Colombia, Dr. Antonio Villa Lopera, thanked the Executive Director for his report, and informed Council that the report had been prepared too early to include mention of Colombia's decision to provisionally apply the ITTA, 1994 on 7 October 1996. Furthermore, an interesting process of discussion on the ITTA, 1994 had arisen and a careful explanation of the reasons for provisional application had been drafted for the Colombian Congress as an internal document. It was good to take account of the different ideas of parties to the Agreement, as the Executive Director's report had done. Colombia also approved of the new elements in the objectives, and on the emphasis on assistance to producers in achieving the Year 2000 Objective. Finally, Dr. Lopera stressed the importance of the new Committee on Finance and Administration.

25. The Spokesperson for the Producers, Mr. Edward Nsenkyire (Ghana), thanked the Spokesperson for the Consumers, and looked forward to working with him on the Organization's business. The Executive Director's report showed that the transitional period had far-reaching financial and political importance. The Producers were studying the report and would react to it in due course, as well as to the Australian proposal.

26. The Chairman requested both caucuses to study the Australian proposal.

27. The Representative of the U.S.A., Ms. Jan McAlpine, stated that her delegation had found much food for thought in the Executive Director's report. The U.S.A. favoured full discussion, and supported various interventions, in particular that suggesting that much could be done with current resources. The Australian proposal was a good approach.

28. The Delegate of Ecuador, Mr. Carlos González Sanchez, said that with respect to the subject-matter of the Executive Director's report (the transition to the ITTA, 1994) the concept of sustainability was very important. This was especially true when we considered projects covering only a small area. In Ecuador, it was in principle possible to transfer such sustainability to the regional and national level. If this was not done, there would be a tendency for non-sustainable regimes to predominate. A particular significant unit was the river basin, but there was a recent trend to smaller demonstration areas. ITTO should move to integrated projects, in order to secure support from other organizations, such as WWF, to provide finance for aspects which could not be covered by ITTO. Mr. González hoped that this would be debated.

29. The Delegate of Japan, Mr. Toshikatsu Aoyama, stated that his delegation shared the concern of Switzerland and others over the incremental increase in staffing to cope with new management tasks under the ITTA, 1994. But the problem had to be addressed. At least a partial reform of the Organization should be considered, with the setting of priorities.

30. The Delegate of Cameroon, Mr. Batoum Themotio, expressed, on behalf of his delegation, appreciation of the Executive Director's report. Cameroon hoped that the application of the ITTA, 1994 could be done jointly, and that the new objectives could be fulfilled, as well as the Year 2000 Objective, through additional funds and efficient use of current resources. Cameroon wished to participate in all this work.

31. The Representative of the United Kingdom, Mr. Anthony Smith, in taking the floor for the first time at an Council Session, welcomed the Executive Director's report. In particular, the U.K. supported the comments by the Spokesperson for the Consumers and Switzerland on the importance of the revision of the ITTO Action Plan; this process would help the Organization to develop a new vision. The U.K. was prepared to offer financial support.

32. The Delegate of China, Mr. Zhang Zhongtian, wished to place on record China's support for the ITTO's work. The Executive Director's report was also welcomed. China regarded the ITTO as an important forum for the discussion of challenges facing tropical developing countries in achieving the Year 2000 Objective. The Project Cycle should also be strengthened, and the delegation of China supported the diverse initiatives.

33. The Representative of Indonesia, Mr. Titus Sarjanto, expressed his delegation's appreciation of the entry into force of the ITTA, 1994. They agreed with the main elements considered as priorities in the Executive Director's report. The Organization, in its lifetime, had, in Indonesia's view, recorded a number of successes in the field of sustainable tropical forest management. In particular, Mr. Sarjanto wished to report that all ITTO's Guidelines were in regular use in his country, especially as a control mechanism on the activities of concession-holders. Indonesia would cooperate with all Members towards the common goal. It was hoped that the Bali Partnership Fund resources would be augmented. Indonesia thanked donor countries for helping Indonesia develop sustainably her tropical forests.

34. The Representative of Italy, Mr. Stefano Stefanile, informed Council that Italy subscribed to the ideas in the Executive Director's report. Furthermore, Italy had begun the internal procedures necessary to ratify the ITTA, 1994. The actual date of ratification depended on the process through the national Parliament.

35. The Representative of New Zealand, Mr. Dougal Morrison, reported that the Council Chairman, Mr. Don Wije-wardana (New Zealand) was recovering well from his illness.

New Zealand supported the Australian proposal which it was hoped would soon be discussed by the two caucuses.

36. The Chairman expressed his gratitude to the Council Members for the wide participation in the discussion under Item 9. He requested attention to be paid to the follow-up actions proposed.

Item 10: Report of the Expert Panel on Assessment of the Accuracy and Completeness of Cost Estimates Submitted by Members for Achieving the Year 2000 Objective and Mobilization of Resources to Assist Producing Member Countries to Accelerate Progress in Achieving the Objective - Decision 8 (XX)

37. The Chairman reported that there had so far been very few responses by Members supplying the information required by the Expert Panel. Special Account funds had been released to assist Members with the preparation of their reports. Therefore it had not been possible to convene the Expert Panel.

38. The Executive Director noted that the deadline for submission of reports had been the 30 September 1996, and at that date only 2 reports had been received. The flow of reports was more encouraging and a new deadline had been set for 30 November 1996. Dr. Freezailah now believed it would be possible to convene the Expert Panel and table its report before Council at its Twenty-second Session in May 1997.

39. The Delegate of Colombia, Dr. Antonio Villa Lopera, informed Council that Colombia's report had unfortunately contained a small error, but now the correction had been sent to ITTO. Dr. Villa pointed out that this exercise had been a most useful one for Colombia in the context of her new forestry legislation and of the Year 2000 Objective. It was also relevant to the proposed revision of the Action Plan. He proposed that this task should be performed in relation to the replies received from Members under this agenda item.

Item 11: Report of the ITTO Mission to Bolivia - Decision 2(XVII)

40. The Leader of the Mission, Dr. Kenneth F.S. King (Guyana) commenced by apologizing for typographical errors and the absence of full French and Spanish translations, which had been

occasioned by the illness of a Mission member and consequent late submission of the report to the Secretariat. Considerable assistance had been afforded throughout the Mission's progress by the Executive Director and his Secretariat. Gratitude was due to the Bolivian Government and people; indeed the Mission met the President four times.

Dr. King noted that the Mission was unique insofar as it included foresters, a natural scientist, an anthropologist, economists, a lawyer, a management specialist, and a diplomat (the last-named, Ambassador Kikuchi, present at this Session). Apart from the President and Senators, the Mission met officials, the private sector, and many ordinary people including indigenous groups. The invitation to the Mission was entirely at the instigation of the Bolivian government; no external pressures had been exerted on them to concede to an investigatory mission, nor had allegations been made that the country's forest patrimony was being over-exploited. In fact, in the context of the government's decision to set up a Ministry of Sustainable Development and the Environment in 1993, the Mission invitation was a natural step.

The Mission had made four visits. The Terms of Reference were wide, but the central task was to advise the government on how to manage the tropical forests sustainably. The Mission quickly understood that certain constraints had to be reckoned with, as the country was in a ferment of political and philosophical change. A law had been passed devolving much authority to local participatory authorities in the regions; there was a plethora of land-use legislation. Also, the Mission found itself advising the government almost daily on its new forestry legislation; indeed, the Mission reviewed no fewer than six drafts. In the end the Government accepted many recommendations of the Mission, including the extension of maximum concession-lengths from 20 to 40 years. Approved Forest Management Plans were a prerequisite to the granting of a concession, and after five years a management audit would permit the concession length to be reduced (in the case of a negative report), or increased by five years (a positive report). Fees were raised, but, contrary to the Mission's recommendations, the government placed these within the law to avoid accusations of impropriety.

Dr. King illustrated the problems encountered by comparing Bolivia with Sarawak, Malaysia, the destination of ITTO's 1989 Mission. Sarawak was smaller, an island (not land-locked), and with a reasonably well-developed forestry administration (in Bolivia it was rudimentary, and was totally disbanded and reconstructed during the Mission's year of visits).

Data on resources was deficient, and contradictory; for example, FAO data showed Bolivia as having the highest rate of deforestation in Latin America, but Bolivian data suggested they were the lowest in the developing world! Nevertheless, the Mission assessed the necessary conservation area for biological diversity, watershed management, infrastructural development etc. at 26 million hectares and calculated a remainder available for sustainable management of 16 mill. ha. The standing volume was assessed at 60 m³/ha. and the average growth rate at 2 m³/ha./annum. So the national allowable cut would be 32 mill.m³, but a conservative figure of 24 mill.m³ was used by the Mission. The actual cut was only about 700,000 m³, but this gross figure which suggested an under-cut resource could conceal much greater intensities of utilization of certain species, and this might well be true of mara (Swietenia macrophylla). Allegations of over-cutting of mara were not supported by the evidence, mainly due to inadequate data on the species. But still the Mission recommended that the minimum girth limit for cutting of this species should be raised to exceed that of the age of greatest flowering and seeding. An immediate inventory was also recommended, with permanent sample plots established. Successful examples of mara plantations should be expanded, including those which were part of agroforestry systems. Bolivia was fortunate in that these plantations did not seem to suffer from attacks by the *Hypsipyla* borer common elsewhere.

Dr. King said that an examination of the forestry institutions was also part of the terms of reference. The former Forest Service had been abolished to end the practice of additional unofficial charges, and the Ministry of Sustainable Development and Environment had been given new tasks, including classification of the forests and the implementation of the government's forest policies. An independent Superintendency was responsible for the issue of forest leases, and a third unit was based in the regional offices. The government had sought to establish many checks and balances; this laudable attempt had not created a unified forest service but three different institutions (an approach criticized by the Mission). The law demanded the use of trained foresters for various types of forest activity. The Mission had concluded that the 880 trained individuals would be needed by 2005 to implement sustainable forest management. At the present time, 620 were needed (estimated using the same methodology) but the actual number was only 122, of whom some were not currently working in forestry.

By international standards, however, the three Universities for educating foresters were below par. The curriculum was not adapted to the true Bolivian situation and the inadequately qualified professors were mainly part-time employees. The paucity and quality of forestry graduates in Bolivia represented two major problems for the whole sector. The professors should be further trained overseas, professors should be exchanged with overseas counterparts, and more funds should be expended by the government on Bolivia's Universities. In Dr. King's view, the human resources development issue was the most significant obstacle to sustainable forest management in the country.

A proper Forest Research Institute was also needed and the experiments should be geared towards forest development priorities. The Mission proposed that this institute be independent of agricultural counterparts. Basic research within Bolivia was essential. Donor countries were urged to examine these and other areas as targets for assistance.

Dr. King observed that the Mission had also visited forest industry sites. The main problem was the ineffective marketing of Bolivian forest species. Investment should be encouraged with special attention to marketing, secondary forest industries (now very few).

Bolivia was serious about the sustainable development of their economy in general and about the forest sector in particular. The motivations of the government were genuine, but in Dr. King's view, such developments were impossible without the necessary resources. These resources were needed for training, research, an inventory with sample plots, forest industry development and marketing among others. Dr. King asked Council Members to consider the question of assistance favourably and urgently.

41. The Representative of Bolivia, Ambassador Jorge Balcázar, expressed his gratitude at being able to participate in the Session. The President of Bolivia, H.E. Mr. Gonzalo Sanchez de Lozada, who had visited Tokyo last week at the invitation of the Government of Japan, had asked Ambassador Balcázar to present his wishes for a successful meeting and to thank the Bolivia Mission led by Dr. King for its work. The President had explained to the Mission his government's sustainable development policies which had included the pioneering effort of creating Latin America's first Ministry of Sustainable Development. The Government of Bolivia, on the understanding that the Council would adopt the report, undertook to examine carefully its conclusions and recommendations. Progress had been made through the passage of the new Forestry Law, but much remained to be done, especially the inventory of forest resources which was a priority and would include non-timber forest products as well. But in light of the human resource limitations identified by the Mission, donor support was crucial in the second phase when the Report recommendations would be transformed into specific projects and programmes.

42. The Delegate of Denmark, Mr. Morten Bjørner, congratulated the Mission because, as a member of the former Sarawak Mission, he was aware of the more difficult conditions affecting the work of the present Mission. He asked whether the annual allowable cut, as calculated by the Mission, took account of the fact that the country was landlocked i.e. how great a harvest was economically sustainable without subsidies. Also, how much would be favoured export species such as mara and cedro?

43. The Delegate of Japan, Mr. Toshokatsu Aoyama, conveyed his delegation's appreciation of the work of the Mission, and the independent spirit of the Bolivian Government in taking this step, and in inviting the Council to Bolivia in 1997.

44. The Delegate of Colombia, Dr. Antonio Villa Lopera, indicated that the Mission's report required comment at length to do it justice, but he would be brief of necessity. Bolivia was to be congratulated on its goodwill displayed by its invitation to the Mission. It was clear that concern for natural resources was strong. Dr. King's presentation showed understanding of the issues which producing countries needed to stress to their consuming counterparts. In developing countries, economic and social factors were very different from developed countries. The latter had relied too much on rumour instead of scientific data. An example was that of Appendix II of CITES and mara (mahogany) where the true facts were not known. A cooperative investment venture was needed between the private and public sectors; neither had sufficient resources on its own.

45. The Representative of Brazil, Mr. Alfonso José Sena Cardoso, wished the Chairman a quick return to health. The Brazilian delegation had appreciated Dr. King's informative presentation because there had been no chance to read the report beforehand. Bolivia had invited international cooperation to ensure a better and sustainable utilization of her forest resources. It was to be hoped that the international community would see fit to assist Bolivia in her endeavours. Resources were essential.

46. The Representative of Indonesia, Mr. Titus Sarjanto, thanked the Mission for its work, but pointed out that further developments should be based on the existing capacity of Bolivia herself. The report mentioned that the areas allocated as concessions could be substantially reduced, thus increasing the area of reserve, but the actual operating level of the concessionaire had also to be taken into account. At present there were no provisions for the protection of biological diversity in production forests - Mr. Sarjanto sought clarification on this point because normally any sustainable management plan had to include this provision. Finally, Mr. Sarjanto requested that the proposals be reasonable and feasible.

47. The Delegate of the U.S.A., Mr. Walter Dunn, commended the Mission for its thorough and comprehensive report. The passage of the new Forestry Law was a visible effort in the direction of sustainable forest management. The results of an inventory and regeneration survey were now a critical need. The U.S.A. supported the recommendations which stressed research at an independent institute and human resources development. Bolivia's forest ecosystems could, if well managed, make a significantly greater contribution to the national economy than at present, but any increased harvest should only succeed the inventory investigations. Mr. Dunn also stated that self-financing internal institutions should also be developed to gradually eliminate multilateral or bilateral donor contributions. Many of the Mission's recommendations depended, not so much on intermittent external resources, but on long-term institutional strengthening, including a single, unified Forest Service. The fee structure proposed should be examined to determine whether it could support the proposed activities. It was hoped that more discussion would be possible.

48. The Representative of the Republic of Korea, Mr. Kim Young-Han, added his country's congratulations to the Mission.

49. The Spokesperson for the Consumers, Mr. David Drake (Canada) noted that the consumers regarded the issue as an important one and hoped that further discussion would be possible.

50. In reply to the questions from the Delegate of Denmark, Dr. King thought that the volume of mara harvested annually was probably not more than 300,000 or 400,000 m³. Bolivia certainly had no plans for a rapid increase in harvest and one of the national plans was an improved network of roads to improve communications with other countries.

In reply to the questions from the Representative of Indonesia, the Mission had thought that now the size of concessions was too large and the rent too low. The law proposed a very large increase in the rent, so the concessionaires could be expected to voluntarily reduce the concession size to reduce costs.

Dr. King agreed with the statement by the Delegate of the U.S.A. that the fee structure should enable funding of all necessary forest activities. Not only had the Government raised the fee, but they had also allocated the expected proceeds to activities, including the five-year management audit of the concessions. But Dr. King wished to stress that the fee structure simply could not sustain forestry in Bolivia - the resources needed were much greater than the amount that could conceivably be earned. It could not pay for education or research. Up to the mid-term future (say, 5-6 years) Bolivia would definitely still need assistance.

51. The Delegate of Bolivia, Mr. José Antonio Escalante, wished to analyze the report in more detail. He would begin by briefly describing the situation in his country. The model of sustainable development was based on four pillars, economic growth, social justice, rational use of natural resources including legislation on land tenure and water, and decision-making delegated to local communities. Bolivia had a new process, a new structure. One important law was that of capitalization of public companies, giving 50% of the shareholding to the private sector, and another was the law of social justice to give community responsibility. Educational reform was also legislated.

In the case of forestry, Mr. Escalante said, his government's aim in inviting the Mission was to understand what work needed to be done, how could forest industries be made efficient, what would be the effect of the law on land reform, and what human resource development should be planned and implemented. The Mission's work showed that large tropical areas could be covered, and the diagnosis demonstrated a lack of forest inventory, so the potential was hard to define. A major priority was also the development of non-wood products such as rubber and nuts. Statistics on the forestry sector were also inadequate and training was needed. The new Forestry Law, passed in July 1996, covered all these and other issues.

Mr. Escalante said that autonomous institutions were being set up to promote transparency because of earlier accusations of corruption. The indigenous communities would also have a better voice through the new powers delegated to local authorities. The Forest Law needed to be considered along with another new law, INRA, the Land Reform Law, which would allow proper ownership of land to be used as collateral permitting those with usage rights to be able to receive bank loans. However, each economic sector, based on its purchasing power, would have to pay for these land rights initially. Now there was a political will enabling the entire country to move towards different goals, including ITTO's Year 2000 Objective, in the future.

In the past, laws could remain mere words because of lack of enforcement mechanisms, but in the future, the 7 million Bolivians would have new rights. Some would have the authority to, for example, enter their own land which had been leased to concessionaires. The recommendations of the report were particularly valid for the forest industries, opening up vistas of better value-added products and market access like those enjoyed by companies in other countries. Another example was the water rights of Bolivia; today the watersheds would be taken in hand holistically in order to cope in an integrated way with the problems of erosion and deforestation. Bolivia was using technical tools for the proper treatment of the soils, using geographic information systems. Reserves were to be set aside for fauna, especially the protection of the genetic heritage.

As for participation in forestry concessions, this was covered by the Forest Law. Expertise would be employed from small communities to large entrepreneurs for the preparation of Management Plans.

Human resources development, Mr. Escalante noted, was identified by the Mission report as a crucial lack. The improved capacity to generate wealth by having larger number of trained people was a fundamental ideal. Mr. Escalante thought the Mission had been generous in stating that there was "little" forestry research; in his view there had been none. Consequently, research must be added to the number of issues of great concern. The Mission and the Executive Director were to be congratulated on their work, many of whose recommendations would now be implemented. Bolivia, although poor, now had the political will to move toward the twenty-first century, taking with her the sustainable development of her own tropical forests. Mr. Escalante enumerated the items identified by the Mission where the support of the international community was needed.

52. The Leader of the Bolivia Mission, Dr. Kenneth King, in response to the statement by the Delegate of Bolivia, agreed that the major tasks before the Bolivian forest sector were human resources development and forest inventory. Research plots were also essential to ascertain the rates of growth of different species. The forest sector should also be given some assistance to rationalize the industrial base.

Dr. King hoped that the Council would endorse the report's recommendation so that Bolivia could immediately begin implementation of the necessary developments. There was rapid political, economic, and social change in Bolivia, so any delay might raise the need for another mission to examine the changed circumstances.

One important aspect of the Mission's work concerned the development of the indigenous peoples of Bolivia, who had not been treated justly in the past. But recently the government had endeavoured to improve their lot and have their rights clearly recognized through a constitutional amendment recording Bolivia's multiethnicity. The delegation of authority to local governments under the new law would also be beneficial. In the case of forestry, indigenous groups would be given priority when applying for concessions. However, Dr. King pointed out that laws in themselves did not guarantee development. Indigenous groups would, for example, need management experts, accountants, and special courses, including University degrees, to enable them to acquire forestry skills.

53. The Representative of the United Kingdom, Mr. Anthony Smith, stated that the U.K. had found the report rich in interest, and also benefitted from the quality of Dr. King's presentation. It was hoped that Council would derive useful lessons from the report. The Government of Bolivia had also welcomed the report, and Mr. Smith felt they should play an active role in proposing projects to ITTO. The report in some ways went beyond ITTO's mandate in its broad sweep, but specific ITTO help within the area of its mandate was to be recommended.

Item 12: Report of the Consultants on Possible Ways to Strengthen the Project Cycle - Decision 3(XX)

54. The Chairman invited the consultants, Ambassador Kiyoaki Kikuchi (Japan) and Dr. Márcio de Paula Fernandes (Brazil), to present their report.

55. Dr. Fernandes explained the task with which the consultants had been entrusted. An interim report had been made at the last Session, and they would now table the final report before Council [ITTC(XXI)/8]. Additional inputs had been received from members at the ITTC(XX) and in the answers to the questionnaire. The Twelfth Expert Panel meeting in August 1996 had been extended by two days in order to allow its members to contribute to the proposals on the Project Cycle. A summary of Members' comments was presented at Annex IV and V to the report.

Dr. Fernandes indicated that the report contained an overview of all the stages of the project cycle including formulation, appraisal, approval, implementation, monitoring, evaluation, and results dissemination. Specific propositions for improvements were presented in section 5. In most cases external views from Members or the Expert Panel concurred with these recommendations but some issues were controversial. The discussions had created new insights. The whole purpose was to make good projects and reduce the number requiring amendment at later stages in the project cycle. Relevant suggestions were also given for focussing project work on ITTO's objectives. The consultants wished to highlight among these the options of presenting project ideas in order that the Panel could guide the submitting country at an early stage, and the revision of the ITTO Action Plan to construct a better framework for project formulation.

The consultants believed that the continuation of project formulation training workshops under PD 73/89 (M,F,I) was important, as also was the concurrence of the Member country's priorities with the operational areas of the Organization. Such improvements as had already been made to the Project Cycle were largely due to the adoption of the Manual on Project Formulation and the PD 73/89 workshops. The review of the adopted format is recommended in order to make proposals more concise, reduce their overall numbers, up-date specific sections of the Manual, and simplify the preparation of proposals wherever necessary.

Dr. Fernandes said that the build-up in numbers of proposals was partly due to the number of revised versions returning to the Expert Panel. It was therefore proposed that the Panel should comment only on the original proposal and on the first revision, after which the proposal would progress to the relevant Permanent Committee. An upper limit of proposal numbers to the five-day Panel meeting was appropriate, and a deadline of two weeks after the Council Session for the beginning of the new project cycle was suggested, allowing the Secretariat sufficient time to process and translate proposals.

With respect to project implementation the exclusion clauses on employment of consultants were presenting problems to some producer countries, where most of the expertise was in Government organizations or in entities already in receipt of ITTO Special Account assistance. Rules might therefore be revised to permit contracts with persons in these categories, provided that they did not simultaneously receive remuneration from their government and from ITTO. Monitoring of the financial aspects of projects should rely on an external audit to be provided by the executing agency annually and on project completion. Evaluation of project activities should be carried out with a view to dissemination benefits for those projects expected to provide such benefits in quantity. Training course internal evaluations should be carried out for all ITTO projects containing them, including PD73/89 (M,F,I) (already in place). A simple model was set out in Annex VIII.

Annex VI on p.51 presented a comprehensive statement on the monitoring and evaluation work carried out by the three divisions. The report proposed the appointment of an evaluation and communication officer, who would be responsible for planning the evaluation work of the organization and for disseminating project results to donors and other interested parties. The related costs of the options were set out on para. 56, p.21 of the report.

Dr. Fernandes said that these were the key points the consultants wished to highlight, and explained how the report was ordered for those who wished to consult their other recommendations in detail.

56. The Delegate of Colombia, Dr. Antonio Villa Lopera, thanked the consultants for their report and informed Council that Colombia supported the recommendations. However, Colombia's contribution had not been included, for some unknown reason. The points Colombia had wished to stress was that projects should contribute to the Year 2000 Objective and that the cycle for acceptable projects could be shortened by rejecting unacceptable projects quicker and thus accelerating the process for the remainder. This put the onus on countries to submit good projects.

57. The Representative of Brazil, Mr. Alfonso José Sena Cardoso thanked the consultants and hoped that the results could be put into practice as soon as possible.

58. The Delegate of Japan, Mr. Toshikatsu Aoyama, extended congratulations to the consultants. The recommendations were realistic and should be implemented. In general, Japan supported the revision of the ITTO Action Plan, the greater use of project ideas, and transparency of the project cycle as a whole.

59. The Delegate of the U.S.A., Mr. Walter Dunn, commended the consultants, especially for their skillful incorporation of Members' comments. The recommendations would help to make the project cycle function more efficiently.

60. The Representative of Cameroon, Mr. Batoum Themotio, thanked the consultants and informed Council that his country would like to see the recommendations put to work to assist local staff to implement projects successfully.

61. The Representative of the European Union, Mr. Enzo Barattini, said that the Union welcomed the report and found to their satisfaction that their input had been taken into account. Ways to implement the recommendations needed thought, but in general terms this was a good contribution to strengthening the project cycle.

62. The Representative of Switzerland, Mrs. Manuela Jost Ernst, recorded her country's satisfaction with the report, which reflected well the discussions by the Council at the last Session and the contributions by the Expert Panel and other Member countries. The report clearly indicated how the project cycle could be made to conform better to the Organization's aims and objectives and how projects could be more efficiently monitored and evaluated. The next step was immediate implementation of agreed propositions. Of particular importance in focussing projects on the Organization's ideals was that projects in the field of reforestation and forest management should be directly linked to the Year 2000 Objective. Switzerland supported especially para. 64 which stated that the Action Plan should be continuously up-dated to provide a better guide to project formulation.

Mrs. Ernst said that the most crucial phase was project identification (para. 65). Emphasis should be given to more intensive training such as that provided by the PD 73/89 (M,F,I) workshops. Also the review of the Project Manual on Project Formulation was important too. Para. 71 pointed out that project formulators should explain how the project addressed the ITTO Action Plan and the Year 2000 Objective. Proposition 6 (para. 80) on the more efficient arrangement of Council and Committee meetings was also a matter of some moment to Switzerland. Now the Committees found it difficult to fulfil their mandate, so alternative procedures such as an Expert Panel on Monitoring and Evaluation could be discussed. Proposition 8 (para. 86-89) was supported by Switzerland, as it proposed a revision of the ITTO Manual on Project Monitoring, Review, and Evaluation to enable guidelines on project implementation to be elaborated.

Concerning the appointment of an Evaluation and Communication Officer, Switzerland agreed with this proposal in principle. But the practical implementation needed careful consideration, because it was understood that cost implications of increased work under the ITTA, 1994 should be limited. Therefore, use of the Programme Support Fund for this post was a possible solution.

63. The Delegate of China, Mr. Zhang Zhongtian, joined previous speakers in congratulating the consultants. The Chinese delegation hoped that all the recommendations could be put into practice, in particular Proposition 3, which limited the number of proposals before the Expert Panel, with a view to improving the quality of the projects.

64. The Representative of the United Kingdom, Mr. Anthony Smith, said that his delegation could agree with most of the propositions presented by the consultants, whom he thanked for a good report. But some issues, as noted by the Executive Director under Agenda Item 9, could possibly be incorporated in Decisions on other subjects, for example the revision of the Action Plan. On the issue of

rotation of members in the Expert Panel, the U.K. wished to explore the possibility of extending Panel members' terms from two to three years, to allow better continuity. Finally, Mr. Smith said that it was truly important for projects to be focussed on ITTO's objectives.

65. The Delegate of the U.S.A., Mr. Walter Dunn, referred to the points made earlier on the limitation of project proposals. A page limit would be useful, for example. Another element would be more training for project proposal submitters under PD 73/89 (M,F,I), and using the revised Manuals, leading to more concise and directed formulations.

66. On behalf of both consultants, Dr. Fernandes thanked Delegates for their favourable comments and responded to the comment on the number of project proposals. But the effect of the various reforms would take time, so at the outset he still felt there would be too many proposals to consider.

67. The Delegate of the U.S.A., Mr. Walter Dunn, agreed with the U.K. suggestion that the recommendations be grouped into different categories e.g. Project Manuals, timing issues etc. This could be a useful way to proceed.

68. The Chairman recorded his appreciation for the way in which the consultants' report had been received and considered that their continued presence would be most helpful to the drafting groups.

Item 13: a) CITES Listing Proposals by Members - Decision 3(XVI)

69. [No listing proposals had been received by the Secretariat].

b) Report of the Second CITES Timber Working Group Meeting - Decision 7(XX)

70. The Secretariat introduced document ITTC(XXI)/10. At this second meeting the Timber Working Group (TWG) completed the tasks assigned to it by the CITES Standing Committee. Initially the work of the TWG was limited to problems arising as a result of the inclusion of timber species in the CITES Appendices. However, at the Second Meeting, the TWG also considered the possible impact of CITES listing. The TWG made several recommendations for amendments in CITES Trade Permits and in other measures needed to facilitate timber identification. The TWG believed the adoption of its recommendation by the Conference of the Parties would help overcome the problems of listing timber species.

The amendments proposed were to be found in detail in the full TWG report. The TWG discussed in depth the possible negative and positive impacts of listing. Issues raised including firstly the fear that some purchasers considered CITES listing as a negative criterion; secondly the need for more education on CITES with respect to timber; thirdly (a positive impact) the control of illegal shipments, introducing improved trade controls and allowing for the better collection of trade data. Better coordination was required between government agencies dealing with CITES-listed species.

The Secretariat reported that the TWG had recommended to the Conference of the Parties that they undertake a programme to increase public understanding of the role of CITES in the conservation of timber species. Annex 3 of the Secretariat report contained the full text of the resolution of this issue. The message needed was that trade in Appendix II- and III-listed species was generally permitted and could be beneficial.

Thirteen international organizations recognized by CITES as having special expertise in the timber trade, conservation, and forest management, and forest resources were reviewed by the TWG. To develop a more balanced list, the TWG decided to add the International Boreal Forest Resource Association. The list was also re-classified into a group with biological expertise and trade expertise, but some organizations like ITTO appear in both groups (see p.2 of Document ITTC(XXI)/10).

The TWG recommended that any party deciding to propose an amendment should consult with at least four organizations from the list, two from each group, to verify biological or trade data, and the information gleaned should be included in the amendment before it was sent to the parties. The TWG also called for fuller cooperation with ITTO, FAO, and IUCN. The Council might wish to consider how it should respond to reported proposals on listing tropical timber species in the CITES appendices.

The definition of "artificially propagated" was given in CITES Conference Resolution 9(18). The TWG reviewed the elements and asked whether certain types of silviculture in forests could be construed to come within the meaning of "artificially propagated". However, the TWG was unable to agree on a definition of "artificially propagated" in respect of tropical timber. Probably the Plants Committee would re-consider the issue.

The adoption of the TWG's recommendations was expected to remove implementation difficulties related to the peculiarities of the international trade in tropical timber. Other actions would rebut the error of assuming that listing in Appendices II and III was a ban on trade in the species. Many of the timber-related issues were controversial, and so the TWG recommended that it should be maintained by the Standing Committee for re-convening if necessary.

71. The Delegate of the United Kingdom, Geoffrey Pleydell, informed the Council of information received from the Seventh Meeting of the CITES Plants Committee (Costa Rica, 11-15 November, 1997). A new report had been prepared, entitled "Tree Species Evaluation Using the New CITES Listing Criteria" (World Conservation Monitoring Centre). The authors addressed the new criteria to about fifty-eight species, mainly African, which might be placed in Appendix I or II. The Plants Committee congratulated the Netherlands CITES Management Authority and the WCMC on the report. The review was a valuable one. It recommended that the Netherlands CITES Management Authority present this report to the range states for the species considered and ask for their comments. Other Management Authorities could continue the process for species already included and not included in the CITES Appendices.

72. The Representative of Indonesia, Mr. Titus Sarjanto, indicated that the list cited by the report mentioned by the Delegate of the U.K. should be communicated to range states. Indonesia had already had an unsatisfactory experience with the proposal to list ramin, Gonystylus bancanus, a species still plentiful in Malaysia and Indonesia, with some in the Philippines.

73. The Plants Officer of the Conference on International Trade in Endangered Species (CITES), Mr. Ger van Vliet, told the Council that the document referred to by the U.K. had no implications at all for the forthcoming Conference of the Parties. The procedures for consultation in CITES were well-established. The criteria elaborated in Fort Lauderdale had to be discussed at the next meeting in three year's time.

74. The Delegate of Colombia, Dr. Antonio Villa Lopera, noted that the matter of inclusion of timber species in the CITES Appendices was complicated. Inclusion of species in the CITES appendices should only be done on the initiative of the range states. ITTO countries were assuming a commitment to the management of their genetic resources, so there should be no opposition among different international instruments, rather complementarity was needed. Dr. Villa Lopera had understood from earlier debates in the ITTC that developing countries did not wish to see further species proposed for inclusion in the Appendices. These matters were internal to countries. Even scientific proof was not enough for a policy decision, despite its use as definitive evidence, owing to the implicit hypothetical question which instigated the investigation.

75. The Delegate of Ghana, Mr. Alhassan Attah, spoke on behalf of the African timber producers. After reading the WCMC report, they reserved the right to return to the Council with a statement.

Item 14: Report on ITTO and Intellectual Property Rights

76. The Secretariat tabled its interim report, document ITTC(XXI)/4, and related the history of Council's request for a study on intellectual property rights [Decision 3(XIX)], which had been funded at the ITTC(XX), but could not commence immediately because of the prolonged search for a consultant. A consultant, Mr. Alec Sugden, formerly Assistant Comptroller-General of the U.K. Patent Office, had now been contracted to undertake the work, and his final report would be available for consideration by the Twenty-second Session of the Council. He had made a number of comments on the Secretariat's interim report, which he viewed as satisfactory.

The Secretariat explained the content of its paper. Intellectual property rights could be defined as owner's legal rights in their intellectual creations. Such a right implied the ability to prevent another person from infringing that right. Categories including industrial design, trademarks, copyright, plant varieties, inventions etc. Inventions were typically protected by patents, and the granting of a patent necessarily involving demonstrating that the subject-matter was truly new, not obvious to a specialist,

and industrially applicable. Compulsory purchase was rare in practice, but could reduce the patentee's rights in some countries.

As far as copyright was concerned, this was automatic in the 117 countries which were signatories to the Berne Convention. But in some countries, for example, the U.S.A., registration was customary.

Operating principles were a concern, and the consultant had advised that [p.2 of the document] intellectual property rights were not necessarily invested in ITTO rather than the Executing Agency, but this was a main principle. The second was that national law applied and not international law, despite the number of treaties in existence. So any patent taken out by ITTO had to be registered in one or more of its member countries. But the fundamental policy decision before Council was to decide whether or not it wished to protect, manage, or commercialize the Organization's intellectual property.

The Secretariat noted that it had reviewed the approach taken by the Consultative Group on International Agricultural Research (CGIAR) (and CIFOR) and the Common Fund for Commodities (CFC). It had been common to make research results freely available, but now it was considered wiser to take out patents in order to protect the rights of those one wished to benefit. If ITTO wished to give an invention free to its producer member countries, it could do so, but it would still be prudent to patent it first in order to prevent others from doing so, and thus taking away the benefits from the member countries. The second policy decision depended on the use of revenues from property rights.

The work of the World Intellectual Property Organization (WIPO) was important. It was the depositary for the Patent Cooperation Treaty (PCT). However, twenty ITTO states were not party to the PCT. The World Trade Organization's Trade-Related Aspects of Intellectual Property Rights (TRIPS) was very relevant to ITTO, an organization with concerns in both environment and trade. ITTO also had four large projects co-financed by the Common Fund for Commodities, whose Project Agreements showed options such as the most recent one, which would jointly vest the intellectual property rights in the CFC and ITTO, and both could jointly decide to commercialize the product. But then the CFC could recover from licence and royalty income up to 50% of its financial input to the project, following which further income would be shared with ITTO.

77. The Representative of Ecuador, Dr. Mario Guerrero, expressed his country's interest in the subject and he requested that there be adequate time to consider the consultant's final report before the Twenty-second Session. Ecuador did not want a repetition of the episode in which the discovery of some indigenous people had been patented outside the country.

Item 15: Report of the Credentials Committee

78. The Report of the Credentials Committee [document ITTC(XXI)/11] was presented by the Chairman, Mr. Dougal Morrison (New Zealand). He reported that the Committee, consisting of Bolivia, China, Germany, Myanmar, the Netherlands, New Zealand, and Togo, had met to consider the credentials of forty-three countries and the European Union. It recommended to the Council that the credentials be approved. The Philippines and Peru were requested to submit their credentials for appropriate action by the Secretariat. The Committee extended its gratitude to the Secretariat for facilitating its work at this Session.

79. Council thereupon received the report and accepted the credentials.

Item 16: Review of Contributions to the Administrative Budgets

80. The Chairperson of the *ad hoc* Finance Committee, Ms. Stephanie Caswell (U.S.A.), reported that the Committee had considered the information presented in Document ITTC(XXI)/CRP/2, prepared by the Secretariat. The Committee found the document important and recommended that the Council take due note of it. Council agreed, and approved the use of \$168,000 from the Working Capital Account to implement the work programme for 1996.

Item 17: Administrative Budget Proposals for 1997

81. Referring to Document ITTC(XXI)/2 Amend.1, the Chairperson of the *ad hoc* Finance Committee, Ms. Stephanie Caswell, reported its recommendation that the 1997 Budget of US\$4,024,392 be approved by Council. The Committee also recommended that the sum of \$3,850,000 be assessed from Members. Furthermore, the Committee recommended that the Executive Director be authorized to use the sum of \$120,000 from the Working Capital Account to supplement the funds from bank interest (about \$53,000) and Members' assessments in respect of the budget for the Financial year 1997.

82. The Delegate of the U.S.A., Mr. Robert McSwain, said that his delegation had been seeking a lower level for the 1997 budget, as they believed other savings were possible. However, the U.S.A. found the finance committee's proposals had met some of their concerns and they would not oppose consensus.

83. Council accepted the Finance Committee's recommendations and also made special provision in Decision 10(XXI) to accommodate States which might become parties to the ITTA, 1994 before the end of the year.

Item 18: Financial Resources of the Special Account
a) Review of Pre-Project Sub-Account} &
b) Review of Project Account}

84. The Chairperson of the *ad hoc* Finance Committee, Ms. Stephanie Caswell, reported that the Committee had considered Document ITTC(XXI)/CRP/1, which covered both agenda sub-items. The Committee found the document important and recommended that the Council take due note of it. Council agreed.

Item 19: Appointment of Auditors for 1994 Accounts

85. The Finance Committee Chairperson, Ms. Stephanie Caswell, said that the Committee recommended to Council that the Council appoint Price Waterhouse & Co. to audit the Organization's accounts for the financial year 1996. She noted that this would be the maximum term of service of any auditor under the Financial Rules (three consecutive years) and that a new auditor would need to be appointed at the Twenty-third Session in November 1997.

Item 20: Pledges to the Special Account

86. The Representative of Switzerland, Mrs. Manuela Jost Ernst, recalled that her country had always attached great importance to ITTO. Between 1987 and 1996 Switzerland had financed a total of 33 projects and pre-projects for a total sum of \$6,719,186 throughout the three tropical regions. Switzerland was convinced ITTO had an unique role to play in the advancement of sustainable forest management. The criteria were strict - high quality, dedication to the Year 2000 Objective, feasibility, credibility of the Executing Agency, and that the country should be financial with respect to the ITTO's administrative budget.

In 1995 and 1996 contributions to the Swiss Trust Fund totalled one million Swiss francs each year. The next phase, leading up to 2000, was most important and so Switzerland had decided to increase her contribution to three million Swiss francs.

87. The Representative of the Republic of Korea, Mr. Kim Young-han, expressed his Government's willingness to contribute to the Special Account and the exact amount would be announced at the next Session of the Council.

88. The Delegate of the Netherlands, Mr. Pim de Groot, informed the Council that his country would make a contribution to the Special Account in respect of PPD 16/96 Rev.2 (F) an amount of US\$91,046.50; for PD 31/95 Rev.3 (F) a sum of US\$273,946.57; and for PD 43/95 Rev.1 (M,F,I) an amount of \$62,000. Written approval of these amounts would be forwarded at a later date.

Item 21: Projects: a) Reports of Nineteenth Sessions of the Permanent Committees

89. The reports of the three Permanent Committees were delivered by the Chairmen of the Permanent Committees on Economic Information and Market Intelligence, Reforestation and Forest Management and Forest Industry, respectively Mr. Achmad Sumitro (Indonesia), Mr. Angel Murillo (Honduras) and Mr. Kim Young-Han (Republic of Korea). These reports are compiled in the present volume under Annex V [Documents PCM(XIX)/7 Rev.1, PCF(XIX)/38 Rev.1, and PCI(XIX)/8].

90. Mr. Sumitro reported that the Permanent Committee on Economic Information and Market Intelligence had reviewed the full programme of projects and pre-projects, including those completed and those still operational. The Committee also discussed the report of the Technical Working Group on Evaluation and Enhancement of ITTO's Statistical Functions and Networks [(Document PPR 40/96 (M))].

Finally, Mr. Sumitro reported that the Committee had elected Mr. Geoffrey Pleydell (U.K.) as Chairman for 1997 and the Vice-Chairman would be Dr. Roszehan Mohd. Idrus (Malaysia).

91. Mr. Murillo informed the Council that the Permanent Committee on Reforestation and Forest Management had reviewed the full programme of projects and pre-projects and its recommendations for proposals to be approved by Council were contained in the report. The Committee had decided not to assess ten project and two pre-project proposals; the remainder had been recommended to Council for approval. Ninety-seven projects were reviewed of which one awaited implementation, six financing, and two were scheduled to be sunset, the remainder being operational. Some projects were amended, and the results of four projects were presented. There had been technical presentation by Malaysia and Colombia, and an address by Dr. Marta Vanucci of ISME.

The Committee had elected Dr. Jürgen Blaser (Switzerland) to the Chair for 1997, and Mr. Jean-Claude Emil Anouh (Côte d'Ivoire) as Vice-Chairman. Mr. Murillo thanked Delegates and the Secretariat for the efficient manner in which the work of the Permanent Committee had been accomplished.

92. Mr. Kim Young-Han had reviewed the work on twenty-one projects under implementation and made recommendations to Council on project proposals. A most important task before the Committee had been the proposed Guidelines on Sustainable Development of Forest Industries. The Working Group [Document PCI(XIX)/5] had proposed that the guidelines should focus on policies to promote domestic processing of tropical timber. The Committee considered that progress had been made and that work towards the final report should be continued. As usual, a number of Fellowship awards had also been made.

Mr. Kim said that the Committee had elected Mr. Bile Allogho Joachim (Gabon) as Chairman of the Committee during 1997 and the Vice-Chairperson would be Ms. Aulikki Kaupila (Finland).

93. The Representative of Sweden, Ms. Astrid Bergquist, enquired about the agenda for the Market Discussions scheduled for the Twenty-second Session, which would be the first under the new Agreement.

94. The Delegate of the U.K., Mr. Geoffrey Pleydell, in response to the question from Sweden, said that the informal trade working group had produced an outline agenda, but it was not yet fixed. The intention was to seek some technical input from the Secretariat; it was expected that there would be a South American emphasis.

95. The Representative of Colombia, Dr. Antonio Villa Lopera, requested a correction in the RFM report concerning the meeting of the Steering Committee for a Colombian project.

96. The Chairman thanked the Permanent Committee officials for their work during the year and congratulated the appointees for 1997. Council then adopted all three reports.

Item 21: Projects: b) Consideration of Project and Pre-Project Proposals

97. Council considered the reports of the Permanent Committees on Pre-Project and Project Proposals placed before them, and in adopting the Committee reports, decided to approve the recommendations. These are recorded in Decision 1(XXI) in Annex IV of this volume.

Item 22: Election of Chairman and Vice-Chairman for 1997

98. The Chairman announced that, because of the absence of the Council Chairman (Mr. Don Wijewardana) it was necessary to advance the discussion of this agenda item.

99. The Spokesperson for the Consumers, Mr. David Drake, proposed H.E. Ambassador Wisber Loeis (Indonesia) for the Chair in 1997. Mr. Drake had been closely associated with Indonesia during the course of his work, and noted also that Ambassador Loeis had guided Members through the difficult passage to a new Agreement. So he had good reasons to propose Amb. Loeis, who had had a long and distinguished diplomatic career and was now Ambassador of Indonesia to Japan. Amb. Loeis had also been Director-General of ASEAN Affairs and Economic Affairs in the Indonesian Department of Foreign Affairs. Mr. Drake felt he spoke not only on behalf of the Consumers but on behalf of all Members.

100. The Spokesperson for the Producers, Mr. Edward Nsenkyire (Ghana) seconded Mr. Drake's proposal. He recalled that Amb. Loeis had been in the Organization's limelight since the early 1990's when he was a most efficient Chairman of the U.N. Conference on Negotiation of a Successor Treaty to the ITTA, 1994. He was identified for this role owing to his capable qualities displayed as Indonesia's Ambassador to the United Nations in Geneva. Mr. Nsenkyire was pleased to be able to second the proposal.

H.E. Ambassador Wisber Loeis was then unanimously elected as Chairman of the International Tropical Timber Council for 1997.

101. The Spokesperson for the Producers, Mr. Edward Nsenkyire (Ghana) proposed Ms. Stephanie Caswell (U.S.A.) as the new Vice-Chairperson of the Council in 1997. He noted that for the first time the gender imbalance in the top positions had been eliminated. Ms. Caswell had for many years been a principal negotiator for her country in many international fora including UNCED, the FAO Committee on Forestry, the Montreal Process on Criteria and Indicators and most recently at the U.N.C.S.D. ad hoc Inter-Governmental Panel on Forests. Key among her roles had been a long association with the ITTO including active participation at the ITTA, 1994 negotiations.

In her government, Ms. Caswell served as a Deputy Director for Ecology and Conservation in the Department of State. Her office was responsible for a variety of natural resource issues, including the Conventions on Biodiversity, Desertification, Wetlands, World Heritage, CITES, and the International Coral Reef Initiative among others. For ten years Ms. Caswell worked for the U.S. Department of the Interior on wildlife conservation and land management issues. She held two masterate degrees in landscape architecture and regional planning. Mr. Nsenkyire was honoured to be able to nominate Ms. Caswell for the Vice-Chair of the Council in 1997.

102. The Representative of Germany, Mr. Gerhard Schmok, supported Ms. Caswell's nomination on the pre-condition that the U.S.A. would be party to the ITTA, 1994 before 31 December, 1996.

103. The Spokesperson for the Consumers, Mr. David Drake (Canada), seconded the nomination of Ms. Stephanie Caswell (U.S.A.) for the Vice-Chair in 1997. Her candidature had been unanimously supported by the Consumers as Ms. Caswell had already shown herself to be dedicated to the Organization and had a long-term vision of ITTO's future. Her experience gave her a wide view of the contemporary dialogue, and would be a valuable colleague for the Chairman. Mr. Drake said his long association with Mr. Caswell in many forest fora made it a pleasure for him to second the nomination.

Ms. Stephanie Caswell was then unanimously elected to the Vice-Chair of the International Tropical Timber Council for 1997.

104. The Chairman reminded the Council that a decision still had to be made on the Chair and Vice-Chair of the new Committee on Finance and Administration. He also thanked the Council for the confidence shown in him by his election to the Chair for 1997. He also asked Council for its agreement to Ms. Caswell serving as interim Vice-Chairman, because he was now Acting Chairman and possibly could not always be present. The absence of the Chairman had put the Council in this force majeure situation.

105. The Spokespersons for both Consumers and the Producers informed that Chairman that their respective caucuses both believed that the Chairman needed assistance during the Session and they had no objection to the proposal. It was accordingly agreed.

Item 23: Dates of the Twenty-fourth Session of the Council and the Twentieth Sessions of the Permanent Committees

106. The Chairman reminded the Council of dates it had already approved for the Twenty-second and Twenty-third Sessions, and noted the importance of advance planning. He reported that Council had already accepted an offer from Gabon to host the Twenty-fourth Session.

107. The Representative of Gabon, Mr. Bile Allogho Joachim, recalled the statement by his Minister H.E. Mr. Martin Fidèle Magnaga, issuing the invitation to Council at its Nineteenth Session. On behalf of the Gabonese delegation, Mr. Bile Allogho confirmed the invitation for the dates of 20 to 28 May 1998 in Libreville, the capital of Gabon. His country still had considerable areas of forests, rainforests of great biodiversity. Gabon was well known as the site of the hospital founded by Dr. Albert Schweitzer. Libreville was the pearl of central Africa, and waited to welcome Delegates to the Twenty-fourth Session. Council approved these dates and the venue.

108. The Delegate of Bolivia, Mr. José Antonio Escalante, thanked Council for the reception of the report of the Bolivia Mission and confirmed the invitation to the Twenty-second Session for Santa Cruz de la Sierra (21-29 May 1997), a warm location only 200 m.a.s.l.

Item 24: Other Business

[Country Presentations]

109. The Representative of Brazil, Mr. Alfonso José Sena Cardoso, presented his contribution as an amendment to the Elements for the Annual Review and Assessment of the World Tropical Timber Situation (Document ITTC(XXI)/3). In the 1980s the legal region of Amazonia (5 million km² or 60% of Brazil) had an average annual rate of deforestation of some 21,000 km². Amazonia was the extent of territory to which, under Brazilian law, special measures applied. One-fifth of Amazonia had never been forest. In 1990 the average rate of deforestation averaged 11,000 km² annually. There had been a series of preventative measures, including monitoring of very large areas by the National Institute of Space Research (IMP). The most recent figures revealed that the average rate of deforestation in the 1992-4 biennium had again increased slightly to 14,000 km² per annum. Increased activity in the cerrado (a kind of savannah in the States of Mato Grosso, Pará, Rondonia, and Acre) is thought to have been responsible. In the remaining States of Amazonas, Amapa, Roraima and Maranhao, the tempo of a decreasing rate of deforestation had been maintained. Overall, the rates were much lower than the 1980s.

Mr. Sena Cardoso said that the Brazilian Government had reacted to the new by adopting further measures to promote Amazonia:

i) Intensification of the IMP monitoring programme, and the launch of a new monitoring programme employing airborne sensors.

ii) Increase coverage of sustainably managed forest properties from 50% to 80%. Conversion was not permitted in these areas.

iii) Suspension on the granting of new authorizations for exploitation on areas which still bear reasonable amounts of forest.

iv) Mandatory multiple use plans in sustainable forest management.

v) Moratorium on the issue of new authorizations to exploit species such as mahogany, virola.

Increasing inspections were key elements in the new measures. \$6 million had been transferred to IBAMA, the Brazilian Institute for the Environment and Renewable Natural Resources to re-equip its inspection facilities. Penalties had been exacted on some concessions, following a review of their operations. New guidance had been given to 60% of new concessions. The new aerial technologies would provide not merely the older types of information on gross areas and fire losses but information on actual forestry activity. All these reforms were aimed at reinforcing Brazil's position as an exporter of forest products, including mahogany and virola, and covered the major forested states of Brazil.

/...

The objective, Mr. Sena Cardoso stressed, was not to suspend trade, but on the contrary to ensure that sustainable forest management would be practiced. Enforcement rules to make at least 80% of the total area of a forest property sustainably managed were in place in areas of primeval forest coverage, especially of mahogany and virola. For the next two years Brazilian exports would be fulfilled through currently operational concessions.

Mr. Sena Cardoso said that the Brazilian Government was confident the new measures should lead to environmentally sound and socially fair economic development. The on-going debate on the issues had participants from government, science, non-government organizations, the private sector and other Brazilian institutions. For example, SINDIMAD, the lumber producers' association in Belém in the State of Pará, with the support of ITTO, was carrying out a project to promote the creation of seed banks and nurseries in strategic areas. Medium and large companies were using mahogany, cedar, virola and others for reforestation. But no incentive was the equal of the market, so the objective remained to ensure non-discriminatory access to markets, and to find markets for added value products and lesser used species.

110. The Representative of Indonesia, Dr. Titus Sarjanto, spoke on the progress made towards the Year 2000 Objective during the last year. A number of regulatory policies were pursued, including moves to more efficient production, sound economic incentives, and more coordinated international cooperation. The level of timber harvest was now under control and relatively stable for some years. Plantations were progressing, and this programme had helped to rehabilitate degraded forest land, provided employment, and alleviated pressure on the remaining natural forest. Human resources development had also been fostered. Indonesia continued to refine and develop the concepts of criteria and indicators for sustainable management of tropical forests, especially at the management unit level.

Mandatory administrative training for senior officers was conducted to improve employee motivation and engender higher professionalism. Further, to increase local community participation, informal education through extension was being advanced.

Mr. Sarjanto said that with the introduction of the law on "spatial arrangement" the forest base would become more stable. Work on forest land-use activities was projected to be complete by March 1997. Recent figures now suggest that the forest area of Indonesia was 130 million hectares, or about 60% of the land mass; this figure did not include around 8 mill. ha. of private forest. During the last year satellite imagery had allowed up-dating of general data and by 1996 a total of 2,788 permanent sample plots had been established and a new vegetation map completed. The Ministry of Forestry had established 6.2 mill. ha. of industrial plantations and planned another 1.45 mill. ha. to be completed during 1994-9. Three modern nurseries had been established in Kalimantan, one in East Nusa Tenggara Province, in addition to the existing nurseries capable of producing 100 mill. seedlings per annum.

With respect to production and trade, the production forest of 64 mill. ha. was about 73% mixed hill forest, the remainder being swamp forest, tidal forest and other types. The mixed hill forest was located up to about 1300 m.a.s.l. Log production was stable at 24.0 mill. m³ for 1994 and 24.8 mill. m³ for 1995, including that produced from conversion forests. Indonesia's policy of developing non-oil exports would be further pursued to encourage exporting of finished hardwood products.

At the follow-up to the Indonesian Forest Action Programme Round Table III in 1993, attended by 52 actual and prospective donors, Indonesia had established the CGIF (Consultative Group on Indonesian Forestry), which consisted of four working groups meeting twice or three times a year. In 1992-6, there were 71 international forestry projects with a total value of \$423 million, comprising 25 loans at \$260 mill. and 46 grant-funded projects at \$163 mill. Among these is that concerned with the preparation of a certification scheme with collaboration for the Indonesian Ecolabelling Institute from international NGOs, CIFOR, and the World Bank [PPD 6/96 (M)]. Other is the improvement of forestry sector policy through a natural resource management project [ITTO PD 89/90 (F)]; the preparation of national guidelines on protection of tropical forests against fire (PD 12/93 Rev.3 (F)) {also Common Fund co-financed}; and the Bentuang-Karimun National Park [PD 26/93 Rev.1 (F)] {contractor WWF Indonesia}. Mr. Sarjanto noted that National Park management had continued in accord with the spirit of UNCED 1992.

Indonesia had provided a 10 ha. site next to the campus in Bogor for CIFOR, and 300,000 ha. Of forest land in East Kalimantan for CIFOR's research work. A property rights agreement had been signed in October 1996.

Mr. Sarjanto confirmed that Indonesia's international cooperation programme would still concentrate on human resources development, with training schemes, apprenticeships, and study exchange visits as important components. Indonesia also actively participated in CITES (it was host to the third convention of the parties in 1995) and the Ramsa Convention, and it had ratified the Biodiversity Convention in 1994. Ministry of Forestry decrees on sustainable forest management at both the national and management unit levels were consistent with the ITTO criteria and indicators. The latter were used to consider the extension of concessions. In 1994/5, in collaboration with several Universities, an assessment of 61 timber concessions. The Indonesian Ecolabelling Institute, established in 1994, was actively involved in the development of criteria and indicators. The Government was also active in creating a Forestry Accreditation (technical application) Committee, composed of different institutions under the chair of the Ministry of Forestry.

111. The Representative of Australia, Dr. Kwame Asumadu, noted that his country had last provided a report to Council at the Eighteenth Session in May 1995. This had contained a report to the UNCSO on Australia's progress in Agenda 21 with respect to forests. Australia had regularly provided reports on her progress towards ITTO's Year 2000 Objective, and a country market statement. It had continued to promote sustainable forest management in international fora, and had ratified the ITTA, 1994 on 2 February 1996, besides supporting its bringing into force.

Australia had made significant progress in implementing its forest policy. This policy had broad national goals (conservation, forest cover, and industry development) which integrated environmental and commercial objectives at the regional level. Plantations, watersheds, and tourism, employment, workforce training, research and development, international responsibilities, and public awareness were also part of the objectives.

Dr. Asumadu said that the major development since the last report had been the comprehensive re-assessment of forest values. These assessments would result in regional forest agreements between the Commonwealth and State or Territory Governments. An agreement would set out the roles and responsibilities in sustainable forest management for all jurisdictions. As an interim measure, 6 mill. ha. of forests that might be required for conservation purposes had been set aside until the regional agreements have been finalized. The criteria to be applied in defining reserves would be decided among the jurisdictions and there would be provisions for the conservation of each pre-European settlement forest ecosystem (old growth forest and high quality wilderness).

On international cooperation, Australia's contributions had doubled in the last five years to A\$15.6 mill. in 1995/6. This reflected increased attention to sustainable forest resource management in the South Pacific region. Policy studies and forest management projects had been supported.

112. The Representative of Honduras, Mr. Angel Murillo, reminded Council of the size and location of his country. Annual per capita income was only \$600. There was extreme biological diversity both because of a wide range in altitude and because it belonged to the Central American Biological Corridor. The total area of the country was 11.3 mill. ha., of which 5.3 mill. ha. were covered with forest. 2.5 mill. ha. bore coniferous forest (mainly pines), there was 100,000 ha. Of mangrove forest, and the remainder was broadleaves.

With the Year 2000 Objective in mind, the Forest Agenda had been framed, a legal document containing a plan from 1996 to 2016. Sustainable forest management was now in place on 500,000 ha. and another 260,000 ha. were planned for the end of this year. Laws passed through the National Congress in the last few years included all necessary forestry operating procedures including control of management plans and mechanisms for sale of timber from national forests by public bidding. Even privately owned forest must adhere to national law with respect to management and protection plans, roading etc.

Mr. Murillo was said Honduras was grateful for the assistance provided by USAID, GTZ, FINNIDA and JICA. By July 1998 Honduran forests should be totally under sustainable management with satellite imagery, aerial photography, and forest guard patrol points all in use.

Honduras had tried to pay its dues under the Administrative Budget and the counterpart contribution for approved ITTO projects. A project on mangrove management was being presented this time - Council should, at this Session, agree on a Mangrove Charter, in view of the great importance of this ecosystem in many countries.

An environmental monitoring system had been set up in the Prosecutor-General's office with the capacity to exact fines where environmental norms were not respected. A National System of Protected Areas had also been created in Honduras, beginning with fifteen protected areas of 104 planned. Fifty-four reserves (23% of the area of the country) were already covered by laws. An interconnected system, this would ensure safe movement of southern and northern flora and fauna through the Central American Biological Corridor.

Mr. Murillo thanked the Executive Director and his technical staff for their assistance in project management. He called for adherence to timetables set for the work of the Permanent Committees and Council.

113. The Representative of Colombia, Dr. Antonio Villa Lopera, proposed that more could be learned by a visit to the forestry sector of his country than by a verbal report upon it. He wanted, rather, to report on forest life as seen from two different viewpoints. The method chosen by Colombia to present her documents had endeavoured to reflect the need for teamwork.

Colombia was significant both as a timber importer and exporter. It had large forest areas. The positions adopted by Colombia in international fora were similar to those advanced by regional or city governments within Colombia taken up in national conferences. Similar positions were defended. It was necessary for the national Colombian government to adopt a common target to be consistent. For example, it would be impossible that a rich region in Colombia would propose to a poorer region something akin to a CITES listing. Or, in domestic meetings there are requests for increases or decreases in departmental budgets, with different perspectives on the same problem. The best way of overcoming these difficulties was a commitment to teamwork and a mutual trust. The whole was a process of gradual change. So Dr. Villa proposed that these lessons could be learned at the multinational level as well, and thanked the Government of Japan, the Permanent Committees, the Spokespersons, and officers of the Council, in particular the Chairman.

[Other Items]

114. The Executive Director spoke to his report contained in Document ITTC(XXI)/5 on ITTO Participation in the Work of the Intergovernmental Panel on Forests and other forestry initiatives. The document had a lengthy list of items in the forestry calendar. There were no comments from the floor on this item.

Item 25: Decisions and Report of the Session

115. The Chairman tabled the draft Decisions of the Council at its Twenty-first Session. After settling certain queries from the floor in respect to the text in the three working languages, the Council approved the decisions, and they are reproduced in this report as Annex IV. Rule 33 of the Rules of Procedure was to be applied to the circulation of the Decisions and the Council Report to all Members.

Closing Session (Item 26)

116. The Representative of the European Union, Mr. Enzo Barattini, expressed on behalf of the Union's Member States his satisfaction with the results of the Council Session. He hoped that the Chairman (Mr. Don Wije-Wardana) would recover soon, but he thanked the Acting Chairman (Council's Vice-Chairman) for the effective way in which he had conducted the debate in the Chairman's absence. There was a new and optimistic atmosphere, and debate had been open, frank, and dispassionate. So obstacles had been overcome.

The Union was pleased with the general consensus on difficult issues such as that of market access. It was convinced that the new framework of operations under the new Agreement would demonstrate the positive aspects of the Organization. The ITTO would be called upon to strengthen its role in the international context and it was therefore important for it to cooperate with the IPF process as

well. This process should be extended to all other international organizations working in forestry too. The revision of the Action Plan, Criteria and Indicators, the strengthening of the project cycle and the improved statistical activity were all favourable elements leading to the consolidation of ITTO's worldwide achievements. It was also good that the Administrative Budget for 1997 could be adopted without much of the strife of the past.

Mr. Barattini said that Delegates would be leaving Yokohama with the conviction that a major change had taken place in the Organization. The Bureau should begin immediately to analyze the organization of the next two Sessions. A better distribution of work between the Committees and the Council should make debate more efficient in both. The cooperation of the EU could be guaranteed. Thanks were due to the Chairman, the Executive Director, the Government of Japan, and of course the interpreters and translators for their indispensable contribution to the success of the Session.

117. The Representative of Cameroon, Mr. Batoum Themotio, spoke on behalf of all the African Member countries. He thanked the Executive Director and the Secretariat for the organization of the programme, and the Government of Japan and the municipality of Yokohama for their regular annual support. The absence of the Chairman had much affected Delegates because of his known attachment to ITTO and his concern for its work to be well done; therefore his rapid recovery was earnestly hoped for, and his presence at the next Session. However, the Vice-Chairman, as Acting Chairman, had been most competent, and his full mandate next year could be contemplated with serenity, especially with the experienced new Vice-Chairman for 1997. The Chairman's invitation to a social function at the Indonesian Embassy had also been most enjoyable.

Mr. Batoum congratulated those who would succeed to official positions in 1997 and thanked Council for the trust which it had shown in Member countries of the African region. These Members were prepared to shoulder their responsibilities. The African region expected new Members to join soon, and more progress towards the Year 2000 Objective was confidently expected. Africa was most concerned that the Bali Partnership Fund should begin operations as soon as possible, since Africa was aware of a gap between herself and other regions in the extent of project financing.

In conclusion, Mr. Batoum thanked those who had serviced the Session. African Members believed they could look forward to further improvements in the way Council organized its Sessions.

118. The Representative of New Zealand, Mr. Dougal Morrison, reported favourably on the health of the Chairman, Mr. Don Wije-wardana. Owing to his Chairmanship, New Zealand had been in the rare situation of having two Delegates at the Sessions. However, at the next Session, undoubtedly there would only be one and Mr. Morrison therefore wished to state, at this his last Session, that he had appreciated the constructive consensus process of the working groups. This had reduced considerably the consumer-producer conflict which had existed in the past. Mr. Morrison congratulated the Council on its ability to face the challenges of the Year 2000 Objective and beyond.

119. The Representative of Malaysia, Mr. Abdul Hanan bin Alang Endut, thanked all Governments who had contributed to the decision to bring the ITTA, 1994 into force on 1 January 1997. He hoped that all former partners from the ITTA, 1983 would soon join to work together for a sustainable tropical timber trade. Mr. Hanan also thanked the Chairman, who had also chaired the negotiating conference, the Executive Director and the Secretariat.

Sustainable forest management required substantial human and financial resources. In the case of Peninsular Malaysia alone, a sum of M\$ 1.3 billion had been estimated to meet the Year 2000 Objective, and the total for the whole country approached US\$1 billion. This huge sum of money had, in four years, to come from the forestry sector itself, as taxes, or in other forms; it could not be reallocated from other sectors of the economy, as this would cause disequilibrium. Therefore, sacrifices without an immediate return would be needed. The Malaysian delegation wished to reiterate that these resources must be generated from timber income, so the trade would have to be maintained to secure the forest. Investment decisions were crucial. Was there truly a market for sustainably produced timber? It would be sad to spend this sum of money only to find the market indifferent. Consequently the work of ITTO on market access was very important. Malaysia viewed this issue as paramount, and she would have even higher levels of participation in future Sessions. Malaysia thanked the Netherlands, Japan, and Switzerland for the support of her projects.

Mr. Hanan concluded by reiterating his thanks to all who had made the Session possible, and wished Delegates a safe journey home.

120. The Representative of Peru, Mr. Miguel Angel Ocampo Pizarro, thanked the Council on behalf of his Government for the work done towards achieving the Year 2000 Objective, the Chairman of the Council, the Executive Director and Secretariat. Peru believed in the status of the ITTO, as, apart from ratifying the new Agreement, it was introducing a number of new policies in the forestry sector relating to the sustainable management of tropical forests in accordance with ITTO's Guidelines and objectives.

Peru's President, H.E. Mr. Alberto Fujimori, was visiting Japan and other Asian countries in order to promote interest in private sector investment in different sectors of the Peruvian economy. The forestry sector was included. The proposal tabled by the Peruvian Deputy Minister of Agriculture at the Nineteenth Session in Yokohama, reiterated at the last Session, contained an invitation to host the Twenty-eighth Session of the Council in Peru in 2000. This was to show solidarity and cooperation as a response to the help received from ITTO in the past. Gratitude was due to the Government of Japan in particular. Peru hoped that ITTO would continue to be a major forum for debate on sustainable forest management in the key year 2000.

Mr. Ocampo said that Peru also wished to thank the Government of Bolivia for the invitation to the Twenty-second Session of the Council, and the Government of Japan for the current Session.

121. The Representative of Vanuatu, Mr. Tony Bartlett, thanked the Council for permitting his country to participate as an Observer in the Sessions for a second time. As a potential member, Vanuatu followed the work of Council and its Committees with interest. It was hoped that Vanuatu would join in early 1997, but there remained some political and financial hurdles to overcome. Vanuatu was committed to sustainable management; a national forest inventory had been completed, and the annual log harvest was currently well below sustainable levels. A Code of Logging Practice was being implemented, and the national forest policy was being revised. Vanuatu had banned the export of logs and had seen considerable recent investment in secondary processing facilities. Support for the forestry sector for the implementation of these measures had come from multilateral donors, Australia, Germany, and the European Union.

Mr. Bartlett said that Vanuatu believed the Council should address two issues. Firstly, it should work towards expanding the Membership of ITTO to include all producers and consumers of tropical timber; secondly, ITTO should follow up the attendance at Council Sessions of prospective members with relevant documentation such as invitations to attend subsequent Sessions. Mr. Bartlett thanked the Council and the Government of Japan for the opportunity given to him to attend the Session.

122. The Spokesperson for the Producers, Mr. Edward Nsenkyire (Ghana) again expressed regret at the absence of the Chairman, Mr. Don Wije-wardana, whose speedy recovery was earnestly desired. However, it was fortunate that the Vice-Chairman, Ambassador Wisber Loeis, could take his place with distinction, thanks to his diplomatic skills. Council could have confidence that the as Chairman for 1997 the same wisdom as displayed at this Session and during the negotiations would again be in evidence.

Mr. Nsenkyire observed that the current Session had witnessed a new development in the decision-making process. Through agreement between both the caucuses, two Working Groups had been set up to discuss and formulate decisions on important issues. Both producers and consumers had identified the issues and passed them to the Working Groups. Decisions thus formulated were then discussed in each caucus and finally given to the Chairman's drafting group. This new and healthy development permitted full participation by all Delegations and introduced more transparency into the decision-making process. Not only was the workload of the drafting committee reduced, but also the tensions which had been the hallmark of previous Sessions when decisions and counter-decisions emanated from the two groups.

Mr. Nsenkyire reminded Delegates that the previous system had seen Council take the rare expedient of voting on the Administrative Budget for 1996. The new system avoided this course of action for the 1997 Budget. The technique of brainstorming on issues also had begun at the last Session and was continued at the present one, giving rise to issues from both groups with common themes such as the Bali Partnership Fund, the uncertainty of the introductory period of the ITTA, 1994, technology transfer, CITES, the public image of the Organization, country capacity-building, human resource development, guidelines for the sustainable development of forest industries, and the organization of the Council's work. Some of the issues had been addressed at the current Session; others would be carried forward to the next Session.

One of the issues, the organization of the Council and Committees' work, saw some Delegates arguing that the current structure militated against small delegations, which could not fully participate in Committee meetings, that Secretariat services had sometimes tended to be scant, and in their view the first few days should be devoted to Committees and the rest to Council. The consensus within the Producer group was that the proposed restructuring was radical and needed further thought; the group feared a diminished interest in the work of the Committees in favour of Council, so that policy dialogue, which should accompany project work discussions, would wither away. The linkage was crucial.

Mr. Nsenkyire called for a smooth transition to the ITTA, 1994, when responsibilities would increase. At this Session it was encouraging that progress could be made on so many issues, sometimes with items which had been on the agenda for some time. Despite being largely Delegates from Governments, it had been possible to ensure input to the work from non-governmental organizations and the scientific and academic communities worldwide.

It was gratifying to note that the Governments of the U.S.A. and Brazil, notable Members of the Organization, had or would ratify the ITTA, 1994. Mr. Nsenkyire thanked the Mayor and local government of the City of Yokohama for hosting the Session and for the dinner in honour of Delegates. He thanked the Vice-Minister of Foreign Affairs of Japan likewise. The warm support and cooperation of his Consumer counterpart also merited gratitude. Lastly, Mr. Nsenkyire thanked the Chairman for his hospitality and well as his efficiency, the Executive Director and the staff of the Secretariat.

123. The Spokesperson of the Consumers, Mr. David Drake (Canada), reminded Delegates that last year's November Council Session had been very difficult and an event many would prefer to forget. However, these difficulties had helped Council to focus on needed areas for improvement and steady progress had been made. Many members found new hope in the Organization during 1996, starting with the innovations introduced by the Chairman, Mr. Don Wije-wardana, which included clear planning for Sessions which helped to promote dialogue between Members. Under the Acting Chairman at this Session, a new form of bipartisan cooperation had been established generating transparent decision-making. Problems of earlier Sessions were generally due to a lack of communication.

Mr. Drake thanked Mr. Benni Sormin (Indonesia) and Ms. Manuela Jost Ernst (Switzerland), who chaired the working groups. The new partnership generated better results both in quantity and in quality, and this was demonstrated by the success of the Session. Redoubled efforts were needed to assist small delegations, and the rule common to most international organizations, that of not holding more than two concurrent sessions at any one time, should be observed.

Mr. Drake wished to directly address concerns expressed by his producer counterpart on the organization of Sessions. Consumers believed that more efficient use of time was possible by reduce competition for time between the Committees and the Council. A more orderly schedule would promote more numerous and higher level representation in both organs of the Organization. This was especially important as at the next Session there would be the additional burden of the Finance and Administration Committee, with its demanding agenda. Consumers would also like to see more participation from non-governmental organizations and was pleased to note that the Bureau was addressing the problem. Observers must be made to perceive the ITTO as a more attractive forum, and this was the responsibility of the Council itself.

The Consumers warmly welcomed the innovation made at the last Session of having informal meetings. These were not substitutes for the Council Sessions, but allowed exchange idea on controversial topics, helping the move towards consensus. An example was the difficult issue of market access, which had shifted from discord to decision between the last and current Sessions as a result of the informal meetings. Consumers welcomed the better spirit of the current Session and the large number of decisions. There had been a correspondingly high level of response from the donor community, with eleven new projects and nine new pre-projects funded from an expanded group of donors. Pledging had reached a level of \$9.6 million, more than \$1 mill. more than the previous year. Mr. Drake reminded Delegates that at the next Session the Bali Partnership should also be activated.

Consumers thanked the members of the Bolivia Mission and the Government of that country for its courage in pursuing sustainable development. The progress made in the subject of criteria and indicators, where ITTO had been a pioneer, was also gratifying. An Expert Panel would help to bring the process to fruition. The decision taken on statistics was very sensible, and would enhance the Organization's ability to help producer members in particular. The decision was overdue, and needed immediate funding for action. On the organization of work under the ITTA, 1994, the creation of an

Expert Panel was very welcome, and would benefit from in-depth consumer attention. Work on this aspect would be closely supported by parallel endeavours on revision of the ITTO Action Plan and strengthening the Project Cycle. Consumer coordination to ensure participation on all three Panels would be forthcoming. Consumers favoured the self-selection process for representatives of environmental NGOs and trade associations for better results.

Mr. Drake said that, overall, remarkable progress had been made at this Session. Reports to consumer capitals would be uniformly positive as the new Agreement entered into force. Mr. Drake thanked the Government of Japan and the City of Yokohama for making the Session possible; those whose serviced the Session, the Secretariat, interpreters and translators also deserved gratitude. He thanked all his Consumer colleagues and the Chairman for his wise guidance. Finally, a special debt of gratitude was due to his Producer counterpart, who deserved a disproportionate share of the credit for the success of the Session.

124. The Executive Director, Dr. B.C.Y. Freezailah, observed that this tenth anniversary Session was one of both celebration and commemoration. There was reason to reflect deeply on the purpose of ITTO's existence and to consider how best to usher in the ITTA, 1994. He was grateful to the Chairman, Vice-Chairperson, and Spokespersons for the constructive direction they had given to the Session. The total achievement of ITTO in the last decade could be described as striving after excellence. This was inherent in the spirit of, for example, the code of best practice or Guidelines for the Sustainable Management of Tropical Forests and in the Year 2000 Objective. This striving for excellence could be inculcated in all stakeholders in the Organization.

The positive outcome of the Session inspired all to greater achievements. The Council Decisions constituted a menu for the Organization's good health. The approach to the task of revitalizing for the work ahead would hopefully involve a willingness of Members to contribute the necessary resources. On behalf of his colleagues, Dr. Freezailah pledged the Secretariat to serve the Organization to the best of their abilities and resources. The propitious environment of goodwill augured well for the new era of the ITTA, 1994. The expectations of the world were now greater and this must harden the resolve to succeed. ITTO's projects and activities showed the efforts which Members were making to implement the objectives of the Agreement. For this reason, countries with ITTO projects on their soil needed to be aware that the donor community was now vigilant in seeking to make the greatest impact in the field of sustainable forest management.

Dr. Freezailah said that this attitude did not mean in any way that ITTO sought to erode sovereign rights in recipient countries. On the contrary, recipient members were accepting assistance precisely in order to support their own national forest programmes. This was the spirit of Council's acceptance of the invitation to send a mission to Bolivia, and will be the spirit in which Council will consider the suite of project proposals to be submitted by Bolivia. The exercise of national sovereignty to cooperate with ITTO, identify and formulate projects, and finance their implementation revealed ITTO as an Organization respecting that sovereignty, even if some measure of conditionality was present.

The Executive Director said there should be no doubt about the role ITTO should play in the development of sustainable forest management in its Member countries. After this tenth anniversary, ITTO had to demonstrate it was a trustworthy ally to all Members.

Dr. Freezailah thanked all those who had assisted in the organization of the Session, to the host city in Yokohama, the Government of Japan, from whom increasing material support had been received; to the interpreters and translators; to the service staff from the City of Yokohama; to the Chairman for his willingness to assume office at short notice, and for the assistance of the Spokespersons and the Committee Chairs and Vice-Chairs. The incoming Bureau was welcomed. In particular Dr. Freezailah congratulated Mr. Edward Nsenkyire for his appointment as the new Producer Spokesperson, who had a reputation for hard work and tact.

125. The Chairman stated that the last thought for the close of the Session should be that of the start, in which news came of the ill-health of the Chairman, Mr. Don Wije-wardana. The Chairman (H.E. Ambassador Wisber Loeis) intended to send him the following message:

"The Twenty-first Session of the International Tropical Timber Council, which met from the 13 to the 20 November 1996, regretted very much your absence from the Chair due to reasons of health. Members were, however, pleased to receive your message which demonstrated not only your rapidly improving health but also your dedication to duty. We offer you our wholehearted and collective wishes

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for your speedy convalescence. We were encouraged to reflect on the issues which you so kindly outlined in your message. You will be pleased to learn, and we can assure you that the decisions taken at the Session are expected to point the way to an improvement in the mechanisms and functioning of the ITTO. As on all such issues what matters ultimately is the political goodwill and good sense of Members. We are confident that, buoyed on the wave of the tenth anniversary commemoration of the Organization the Members will continue to work together to achieve a good measure of the objectives which you set before the Organization as our esteemed Chairman of the Council for 1996. We look forward to your recovery and to your joining us to move the Organization forward in the next decade and beyond the year 2000.

With our united prayers and warmest wishes to you and Mrs. Wije-wardana and the entire family."

The Chairman thanked Delegates for assisting him in his capacity as Acting Chairman. Although the ITTO was well-known to him, nevertheless the experience of its culture from the point of view of a presiding officer was new. It had been an instructive experience, and a foretaste which had come at a strategic time. He had no doubt of the support of the Vice-Chairperson during 1997, and of all the Council, the Executive Director, and the Secretariat. There was unison on the common purpose in the ITTA, 1994. Activities would be diminished without the ITTO.

Nevertheless, there was a possibility of attitudes turning to dissension and even to rifts. The issues which caused him concern were the balance between project and non-project work, the respective roles of the Committees and Council, the structure of consultations, the promotion of policy dialogue and development, the decision-making process, the structure and functions of the caucuses, the duration of Sessions, rationalization of meeting schedules etc. He hoped to be able to unravel the nature of the underlying malaise, and to find all looking for solutions in the middle ground. But the Decisions of the current Session showed the nature of this middle ground.

Ambassador Loeis said that in his country, Indonesia, there was an ancestral philosophy of "Pancasila". This philosophy advocated cooperation to reach consensus. The process of consensus-building required a spirit of mutual trust and solidarity. Ambassador Loeis said he would make this a cornerstone of his approach to his new office in 1997. The two Spokespersons worked well together, and he would endeavour to take his cue from them, but sometimes he would try to take them in his own direction. Narrow partisan interests were to be eschewed.

The next Session would be the first under the ITTA, 1994. The Agreement possessed new dimensions which should make the ITTO forum more effective. Tropical forests were part of global forests and so too the tropical timber trade was part of the world timber trade. Harmony between the two was sought. There was agreement on the idea of information-sharing. But a gradual transition was necessary because of financial constraints. In ten years ITTO could take pride in the development of the criteria and indicators; similar initiatives were underway for temperate and boreal forests. Consumers had made a statement along identical lines to the year 2000 Objective in respect of their own forests at the negotiations. The Mid-Term Review showed that Members had indeed moved closer to the Objective.

The Chairman noted the comment from the Representative of Malaysia that the transition to sustainability would require considerable resources. Several Expert Panels had been convened to estimate these, and another report would be available at the next Session. But the requirement was enormous. A higher level of international cooperation was necessary and this was recognized by the creation of the Bali Partnership Fund. Japan had already earmarked \$11.5 mill. for the Fund before it was established. It was hoped other donors would also contribute. The project financing meeting at this Session had been promising, but funding could be pledged at any time.

Another new element in the ITTA, 1994 was the prevention of discriminatory trade practices. The market access decision reflected progress, and the Chairman thanked in particular the consumer countries.

The Chairman thanked the hard-working interpreters, translators, and conference assistants provided by the City of Yokohama, and the Government of Japan which had financed the Session. He hoped that the Tenth Anniversary would heighten Council's sense of purpose, wished godspeed to departing Delegates, and looked forward to the next Session in Santa Cruz de la Sierra, Bolivia, in May 1997.

ANNEX I

LIST OF PARTICIPANTS

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TWENTY-FIRST SESSION
13-20 November 1996
Yokohama, Japan

PROVISIONAL LIST OF PARTICIPANTS

**TWENTY-FIRST SESSION OF THE INTERNATIONAL TROPICAL TIMBER COUNCIL
AND NINETEENTH SESSIONS OF THE PERMANENT COMMITTEES**

Yokohama, Japan, 13-20 November 1996

Note: The data of the entries in this list are as provided to the Secretariat.

MEMBERS

AUSTRALIA

- | | |
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| <p>* Dr. Kwame Asumadu</p> <p>** Mr. Greg Dodd</p> | <p>Assistant Director, State & International Relations, Forests Branch, Department of Primary Industries & Energy, Canberra</p> <p>State & International Relations, Forest Branch, Department of Primary Industries & Energy, Canberra</p> |
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BOLIVIA

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|--|---|
| <p>* S.E. Sr. Jorge Balcázar</p> <p>** Lic. José Antonio Escalante</p> <p>Ing. Javier Lopez</p> <p>*** Sr. Fernando Calderón</p> <p>Dr. Jorge Ernesto Avila Antelo</p> | <p>Embajador de Bolivia, Embajada de la República de Bolivia, Tokio</p> <p>Subsecretario de Recursos Naturales, Ministerio de Desarrollo Sostenible y Medio Ambiente, La Paz</p> <p>Especialista en Política Forestal, BOLFOR/MDSMA, La Paz</p> <p>Ministro-Consejero, Embajada de la República de Bolivia, Tokio</p> <p>Cámara Nacional Forestal, Santa Cruz</p> |
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BRAZIL

- | | |
|--|--|
| <p>* Mr. Afonso José Sena Cardoso</p> <p>** Mr. Paulo Benincá de Salles</p> <p>Ms. Cecília G. Malaguti de Souza</p> <p>*** Mr. Ovidio Gasparetto</p> <p>Dr. Ivan Tomaselli</p> | <p>Head of the Division of Agriculture and Commodities, Ministry of External Relations, Brasília</p> <p>Director for Natural Resources, Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA)</p> <p>Manager of Received Multilateral Technical Cooperation, Agencia Brasileira de Cooperação, Ministério das Relações Exteriores, Brasília</p> <p>Representative of SINDIMAD and Timber Export Industries Association of the State of Pará (AIMEX)</p> <p>Representative of the Brazilian Association of Plywood and Timber Industry (ABIMCI)</p> |
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CAMEROON

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| <p>* M. Mbayu Felix</p> <p>** M. Tabi Philippe Tako Eta</p> <p>M. Batoum Themotio</p> | <p>Chargé d'Affaires, Embassy of Cameroon, Tokyo</p> <p>Directeur/Adjoint des Forêts, D.F. Ministère de l'Environnement et des Forêts du Cameroun</p> <p>Attaché de Direction, Office National de Développement des Forêts (ONADEF), Yaoundé</p> |
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- * Representative/Représentant/Representante
- ** Alternate representatives/Représentants suppléants/Representantes Suplentes
- *** Advisers/Conseillers/Asesores

*** M. Tabi Pierre Emmanuel

First Secretary, Embassy of Cameroon,
Tokyo

CANADA

* Mr. David Drake

Director, International Affairs, Canadian
Forest Service, Ottawa

CHINA, PEOPLE'S REPUBLIC OF

* Ms. Tian Shuwen

Deputy Director, Department of
International Trade & Economic Affairs,
Ministry of Foreign Trade & Economic
Cooperation, Beijing

** Mr. Zhang Zhongtian

Programme Officer, Department of
International Cooperation, Ministry of
Forestry, Beijing

*** Mr. Hu Hai

Official, Department of International
Trade & Economic Affairs, Ministry of
Foreign Trade & Economic Cooperation,
Beijing

Mr. Shi Kunshan

Deputy Director, Institute of Science-tech
Information, Chinese Academy of
Forestry, Beijing

Mr. Huang Shineng

Associate Research Professor, The
Research Institute of Tropical Forestry,
Guangzhou

COLOMBIA

* Dr. Antonio Villa Lopera

Director General Forestal y de Vida
Silvestre, Ministerio del Medio Ambiente,
Bogotá

** Ing. Heliodoro Sanchez

Coordinador, Proyecto Conservación y
Manejo para el Uso Múltiple y Desarrollo
de los Manglares en Colombia, Bogotá
Segundo Secretario, Embajada de la
República de Colombia en Japón, Tokio

Sr. Juan Pablo Turbay

CONGO

* M. Kaya Gilbert

Directeur des Etudes et de la
Planification, Brazzaville

** M. Agnangoye Jean Pierre

Directeur du Service National de
Reboisement, Brazzaville

COTE D'IVOIRE

* M. Yamani Soro

Directeur de la Production, des Industries
Forestières et du Reboisement,
MINAGRA, Abidjan

M. Mamadou Sangare

Directeur des Etudes et Projets,
SODEFOR, Abidjan

ECUADOR

* Dr. Mario Guerrero

Encargado de Negocios, Embajada de la
República del Ecuador, Tokio

** Ing. Carlos González Sanchez
Sr. Rodrigo Páez

Consultor Forestal, INEFAN, Quito
Attaché, Embajada de la República del
Ecuador, Tokio

EGYPT

* Dr. Mamdouh Riad

** Mr. Mohamed Khalil

Undersecretary of State for Afforestation,
Ministry of Agriculture and Land
Reclamation, Dokki, Cairo
Third Secretary, Embassy of Egypt,
Tokyo

EUROPEAN COMMUNITY/EUROPEAN UNION

* Mr. Enzo Barattini

Deputy Head of Unit - Commodities, DG
Development, Brussels

AUSTRIA

* Dr. Harald Günther

First Secretary, Austrian Embassy, Tokyo

BELGIUM/LUXEMBOURG

* Mr. J.L Tordeur

Counsellor, Ministry of Foreign Affairs,
Brussels

DENMARK

* Mr. Bjoern Olsen Blau

** Mr. Morten Bjørner

Head of Section, Ministry of Foreign
Affairs, Copenhagen
President, UCBD

FINLAND

* Ms. Aulikki Kauppila

Forestry Adviser, Ministry of Agriculture
and Forestry, Helsinki

GERMANY

* Mr. Gerhard Schmok

** Mr. Peter Fahrenholtz

Mr. Markus Weichert

Deputy Head, Division for Wood Industry,
Pulp and Paper, Newsprint and Tropical
Timber, Federal Ministry of Economics,
Bonn
Deputy Director, Ministry of Foreign
Affairs
Federal Ministry of Economics, Bonn

IRELAND

* Mr. Maurice Mullen

** Ms. Eilish Kennedy

Principal Officer, Forest Service,
Department of Agriculture, Food and
Forestry, Dublin
Higher Executive Officer, Department of
Agriculture, Food and Forestry, Dublin

ITALY

* Mr. Stefano Stefanile
Tokyo

Second Secretary, Italian Embassy,

THE NETHERLANDS

* Mr. Marco J. Braeken

Senior Policy Adviser, Ministry of
Economic Affairs, The Hague

**** Mr. Derk de Groot**

Head, Division of Forests, National
Reference Centre for Nature
Management, Wageningen
Head, Trade Policy Division, Ministry of
Foreign Affairs, The Hague

Mr. Pim de Groot

SPAIN

*** Mr. Julio Ordoñez**

Commercial Attaché, Embassy of Spain,
Tokyo

SWEDEN

*** Ms. Astrid Bergquist**

Deputy Director, Ministry of Industry and
Commerce, Stockholm

UNITED KINGDOM OF GREAT BRITAIN & NORTHERN IRELAND

*** Mr. Anthony Smith**

Head of Section, Environment Policy
Department, Overseas Development
Administration, London
Trade Adviser

***** Mr. Geoffrey Pleydell**

GABON

*** M. Bile-Allogho Joachim**

Directeur des Inventaires et
Aménagement et de la Régénération des
Forêts, Libreville
Directeur des Relations Extérieures à la
Société Nationale des Bois du Gabon
(SNBG), Libreville
Directeur des Industries des Bois,
Libreville

M. Boucah Orumbongany Jacques

M. Owele Alphonse

GHANA

*** Mr. Faisal Anabah**

Deputy Minister of Lands and Forestry,
Accra

**** Mr. Francis N. Andan**

Chief Director, Ministry of Lands and
Forestry, Accra

Mr. E.O. Nsenkyire

Chief Conservator of Forests, Forestry
Department, Accra

Mr. Alhassan Attah

Chief Executive, Forest Products
Inspection Bureau, Takoradi

***** Mr. Kojo Wireko Brobbey**

President, Ghana Timber Millers
Organisation

Mr. Ernest Apraku

Executive Member, Ghana Timber
Millers Organisation

GUYANA

*** Mr. Clayton Andrew Hall**

Commissioner of Forests, Georgetown

HONDURAS

*** Ing. Angel Murillo**

APE/COHDEFOR, Tegucigalpa

INDONESIA

*** Mr. Titus Sarijanto**

Director General of Forest Utilization,
Ministry of Forestry, Jakarta

- | | |
|---|---|
| <p>** H.E. Mr. Wisber Loeis</p> <p>*** Dr. IGM Tantra</p> <p>Dr. Untung Iskandar</p> <p>Dr. Benni H. Sormin</p> <p>Mr. Suyono Suwarno</p> <p>Mr. Koes Saparjadi</p> <p>Prof. Achmad Sumitro</p> <p>Mr. Dani Pitoyo</p> <p>Mr. Erwinsjah</p> <p>Ms. Hetty Herawaty</p> | <p>Ambassador to Japan, Embassy of the Republic of Indonesia, Tokyo</p> <p>Assistant to the Minister, Ministry of Forestry, Jakarta</p> <p>Director, International Cooperation and Investment, Ministry of Forestry, Jakarta</p> <p>Head, Division of Multilateral Cooperation, Ministry of Forestry, Jakarta</p> <p>Head of Division for Program Development, Ministry of Industry and Trade, Jakarta</p> <p>Forestry Attaché, Indonesian Embassy, Tokyo</p> <p>Indonesian Forestry Community (MPI), Jakarta</p> <p>Indonesian Forestry Community (MPI), Jakarta</p> <p>Indonesian Forestry Community (MPI), Jakarta</p> <p>Indonesian Forestry Community (MPI), Jakarta</p> |
|---|---|

JAPAN

- | | |
|---|--|
| <p>** Mr. Toshikatsu Aoyama</p> <p>Mr. Sumio Kishi</p> <p>Mr. Atsuo Ida</p> <p>Mr. Hiroki Miyazono</p> <p>Mr. Naoki Hosoda</p> <p>Mr. Hideaki Takai</p> <p>Mr. Takashi Yamazaki</p> <p>Mr. Nobuyuki Muto</p> <p>Mr. Yutaka Tsunetomi</p> <p>*** Mr. Katsuhiro Kotari</p> <p>Mr. Sadao Saito</p> <p>Mr. Minoru Yasuda</p> <p>Mr. Yoshio Utsuki</p> <p>Mr. Akio Omori</p> <p>Mr. Akihiko Tanaka</p> | <p>Assistant Director, Developing Economies Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Tokyo</p> <p>Director, Wood Products Trade Office, Forestry Agency</p> <p>Assistant Director, Office of Wood Products Trade, Wood Distribution Division, Forest Policy Planning Department, Forestry Agency, Tokyo</p> <p>Wood Industry Planning Officer, Forest Products Division, Forestry Agency, Tokyo</p> <p>Official, Developing Economies Division, Economic Affairs Bureau, Ministry of Foreign Affairs, Tokyo</p> <p>Technical Official, Wood Products Trade Office, Forestry Agency, Tokyo</p> <p>Technical Official, Wood Products Trade Office, Forestry Agency, Tokyo</p> <p>Technical Official, Wood Products Trade Office, Forestry Agency</p> <p>Technical Official, Control and Cooperation Division, Global Environment Department, Environment Agency, Tokyo</p> <p>Special Assistant to the President of JICA, Tokyo</p> <p>Vice-Chairman, Liaison Office for International Organizations, Yokohama</p> <p>Executive Director, Japan Lumber Importers' Association, Tokyo</p> <p>Executive Director, Japan Overseas Forestry Consultant Association, Tokyo</p> <p>Executive Director, Liaison Office for International Organizations, Yokohama</p> <p>Assistant Director, Liaison Office for International Organizations, Yokohama</p> |
|---|--|

Mr. Susumu Miyatake
Mr. Hideyuki Kubo
Dr. Atsushi Rikimaru
Mr. Ryo Sasaki

Senior Staff, Japan Overseas Forestry
Consultant Association, Tokyo
Research Officer, Japan Overseas
Forestry Consultant Association, Tokyo
Remote Sensing Expert for ITTO Project,
Air Graph, Co. Ltd., Tokyo
Staff, Overseas Research Division,
Japan Wood Products Information and
Research Center, Tokyo

MALAYSIA

* Mr. Abdul Hanan bin Alang Endut
** Mr. Shaharuddin bin Mohamad Ismail

Ms. Jamaiah Mohamed Yusof
Mr. Nik Adnan Nik Abdullah

Dr. Roszehan Mohd. Idrus
Mr. Chew Lye Teng
Dr. Abdul Rashid bin Ab. Malik

Mr. Mohd. Jaafar Nyiro
Raja Badrulnizam Raja Kamarzaman

*** Mr. Tong Kok Hung

Dr. Paul P.K. Chai
Mr. Robert B. Stuebing

Principal Assistant Secretary, Forestry
and Timber division, Ministry of Primary
Industries, Kuala Lumpur
Assistant Director General, Forestry
Department, Peninsular Malaysia, Kuala
Lumpur
Principal Assistant Secretary, Ministry of
Foreign Affairs, Kuala Lumpur
Assistant Secretary, Forestry and Timber
Division, Ministry of Primary Industries,
Kuala Lumpur
Director of Marketing, Malaysian Timber
Industry Board, Kuala Lumpur
Director of Technical Division, Malaysian
Timber Industry Board, Kuala Lumpur
Director, Forest Products Technology
Division, Forest Research Institute,
Malaysia, Kuala Lumpur
Assistant Director of Forestry, Forestry
Department, Sabah
Officer, Environment and Economics
Division, Malaysian Timber Council,
Kuala Lumpur
Manager, Malaysian Timber Council,
Kuala Lumpur
Consultant, ITTO - Sarawak Project
Consultant, ITTO - Sarawak Project

MYANMAR

* U Than Swe
** U Myint Kyu Pe
U Chit Hlaing

Director, Planning & Statistics
Department, Ministry of Forestry, Yangon
General Manager, Myanmar Timber
Enterprise, Ministry of Forestry, Yangon
Deputy Director, Forest Department,
Ministry of Forestry, Yangon

NEW ZEALAND

* Mr. Dougal Morrison

Senior Policy Analyst, Ministry of
Forestry, Wellington

NORWAY

* Ms. Birgit Schjerven

Counsellor, Royal Norwegian Embassy,
Tokyo

PANAMA

* Lic. Mirei E. Endara

Directora General, INRENARE, Panamá

** Ing. Carlos Vargas Lombardo
Ing. Raúl Pinedo

Director Nacional de Administración
Forestal, INRENARE, Panamá
Unidad de Programación y Seguimiento
Forestal, INRENARE, Panamá

PAPUA NEW GUINEA

* Hon. Cosmas Bitan Kuok, MP
** Mr. Guao Zurenuoc, FCIT

*** Mr. Goodwill Amos

Mrs. Gia Kolou

Vice-Minister for Forests, Boroko
Managing Director, National Forest
Service, Papua New Guinea Forest
Authority, Boroko
Divisional Manager (Resource
Management), National Forest Service,
Papua New Guinea Forest Authority,
Boroko
Second Secretary to the Minister for
Forests, National Forest Service, Papua
New Guinea Forest Authority, Boroko

PERU

* Sr. Miguel Angel Ocampo Pizarro

Jefe del Proyecto PD 18/94 ITTO -
INRENA, Lima

PHILIPPINES

* Mr. Eriberto C. Argete
** Mr. Romulo C. Eala
Mr. Arnaldo P. Mosteiro

Director, Planning and Policy Studies
Office, Quezon City
Chief, Science Research Specialist,
FPRDI, Los Baños
Scientist, Scientific Career System,
FPRDI, Los Baños

REPUBLIC OF KOREA

* Mr. Kim Young-Han
** Mr. Jeon Jin-Pyo
*** Mr. Chong Sekyung
Mr. Ryoo, Joonha

Deputy Director General, International
Cooperation Division, Forestry
Administration, Seoul
Deputy Director, International
Cooperation, Forestry Administration,
Seoul
Research Scientist, Forestry Research
Institute, Seoul
Second Secretary, Embassy of the
Republic of Korea, Tokyo

RUSSIAN FEDERATION

* Mr. Vladimir Tropynin
Mr. Serguei Tomachev

Staff Member of the Trade
Representative of the Russian
Federation, Tokyo
Staff Member of the Trade
Representative of the Russian
Federation, Tokyo

SWITZERLAND

* Mrs. Manuela Jost Ernst
*** Mr. Jürgen Blaser
Mr. James Gasana

Scientific Assistant, Federal Office for
Foreign Economic Affairs, Berne
Project Manager and Forestry Adviser,
Intercooperation, Berne
Forestry Adviser, Intercooperation, Berne

Mr. Hermann Escher

Counsellor, Embassy of Switzerland,
Tokyo

THAILAND

- * Dr. Jitt Kongsangchai
- ** Mrs. Wanida Subansenee
- Mr. Pralong Dumrongthai

Director of Forest Research Office, Royal
Forest Department, Bangkok
Senior Forest Products Expert, Forest
Products Research Division, Royal
Forest Department, Bangkok
Technical Forest Officer, Royal Forest
Department, Bangkok

TOGO

- * M. Agogno Koffi

Directeur Général de l'ODEF, Chef du
Projet PD 30/96 (F), Lomé

UNITED STATES OF AMERICA

- * Ms. Jan McAlpine
- ** Ms. Stephanie Caswell
- Mr. Robert J. McSwain
- *** Mr. Walter Dunn
- Mr. Michael Hicks
- Mr. Franklin C. Moore
- Ms. Deborah Davenport

Director for Multilateral Trade and
Environment Policy, Office of the U.S.
Trade Representative, Executive Office
of the President, Washington, D.C.
Deputy Director, Office of Ecology and
Conservation, U.S. Department of State,
Washington, D.C.
International Economist, U.S.
Department of State, Washington
Program Coordinator, USDA Forest
Service, International Forestry
Operations Staff, Washington, D.C.
Coordinator, Trade Policy, U.S. Foreign
Agricultural Service, Washington, D.C.
Environmental Specialist for Forests,
Biodiversity and Deserts, Environment
Center, USAID, Washington, D.C.
Environment Consultant, The Carter
Center, Atlanta

ZAIRE

- * M. Ipalaka Yobwa

Directeur, SPIAF, Kinshasa/Gombe

OBSERVERS

Potential Members

ARGENTINA

Sr. Luis del Solar Dorrego

Secretario, Embajada de la República Argentina, Tokio

CENTRAL AFRICAN REPUBLIC

Mr. Nambaï Rubens

Directeur des Etudes et Coordination,
Ministère de l'Environnement, des Eaux,
Forêts, Chasses et Pêches, Bangui

LAO PEOPLE'S DEMOCRATIC REPUBLIC

Mr. Bounthong Xaysida

Deputy Director General, Department of
Forestry, Ministry of Agriculture and
Forestry, Vientiane

Mr. Phaylam Oudomkham

Third Secretary, Embassy of the Lao
People's Democratic Republic, Tokyo

VANUATU

Mr. Tony Bartlett

Principal Forest Utilisation Officer,
Department of Forests, Port Vila

Specialized Agencies

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO)

Dr. I.J. Bourke

Senior Forestry Trade Analyst

INTERNATIONAL TRADE CENTRE UNCTAD/WTO (ITC)

Mr. José Luis Albaladejo

Senior Market Development Adviser

Inter-Governmental Organizations

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES OF WILD FAUNA AND FLORA (CITES)

Mr. Ger van Vliet

Plants Officer

Non-Governmental Organizations

CENTER FOR INTERNATIONAL FORESTRY RESEARCH (CIFOR)

Mr. Bambang Soekartiko

Director, External Relations

CITYNET SECRETARIAT

Mr. Hiromi Hayashi
Ms. Bernadta Irawati Tjandradewi

Executive Officer
Assoc. Programme Officer

INTERNATIONAL INSTITUTE OF DIPTEROCARPS - IUFRO-WIEN

Mr. Arihara Motohiro Joseph

Director General

INTERNATIONAL SOCIETY FOR MANGROVE ECOSYSTEMS (ISME)

Dr. Marta Vannucci
Prof. Yoshihiro Kohda
Prof. Kunio Iwatsuki

Vice-President
Executive Secretary
Consultant

INTERNATIONAL UNION OF FORESTRY RESEARCH ORGANIZATIONS (IUFRO)

Prof. Kazuo Suzuki

Professor, The University of Tokyo

JAPAN LUMBER IMPORTERS' ASSOCIATION (JLIA)

Mr. Shigetoshi Kitamura

Assistant General Manager, Housing
Materials & General Merchandise
Division, Marubeni Corporation
General Manager, Green Environmental
R&D Division, Sumitomo Forestry Co.,
Ltd.
Executive Director, Japan Lumber
Importers' Association

Mr. Noriyuki Kobayashi

Mr. Minoru Yasuda

KYOTO UNIVERSITY - FACULTY OF AGRICULTURE

Ms. Kozue Taguchi

Student

SHINSHU UNIVERSITY - DEPARTMENT OF AGRICULTURE

Mr. Kim Phat Nophea

Forest Management/Planning Research
Student

TRIBHUVAN UNIVERSITY - INSTITUTE OF FORESTRY

Dr. Hari Datta Lekhak
Mr. Shailendra Nath Adhikary

Dean
Project Manager

**UNION POUR LE COMMERCE DES BOIS DURS DANS L'U.E. (UCBD) - EUROPEAN
HARDWOOD FEDERATION**

Mr. Morten Bjørner

President

YOKOHAMA NATIONAL UNIVERSITY - DEPARTMENT OF VEGETATION SCIENCE

Mohd. Zaki Hamzah
Mohamad Azani Alias
Sirin Kawla-ierd
Anong Tejajati

PhD Candidate
PhD Candidate
PhD Candidate
PhD Candidate

LANGUAGE TEAM

Interpreters

Mr. Leo Scherman
Mr. Jean Pierre Allain
Ms. Odile Bertin-Faull
Mrs. Socorro Botero-Browning
Mrs. Helene Hesske
Mrs. Susana Hovell
Mrs. Jolyn Jeelof-Wuhrmann
Mr. Joseph Macadam
Mr. Manuel Pastor
Mrs. Catherine Pouget-Alderton

Translators

Ms. Claudia Adan
Ms. Yvonne Cunningham
Mrs. Beatriz Dorronsoro
Mr. Francis Marche

AUTHORIZED INVITEES

Dr. Kenneth F.S. King	Leader, ITTO Mission to Bolivia
H.E. Mr. Kiyoaki Kikuchi	Consultant
Mr. Márcio de Paula Fernandes	Consultant
Dato' Baharuddin Haji Ghazali	ITTO Project Director
Mr. Mauro Silva Reis	Consultant
Mr. Ole Zacharie	Consultant
Mr. Ronaldo Viana Soares	Consultant
Mr. Tong Kok Hung	Consultant
Dr. Jon Heuch	Consultant

ITTO SECRETARIAT

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

Dr. Svend Korsgaard
Assistant Director, Reforestation and Forest Management

Mr. Lachlan A.J. Hunter
Assistant Director, Management Services

Dr. Michael Adams
Market Information Service Coordinator

Mr. Takeichi Ishikawa
Information Officer, Management Services

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
Conservation Officer, Reforestation and Forest Management

Dr. Douglas C. Pattie
Projects Manager, Forest Industry

Dr. Efransjah
Projects Manager, Reforestation and Forest Management

Mr. Alistair Sarre
Editor/Newsletter Coordinator

Dr. Hwan-Ok Ma
Projects Manager, Forest Industry

Ms. Catriona Prebble
Editor/Newsletter Coordinator

Mr. Rikio Shinohara
Administrative Assistant

Ms. Hitomi Watanabe
Finance Assistant

Dr. Chisato Aoki
Research Assistant

Mr. Robert Kenny
Research Assistant

Mr. Nobuaki Fukui
Statistical Assistant

Mrs. Hideko Hattori
Secretary

Mrs. Manami Araki
Secretary

Ms. Patricia Hanashiro
Secretary

Mr. Akira Tamura
Administrative Clerk

Ms. Akemi Yamane
Secretary

Mr. Mamoru Sugiyasu
Document Clerk

Ms. Masako Ochiai
Secretary

Ms. Azusa Miyashita
Secretary

Ms. Kanako Ishii
Secretary

Ms. Masaki Miyake
Secretary

Mr. Tadayuki Saito
Dirver

* * *

ANNEX II

Agenda

{Document: ITTC(XXI)/1}

Distr.
GENERAL

ITTC(XXI)/1
5 August 1996

Original: ENGLISH

TWENTY-FIRST SESSION
13-20 November 1996
Yokohama

AGENDA

1. Opening of the Session
2. Ascertainment of the Quorum
3. Adoption of Agenda and Organization of Work
4. Report on Membership of the Council
5. Distribution of Votes
6. Admission of Observers
7. Statement by the Executive Director
8. Annual Review and Assessment of the World Tropical Timber Situation
9. International Tropical Timber Agreement, 1994
 - a) Report on the U.N Conference on the ITTA, 1994 - Decision 2(XX)
 - b) Report on Preparation for Entry into Force of the ITTA, 1994 - Decision 4(XIX)
10. Report of the Expert Panel on Assessment of the Accuracy and Completeness of Cost Estimates Submitted by Members for Achieving the Year 2000 Objective and Mobilization of the Resources to Assist Producing Member Countries to Accelerate Progress in Achieving the Objective. - Decision 8(XX)
11. Report of the ITTO Mission to Bolivia - Decision 2(XVII)
12. Report of the Consultants on Possible Ways to Strengthen the Project Cycle - Decision 3(XX)
13. a) CITES Listing Proposals by Members - Decision 3(XVI)
b) Report on the Second CITES Timber Working Group Meeting - Decision 7(XX)
14. Report on ITTO and Intellectual Property Rights - Decision 3(XIX)
15. Report of the Credentials Committee
16. Review of Contributions to the Administrative Budgets

17. Administrative Budget Proposals for 1997
18. Financial Resources of the Special Account
 - a) Review of the Pre-Project Sub-Account
 - b) Review of the Project Sub-Account
19. Appointment of Auditors for 1996 Accounts
20. Pledges to the Special Account
21. Projects
 - a) Reports of the Nineteenth Sessions of the Permanent Committees
 - b) Consideration of Project and Pre-Project Proposals
22. Election of Chairman and Vice-Chairman for 1997
23. Dates of the Twenty-fourth Session of the Council and the Twenty-second Sessions of the Permanent Committees
24. Other Business
25. Decisions and Report of the Session
26. Closing Session

ANNEX III

MEMBERSHIP OF COUNCIL AND DISTRIBUTION OF VOTES FOR MEMBER STATES FOR 1996

DISTRIBUTION OF VOTES FOR 1996

	<u>Number of Votes</u>	
	1995	1996
PRODUCERS		
Africa		
Cameroon	28	27
Congo	28	27
Côte d'Ivoire	28	27
Gabon	28	27
Ghana	28	27
Liberia	28	27
Togo	28	27
Zaire	28	27
Asia & Pacific		
Fiji.....	17	17
India	32	26
Indonesia	163	164
Malaysia	135	131
Myanmar	36	36
Papua New Guinea	29	35
Philippines	21	19
Thailand	18	19
Latin America		
Bolivia	26	27
Brazil	139	143
Colombia	29	29
Ecuador	18	18
Guyana	19	19
Honduras	14	14
Panama	15	14
Peru	30	34
Trinidad & Tobago	14	13
Venezuela.....	21	26
Total	<u>1,000</u>	<u>1,000</u>

	<u>Number of Votes</u>	
	1995	1996
<u>CONSUMERS</u>		
Australia	16	16
Canada	12	13
China	76	112
Egypt	15	15
European Community		
Austria	11	10
Belgium/Luxembourg	21	21
Denmark	12	12
Finland	10	10
France	42	40
Germany	34	30
Greece	13	13
Ireland	12	12
Italy	35	32
Netherlands	33	32
Portugal	17	17
Spain	28	24
Sweden	11	11
United Kingdom	46	44
Japan	342	337
Nepal	10	10
New Zealand	10	10
Norway	11	10
Republic of Korea	109	101
Russian Federation	12	11
Switzerland	11	11
United States of America	51	46
Total:	<u>1,000</u>	<u>1,000</u>

Annex IV

TEXT OF THE MAIN DECISIONS

ADOPTED BY THE COUNCIL AT ITS TWENTY-FIRST SESSION

{Documents: DECISION 1(XXI) ITTC(XXI)/12
DECISION 2(XXI) ITTC(XXI)/13
DECISION 3(XXI) ITTC(XXI)/14
DECISION 4(XXI) ITTC(XXI)/15
DECISION 5(XXI) ITTC(XXI)/16
DECISION 6(XXI) ITTC(XXI)/17
DECISION 7(XXI) ITTC(XXI)/18
DECISION 8(XXI) ITTC(XXI)/19
DECISION 9(XXI) ITTC(XXI)/20
DECISION 10(XXI) ITTC(XXI)/21
DECISION 11(XXI) ITTC(XXI)/22

Distr.
GENERAL

ITTC(XXI)/12
20 November 1996

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TWENTY-FIRST SESSION
13-20 November 1996
Yokohama, Japan

DECISION 1(XXI)
PROJECTS AND PRE-PROJECTS

The International Tropical Timber Council,

Having considered at its Twenty-first Session the recommendations of the three Permanent Committees on Projects and Pre-Projects, as contained in documents PCM(XIX)/7 Rev.1, PCF(XIX)/38 Rev.1 and PCI(XIX)/6.

1. Decides:

(i) To approve the following Projects:

PD 25/96 Rev.2 (M)	China's Consumption of Forests Products and its Demand for them from the International Market by the Year 2010 (\$177,915.00)
PD 44/96 Rev.2 (M)	Establishment of a Forest Statistics Information System (\$232,100.00)
PD 15/95 Rev.3 (F)	Development of Lanjak-Entimau Wildlife Sanctuary as a Totally Protected Area - Phase II (\$1,261,780.00)
PD 31/95 Rev.3 (F)	A Model Project for Cost Analysis to Achieve Sustainable Forest Management (\$547,893.15)
PD 44/95 Rev.3 (F)	Management and Conservation of Mangroves in the Gulf of Fonseca, Honduras (\$1,012,352.00)
PD 12/96 Rev.2 (F)	Development of a Sustainable Management Plan for the Souanke-Sembe-Kelle Area, Congo - Phase II (\$446,180.00)
PD 17/96 Rev.2 (F)	Technical Assistance to the National Forest Inventory (NFI), Indonesia (\$1,141,461.00)
PD 18/96 Rev.2 (F)	Validation of Studies, Development of Management Plans and Proposal for Sustainable Forest Production Units, Peru (\$1,194,049.00)
PD 42/96 Rev.1 (F)	Support for the Development of a Forestry and Wildlife Law, Peru (\$223,660.00)

/...

PD 5/92 Rev.4 (I)	Establishment of a Centre for the Promotion of Lesser-Known Tropical Hardwood Species in Europe (\$976,500.00)
PD 11/96 Rev.2 (I)	Strengthening and Development of Non-Conventional Joinery Technology within the Corporation for Timber Production Development in the Colombian Pacific Region (CDP) (\$540,500.00)
PD 89/90 (F) Ph. II	Sustainable Forest Management and Human Resources Development in Indonesia (Phase II)

(ii) To authorize financing for immediate implementation of the following Projects:

PD 25/96 Rev.2 (M)	(\$177,915.00)
PD 44/96 Rev.2 (M)	(\$232,100.00)
PD 15/95 Rev.3 (F)	(\$1,261,780.00)
PD 31/95 Rev.3 (F)	(\$547,893.15)
PD 12/96 Rev.2 (F)	(\$446,180.00)
PD 42/96 Rev.1 (F)	(\$223,660.00)
PD 89/90 (F) Ph. II	(\$1,795,610.00)

(iii) To authorize financing for immediate implementation of the following stages of the second phases of projects which were approved at earlier sessions and re-phased into two stages at this session:

PD 171/91 Rev. (F) Ph. II Stage 1	(\$725,365.00)
PD 30/95 Rev.1 (F) Ph. II Stage 1	(\$853,495.00)

(iv) To authorize a change of budget and financing for immediate implementation of the following Projects:

PD 39/93 Rev.4 (I)	(\$1,318,196.00)
PD 43/95 Rev.1 (M,F,I)	(\$77,260.00)

(v) To authorize the release of additional funds to allow the continued implementation of the following Projects:

PD 73/89 (M,F,I)	(\$165,000.00)
PD 94/90 Rev.3 (I)	(\$25,000.00)

(vi) To authorize financing for immediate implementation as soon as funds are available in the Special Account, of the following Projects approved at this Session:

PD 44/95 Rev.3 (F)	(\$1,012,352.00)
PD 17/96 Rev.2 (F)	(\$1,141,461.00)
PD 18/96 Rev.2 (F)	(\$1,194,049.00)
PD 5/92 Rev.4 (I)	(\$976,500.00)
PD 11/96 Rev.2 (I)	(\$540,500.00)

(vii) To authorize financing for immediate implementation as soon as funds are available in the Special Account, of the following Projects approved at earlier Sessions and re-phased into two stages at this Session:

PD 171/91 Rev. (F) Ph. II Stage 2	(\$641,101.00)
PD 30/95 Rev.1 (F) Ph. II Stage 2	(\$806,020.00)

2. Decides:

(i) To approve the recommendations of the Permanent Committees to implement the following Pre-Projects:

PPD 9/96 Rev.1 (F)	Establishment of a Center for the Production of Forest Tree Seeds (\$63,658.00)
PPD 10/96 Rev.1 (F)	Preliminary Study for a Project on the Production of Timber by Agroforestry Methods in the Wawa Region (Plateau Region of Togo) (\$50,300.00)
PPD 13/96 Rev.1 (F)	Establishment of a Network of Permanent Sample Plots to Monitor the Dynamics of the Côte d'Ivoire Reserved Forests (\$84,930.00)
PPD 15/96 Rev.1 (F)	Technical Assistance to Develop a Mapping and Inventory Project Aimed at the Sustainable Management and Administration of Forest Resources (\$49,902.00)
PPD 16/96 Rev.2 (F)	Demonstration on Reforestation Using Tropical Hardwood Species in Yunnan Province of China (\$91,046.50)
PPD 17/96 Rev.1(F)	Study and Definition of a General Scheme for Implementing Strategies for the Sustainable Management of the Forests of Gabon in accordance with the Year 2000 ITTO Objective (\$88,242.00)
PPD 12/96 Rev.1 (I)	Development and Implementation of Stress Grading Rules for Tropical Timbers (\$50,957.00)
PPD 18/96 Rev.2 (I)	Formulation of a General Plan for the Industrialization of Timber Production in Gabon in Compliance with the Sustainable Forest Management Standards (\$94,001.00)

- (ii) To authorize financing for immediate implementation of the following Pre-Projects approved at this Session:

PPD 13/96 Rev.1 (F)	(\$84,930.00)
PPD 15/96 Rev.1 (F)	(\$49,902.00)
PPD 16/96 Rev.2 (F)	(\$91,046.50)
PPD 17/96 Rev.2 (F)	(\$88,242.00)
PPD 12/96 Rev.1 (I)	(\$50,597.00)
PPD 18/96 Rev.2 (I)	(\$94,001.00)

- (iii) To authorize the release of additional funds to allow the continued implementation of the following Pre-Project:

PPD 6/93 Rev.1 (F)	(\$40,090.00)
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- (iv) To authorize financing for immediate implementation as soon as funds are available in the Special Account, of the following Pre-Project approved at this Session:

PPD 9/96 Rev.1 (F)	(\$63,658.00)
PPD 10/96 Rev.1 (F)	(\$50,300.00)

3. Decides to approve the following activities and to authorize financing for immediate implementation:

- Thirteenth Expert Panel for Technical Appraisal of Project Proposals, 3 - 7 March 1997 (\$110,500.00)
- Consultants and Panel of Experts on Criteria and Indicators for Sustainable Forest Management (\$218,569.00)
- Consultants and Panel of Experts on Revision of the ITTO Action Plan (\$270,234.00)
- Expert Panel on Organization of Work under the ITTA, 1994 (\$144,687.00)

- Enhancement of ITTO's Statistical Functions and Network (\$20,000.00)
4. Urges Members to consider financing those approved Projects and Pre-Projects for which funds are not immediately available.
5. Urges Members to consider financing the following activity which has been approved but for which funds are not immediately available:
- Preparation of Manual on ITTO's Rules and Procedures for Project Implementation and Revision of ITTO's Manuals and Guidelines
6. Appeals to Members to make unearmarked contributions to the Special Account which comprise at least 10% of the total value of their pledges, in accordance with Decision 6(XIII), the remainder being voluntary contributions allocated to approved Projects and Pre-Projects, and furthermore decides that such unearmarked contributions shall not be allocated without the prior authorization of the Council.
7. Requests the Executive Director to continue consultations with potential donors and the Common Fund for Commodities in order to secure financing for those Projects and Pre-Projects for which funds are not immediately available.

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20 November 1996

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TWENTY-FIRST SESSION
13-20 November 1996
Yokohama, Japan

DECISION 2(XXI)

**PROMOTION OF MARKET ACCESS OPPORTUNITIES FOR
INTERNATIONAL TRADE IN TROPICAL TIMBER**

The International Tropical Timber Council,

Acknowledging the positive relationship that can exist between international trade in tropical timber and sustainable forest management;

Noting Article 1, sub-paragraphs (b), (e) and (i) of the International Tropical Timber Agreement, 1994;

Noting also the progress towards the Year 2000 Objective;

Aware that World Trade Organization (WTO) provisions can have an important effect on the achievement of ITTO objectives;

Further noting the ongoing discussions in the WTO, including in the Committee on Trade and Environment, on improving market access;

Stressing the importance of market access opportunities in assisting countries to generate financial resources to help implement national policies that promote sustainable forest management;

Recognizing the importance of improving public understanding of the positive role that the international trade in timber can have in giving value to forests and in generating financial resources for the sustainable management of forests;

Concerned that national actions which restrict international trade in tropical timber may have a negative effect on forest management in member countries;

Decides to:

1. Urge member countries to undertake measures to eliminate possible obstacles to market access for tropical timber as a possible means to foster sustainable forest management;
2. Urge members to make sub-national and private sector users of tropical timber aware of the positive relationship that can exist between international trade in tropical timber and the efforts being made by tropical timber producing countries toward sustainable forest management in the context of the Year 2000 Objective;
3. Encourage members to invite sub-national governments and the private sector to consider their policies on the use of tropical timber in the light of the Year 2000 Objective.

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13-20 November, 1996
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DECISION 3(XXI)

THE PROMOTION OF SUSTAINABLE FOREST MANAGEMENT A CASE STUDY IN BOLIVIA

The International Tropical Timber Council,

Recalling the statement made by the Minister of Sustainable Development and Environment of Bolivia at the Sixteenth Session of the International Tropical Timber Council, inviting the Council to dispatch a Mission to advise the Government on implementing policies aimed at promoting sustainable forest management;

Recalling Decision 2(XVII) to establish an independent Mission in support of Bolivia's efforts to promote sustainable forest management;

Welcoming with appreciation the report and presentation by the ITTO Mission and thanking the Mission for its contribution;

Acknowledging the positive reaction of the Government of Bolivia to the ITTO Mission Report;

Recognizing the commitment of the Government of Bolivia to sustainable forest management;

Also recognizing the important conclusions of the ITTO Mission Report which emphasize the importance of the forestry sector and human resource development in the field of forestry to the sustainable development of Bolivia;

Stressing the need for support from the international community to complement national efforts to implement the Mission's recommendations, many of which are beyond the scope of ITTO's mandate;

Decides to:

1. Express its willingness to consider project and pre-project proposals presented by the Government of Bolivia that further the implementation of the recommendations of the ITTO Mission Report which are relevant to the mandate of the ITTO, to promote sustainable forest management and related development of the forest industry;
2. Encourage the Government of Bolivia to request assistance under PD 73/89 (M,F,I) "Assistance for Project Identification and Formulation", in preparing proposals and pre-project proposals based on the ITTO Missions recommendations to promote sustainable forest management and related development of the forest industry;
3. Invite members to contribute to PD 73/89 (M,F,I);
4. Further invite and encourage members to consider the financing of projects and pre-projects after their approval by the ITTC.

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TWENTY-FIRST SESSION
13-20 November 1996
Yokohama, Japan

DECISION 4(XXI)

ORGANIZATION OF WORK UNDER THE ITTA, 1994

The International Tropical Timber Council,

Noting that the International Tropical Timber Agreement, 1994, will enter into force on 1 January 1997;

Mindful of the need to prepare for this entry into force;

Recognizing the importance of a strong, effective and efficient ITTO;

Welcoming the report of the Executive Director (Document ITTC(XXI)/6) on the Preparation of the Entry into Force of the ITTA, 1994;

Recognizing the need for Council deliberation on a series of important issues concerning the organization of work under the ITTA, 1994, including *inter alia* the respective roles of Council and Committees, the structure of consultations in the decision-making process; location, frequency and duration of meetings; interagency coordination and public relations;

Decides to:

1. Request the Executive Director to convene an Expert Panel comprising sixteen members, six from producer countries, six from consumer countries, two representatives from the NGO community and two from trade/industry (one each from producer countries and one each from consumer countries). The members of the Expert Panel will act in their expert or personal capacity and develop options for consideration by the Council at its Twenty-second Session, using document ITTC(XXI)/6 and comments received from member countries as reference;
2. Further request the Executive Director to circulate the findings of the Expert Panel to member countries at least two months prior to the Twenty-second Session of Council;
3. Adopt the Terms of Reference in accordance with the Annex to this Decision.

ANNEX

**Terms of Reference of the Expert Panel on Organization of Work
under the ITTA, 1994**

1. The Expert Panel shall develop options for consideration by the Council at its Twenty-second Session on the following issues:
 - (i) The respective roles of Council and the Committees;
 - (ii) The structure of consultations in the decision-making process;
 - (iii) The location, frequency, and duration of Council and Committee Sessions;
 - (iv) Co-ordination with other agencies;
 - (v) ITTO's public relations activities;and submit the options by 15 March 1997 in time for their consideration by members at the Twenty-second Session of the ITTC in May 1997.
2. The Panel shall be convened for a period of five days in January 1997 in Yokohama. The Panel will be assisted by members from the Secretariat. The working language of the Panel will be English.
3. The Panel shall use as its reference Document ITTC(XXI)/6, any relevant Council and Committee documents and comments received from member countries.
4. The Panel shall, in its deliberations, take full account of members' submissions.
5. The Panel shall, in its report, take account of the financial and logistical implications of the options it proposes to Council.

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TWENTY-FIRST SESSION
13-20 November 1996
Yokohama, Japan

DECISION 5(XXI)

CRITERIA AND INDICATORS FOR SUSTAINABLE FOREST MANAGEMENT

The International Tropical Timber Council,

Recalling the publication by ITTO in November 1990 of "Guidelines for the Sustainable Management of Natural Tropical Forests" and in March 1992 of "Criteria for Measurement of Sustainable Tropical Forest Management";

Recognizing the progress already achieved in several producer countries in applying the ITTO Guidelines and Criteria and Indicators;

Welcoming the report of the Executive Director on Preparation for Entry into Force of the ITTA, 1994, in particular his recommendation regarding the evolution of work on ITTO's Guidelines and Criteria and Indicators;

Noting the progress made in various processes on criteria and indicators for sustainable forest management that have been initiated since 1992, including the Helsinki Process, Montreal Process, Tarapoto Process, the Dry-Zone Africa Initiative and the work of the Central American Commission on Environment and Development, as well as the relevant discussions in the Intergovernmental Panel on Forests;

Decides to:

1. Request the Executive Director to convene an Expert Panel comprising sixteen members, six from producer countries, six from consumer countries, two representatives from the NGO community and two from trade/industry (one each from producer countries and one each from consumer countries). The members of the Expert Panel will act in their expert or personal capacity and prepare a report elaborating possible additional examples of the application of the indicators included in the "Criteria for the Measurement of Sustainable Tropical Forest Management" in order to make them more usable and facilitate the measurement and monitoring of progress towards the achievement of the Year 2000 Objective, as well as estimates of resources required for consideration at the Twenty-fourth Session of the Council;
2. Further request the Expert Panel to take into account the progress being made in implementing ITTO's Guidelines and Criteria and Indicators and to build on the experience gained in the application of the ITTO Guidelines and Criteria and Indicators for implementing the Year 2000 Objective and other relevant international initiatives;
3. Authorize the Executive Director to engage two consultants to prepare by 1 June 1997 an internal working paper for the use of the Expert Panel;

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4. Authorize the Executive Director to arrange for financing the Expert Panel and the consultants from the Special Account;
5. Request the Expert Panel to make an interim presentation to members at the Twenty-third Session of the ITTC in November 1997.

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TWENTY-FIRST SESSION
13-20 November 1996
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DECISION 6(XXI)
REVISION OF THE ITTO ACTION PLAN

The International Tropical Timber Council,

Recalling the publication by ITTO in 1990 of the "ITTO Action Plan";

Welcoming the report of the Executive Director on Preparation for Entry into Force of the ITTA, 1994, which highlights the changing context of ITTO's work and recommends the revision of the ITTO Action Plan;

Also welcoming the Final Report of the Independent Consultants on the Strengthening of the ITTO Project Cycle;

Noting the importance of focusing project work as much as possible on ITTO's aims and objectives;

Also noting that an updated Action Plan would provide guidance and constitute the basic framework for project formulation;

Reaffirming ITTO's commitment to the Year 2000 Objective;

Noting the programme of work of the U.N. Commission on Sustainable Development (UNCSD) Ad Hoc Open-ended Intergovernmental Panel on Forests(IPF);

Decides to:

1. Authorize the Executive Director to engage two consultants (one from a producer country and the other from a consumer country) to prepare a working paper on the revision of the ITTO Action Plan;
2. Request the Executive Director to convene an Expert Panel comprising sixteen members, six from producer countries, six from consumer countries, two representatives from the NGO community and two from trade/industry (one each from producer countries and one each from consumer countries). The members of the Expert Panel will act in their expert or personal capacity and prepare a report with possible elements on the adjustment of the ITTO Action Plan in the light of the ITTA, 1994, for consideration by the Council at its Twenty-third Session in November 1997;
3. Adopt the Terms of Reference in Annexes I and II for the work of the consultants and the Expert Panel;

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4. Authorize the Executive Director to arrange for financing the Expert Panel and the two consultants from the Special Account and invite members to contribute to this ITTO activity;
5. Request the Executive Director to circulate to members by June 1997 the working paper prepared by the consultants and by October 1997 the report of the Expert Panel.

Annex I Terms of Reference of the Consultants

Annex II Terms of Reference of the Expert Panel

ANNEX I

Terms of Reference of the Consultants

1. The consultants shall attend the Twenty-second Session of the ITTC in May 1997 and take note of comments made by members on the priorities for revision of the Action Plan, and produce a working paper on the revision of the ITTO Action Plan for the Expert Panel by 1 June 1997;
2. The working paper produced by the consultants should be based on:
 - The ITTA, 1994;
 - The existing Action Plan;
 - Relevant Council Decisions;
 - Papers submitted to the Council by Members on Progress Towards the Achievement of the Year 2000 Objective and on Estimates of Resources and Costs Incurred to Achieve the Year 2000 Objective.
3. It should also take the following into consideration as appropriate:
 - Relevant reports of the International Tropical Timber Council;
 - Relevant reports to the Council, in particular the Report of the Executive Director on Preparation for Entry into Force of the ITTA, 1994 (Document ITTC(XI)/6) and the Report of the Expert Panel on Estimating Resources and Costs Incurred to Achieve the Year 2000 Objective (Document ITTC(XIX)/5);
 - General comments of the Expert Panel for Technical Appraisal of Project Proposals;
 - Comments made by members;
 - Reports of relevant debates in other international fora;
 - Relevant recent publications;
4. The Consultants shall act as rapporteurs during the meeting of the Expert Panel in Yokohama in June 1997.

ANNEX II

Terms of Reference of the Expert Panel

1. The Panel should be convened for a period of eight days in June 1997 in Yokohama. The Panel should be assisted by the two consultants and members of the Secretariat. The Panel shall submit its report by 15 September 1997. The working language of the Expert Panel will be English;
2. The Panel should base its work on:
 - The ITTA, 1994;
 - The Working Paper provided by the consultants;
 - The existing Action Plan;
 - Relevant Council Decisions;
 - Papers submitted to the Council by members on Progress Towards the Achievement of the Year 2000 Objective and on Estimates of Resources and Costs Incurred to Achieve the Year 2000 Objective.
3. The Panel should also take the following into consideration as appropriate:
 - Relevant reports of the International Tropical Timber Council;
 - Relevant reports to the Council, and in particular the Report of the Executive Director on Preparation for Entry into Force of the ITTA, 1994 (Document ITTC(XI)/6) and the Report of the Expert Panel on Estimating Resources and Costs Incurred to Achieve the Year 2000 Objective (Document ITTC(XI)/5);
 - General comments of the Expert Panel for Technical Appraisal of Project Proposals;
 - Comments made by members;
 - Reports of relevant debates in other international fora.

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Yokohama, Japan

DECISION 7(XXI)
STRENGTHENING THE PROJECT CYCLE

The International Tropical Timber Council,

Recalling Decisions 8(XVIII) and 3(XX) on strengthening the Project Cycle;

Welcoming the final report of the independent consultants on strengthening the Project Cycle, including the comments made by Members and by members of the Panel of Experts;

Stressing the importance of strengthening the Project Cycle and assisting project formulation by developing member countries in order to ensure the achievement of the organizations objectives in light of the entry into force of the ITTA, 1994;

Noting the relevance for work on strengthening the Project Cycle of other actions being taken as a result of entry into force of the ITTA, 1994;

Determined to start the process of strengthening the Project Cycle immediately;

Decides to:

Project Cycle

1. Establish, starting after the Twenty-second Session of the International Tropical Timber Council, a deadline of two weeks after the end of each council session for submission to the Secretariat of project and pre-project proposals for consideration at the following Council session;
2. Authorize the Expert Panel to meet for more than five days if more than 36 proposals are to be assessed;
3. Request the Secretariat to propose revised Terms of Reference for the Expert Panel for the Technical Appraisal of Project and Pre-Project Proposals as described in paragraph 78 and 79 of the Annex to this Decision;
4. Request member countries to nominate participants in the Expert Panel for a period of two years, with the possibility of extending to three years if desired by the relevant region;

Revision of Guidelines and Manuals

5. Prepare a manual on ITTO's Rules and Procedures for project implementation and revise the "ITTO Manual for Project Formulation", the "ITTO Manual for Project Monitoring, Review and Evaluation" and the "Guidelines for the Selection and Employment of Consultants and Guidelines for the Procurement and Payment of Goods and Services Financed from the Special Account". The new Guidelines and Manuals should be tested and improved by using them as training materials under PD 73/89 (M,F,I), "Assistance for Project Identification and Formulation";

Project Evaluation and Results Dissemination

6. Ask the Permanent Committees to identify projects for which ex-post evaluation is recommended;
7. Request the Executive Director to introduce internal evaluations in accordance with paragraphs 91 - 93 of the Annex to this Decision;

Reporting

8. Request the Executive Director to prepare a programme of work for the revision of Guidelines and Manuals for consideration by the Council at its Twenty-second Session in May 1997. This programme should also include the terms of reference and proposals for funding the appointment of an Evaluation and Communication Officer.

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13-20 November 1996
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DECISION 8(XXI)

ENHANCEMENT OF ITTO'S STATISTICAL FUNCTIONS AND NETWORK

The International Tropical Timber Council,

Noting Articles 29 and 30 of the ITTA, 1994, which address statistics, studies and information;

Welcoming the work of the two consultants and the Technical Working Group in the preparation of the Pre-Project Study on the Evaluation and Enhancement of ITTO's Statistical Functions and Networks (Document PPR 40/96 (M));

Aware of the need to avoid duplication of effort and to cooperate with other international organizations that collect, disseminate or analyze statistics relating to forests and the production and trade of forest products;

Also aware of the problems of data collection;

Noting that while some of the recommendations contained in the report have been implemented or could be implemented immediately without additional resources; other recommendations will require more time or are more appropriately implemented as part of other actions;

Decides to request the Executive Director to take steps to:

1. Collect data and information from member countries and other primary sources unless those data are readily available in a reliable or timely manner from other organizations, and utilize ITTO resources for better analysis of all data, putting tropical forest-related data in the context of the global market place, identifying trends and future developments;
2. Focus the ITTO's Annual Review on analyzing and providing insights into the tropical timber market;
3. Strengthen and focus the Annual Forecasting and Statistical Enquiry as per the report of the Technical Working Group;
4. Continue ITTO's participation in the Inter-Secretariat Working Group on Forest Statistics (IWG) and actively pursue a joint questionnaire with the U.N. Economic Commission for Europe (ECE) and the Food and Agriculture Organization of the United Nations (FAO) through the IWG;
5. Circulate to all members and the Expert Panel for Technical Appraisal of Project Proposals the updated general elements for preparing and assessing project proposals on statistical information systems;

6. Continue to strengthen its coverage of end use markets in collaboration with other relevant organizations, e.g. the International Trade Center;
7. Utilize ITTO's regional consultants to collect and distribute information of relevance to the Organization;
8. Develop a consistent and comprehensive format for its various reports and continue its work in developing ITTO's Home Page on the World Wide Web to facilitate wider sharing of its statistical and other reports, such as project reports.

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TWENTY-FIRST SESSION
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DECISION 9(XXI)

REVISION OF BASIC CONTROL DOCUMENTS

The International Tropical Timber Council,

Noting that the International Tropical Timber Agreement, 1994, will enter into force on 1 January 1997;

Further noting that Article 7(2) of the ITTA, 1994 provides for the adoption by Council of such rules and regulations as are necessary to carry out the provisions of the Agreement and that Articles 19(7) and 21(6) require amendment of the existing financial rules and rules relating to projects of the ITTO;

Also noting the report of the Executive Director (Document ITTC(XXI)/6) with respect to the review of the basic control documents;

Decides to:

1. Request member countries to review the report of the Executive Director with respect to the following basic control documents:
 - Rules of Procedure (Document ITTC(1)/14);
 - Headquarters Agreement between the Government of Japan and the International Tropical Timber Organization;
 - Financial Rules and Rules relating to Projects of the International Tropical Timber Organization (Document ITTC(III)/17);
 - Staff Regulations and Rules;and to provide comments to the Executive Director by 28 February 1997 with a view to recommending to the Council any necessary amendments to ensure conformity with the ITTA, 1994
2. Further request the Executive Director to circulate the comments from member countries at least two months prior to the Twenty-second Session of Council for its consideration.

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20 November 1996

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TWENTY-FIRST SESSION
13-20 November 1996
Yokohama, Japan

DECISION 10(XXI)

**ADMINISTRATIVE BUDGET OF THE INTERNATIONAL TROPICAL
TIMBER ORGANIZATION (ITTO) FOR THE FINANCIAL YEAR 1997**

The International Tropical Timber Council,

Noting that a shortfall of about US\$168,000.00 exists in the estimated contributions still to be received and required to implement the work programme of the Organization for the remainder of the financial year 1996;

Recognizing the efforts made by the Executive Director in exercising economies in preparing the Administrative Budget of the International Tropical Timber Organization (ITTO) for the financial year 1997;

Anticipating that the initial number of parties to the International Tropical Timber Agreement, 1994, is likely to be less than the current membership under the ITTA, 1983;

Decides to:

1. Authorize the Executive Director to utilize funds from the Working Capital Account up to an amount not exceeding US\$168,000.00 to implement the work programme for the remainder of 1996. This amount will be reduced if contributions are received from any members who still have not paid their contributions for the current year at the date of this Decision;
2. Approve the administrative budget of US\$4,024,392.00 for the financial year 1997 of which US\$3,850,000.00 will be assessed from members;
3. Authorize the Executive Director to utilize a sum of \$120,000.00 from the Working Capital Account to supplement the funds available from bank interest and members' assessments in respect of the budget for financial year 1997.
4. Further authorize the Executive Director, as an exceptional measure, to review and, if necessary, adjust the contribution of members to the Administrative Account in the light of the membership of the Organization upon the entry into force of the ITTA, 1994, on 1 January 1997, and taking into account the contribution of governments that may become parties to the ITTA, 1994, after the date of the adoption of the budget and before 1 January 1997.

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13-20 November 1996
Yokohama, Japan

DECISION 11(XXI)

**APPOINTMENT OF AUDITOR FOR
THE 1996 FINANCIAL YEAR ACCOUNTS**

The International Tropical Timber Council,

Noting the requirements of Rules 7 and 16 of the Financial Rules and Rules relating to Projects,

Decides to appoint the firm "Aoyama Kansa Houjin - Price Waterhouse, Tokyo" to audit the Accounts of the Organization for the Financial Year 1996.

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ANNEX V

**REPORTS OF THE FIFTEENTH SESSIONS OF THE
THREE PERMANENT COMMITTEES**

(Documents: PCM(XIX)/7 Rev. 1
 PCF(XIX)/38 Rev. 1
 PCI(XIX)/6 }

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19 November 1996

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NINETEENTH SESSION
13-20 November 1996
Yokohama, Japan

**REPORT TO THE INTERNATIONAL TROPICAL TIMBER COUNCIL
NINETEENTH SESSION OF THE PERMANENT COMMITTEE ON
ECONOMIC INFORMATION AND MARKET INTELLIGENCE**

REPORT

1. Opening of the Session

The Nineteenth Session of the Committee was opened on 13 November 1996 at a Joint Session of all three Permanent Committees under the Chairmanship of Mr. Angel Murillo (Honduras), Chairman of the Permanent Committee on Reforestation and Forest Management. The list of participants is reproduced in document ITTC(XXI)/Info.2. It was agreed to convene again in a Joint Session to take up items 4 and 5 of the Committee's Agenda. The Committee's Sessions were presided over by Dr. Achmad Sumitro, Chairman of the Permanent Committee on Economic Information and Market Intelligence.

2. Adoption of Agenda and Organization of Work

The Committee adopted the Agenda of its Nineteenth Session as contained in document PCM(XIX)/1 Rev.1.

3. Admission of Observers

The list of observers admitted by the Committee is reproduced in document ITTC(XXI)/Info.3.

4. Annual Review and Assessment of the World Tropical Timber Situation

This item was taken up at a Joint Session of all Committees under the Chairmanship of Mr. Geoffrey Pleydell, Vice Chairman of the Permanent Committee on Economic Information and Market Intelligence. The discussion began with a summary presentation by the ITTO Statistician of the Secretariat document: Elements for the Annual Review and Assessment of the World Tropical Timber Situation, 1996 (ITTC(XXI)/3). Members were urged to intensify their efforts in providing timely, reliable and comprehensive statistics to the Organization. Efforts were being made by the Secretariat to source the necessary data and encourage responses by producing members partly through the gradual establishment of a network of national correspondents and through the organization of Statistical Training Workshops. Furthermore, the Secretariat was currently working with other relevant agencies in order to coordinate its statistical work and thus avoid overlap. These included ECE/FAO Timber Section, FAO and ITC. Members were invited to suggest revisions to the format of the Review in keeping with the new requirements of the ITTA, 1994. Members were also invited to submit data corrections and/or additions to the Secretariat by 31 December 1996 for incorporation in the final version of the Review.

5. Report of the Technical Working Group on the Evaluation and Enhancement of ITTO's Statistical Functions and Networks - PPD12/95 Rev.2 (M)

A joint session of the Permanent Committees under the Chairmanship of Mr. Geoffrey Pleydell, Vice Chairman of the Permanent Committee on Economic Information and Market Intelligence, considered the report of the Technical Working Group (PPR40/96 (M)). Many members endorsed the findings and recommendations of the report, including the use of existing information as available, the proposal for investigating a joint questionnaire with ECE/FAO Timber Section and EUROSTAT, continued inter-agency collaboration on statistics through the Inter-secretariat Working Group on Forest Statistics, and the need for well-focused and well-monitored projects for developing statistical capability in producer countries. While most members agreed that there was a need for additional Secretariat resources in this area, some members felt that prioritization and more efficient utilization of existing resources were the preferred means of achieving this. Finally, members generally supported the proposal to continue the current practice of reporting on forest management issues through ad-hoc country reports, although it was requested that these be comprehensive, regularly submitted and follow a consistent format (e.g. Decision 4(XIV)).

6. Report of Completed Pre-Project

The Committee referred to the Secretariat document PCM (XIX)/3 on the following completed pre-project:

PPD 7/95 (M) Creation of a National System for the Collection and Processing of Congo Forestry Statistics

The Secretariat reported that the final report of this pre-project (French only) and a corresponding project proposal had been submitted. The project proposal had already been considered by the Twelfth Expert Panel and is now with the Government of Congo for necessary revisions.

7. Report of Pre-Project Work in Progress

The Committee considered a report [document PCM(XIX)/4] prepared by the Secretariat on the progress or status of pre-projects approved for financing and implementation by the Council. The Committee took note of the progress report on the following three pre-projects:

1. **PPD 4/95 (M) Management and Utilization of the "Paca" (*Guadua sarcocarpa*) (Peru)**

The Secretariat reported that a Chinese expert had visited Peru as per the workplan and that the final report and a project proposal were now being prepared for the consideration of the next Session of the Permanent Committee.

2. **PPD 13/95 Rev.1 (M) Creation of a Structure for Research, Collection and Publication of Economic Information with the View to Establish a Sustainable Database on the Marketing of Timber in Cameroon**

The representative of Cameroon reported that work was underway and local personnel had been selected. The pre-project report will be available for consideration by the next Session of the Permanent Committee.

3. **PPD 6/96 (M) Workshop on Ecological, Social and Political Issues in Certification of Forest Management (Malaysia/Canada)**

The Permanent Committee noted that this pre-project had still not been funded. It recommended that Council allocate the necessary funds to meet the needs indicated under the pre-project.

8. Review of Project Work in Progress

The Committee considered a report [document PCM(XIX)/5] prepared by the Secretariat on the progress or status of Projects approved for financing and implementation by the Council. The Committee took note of the progress report on the following nine projects:

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

The representative of Brazil reported that the project was near completion. The long delay in completion was due to personnel and other changes within the implementing agencies, FUNATURA and IBAMA. He assured the Permanent Committee that a comprehensive Executive Summary would be prepared and submitted to the Secretariat in English, together with the full report in Portuguese, by the end of the year.

2. **PD 16/93 Rev.4 (M) Market Information Service (MIS) for Tropical Timber and Timber Products**

The MIS Coordinator reported that the newsletter was being produced regularly and on schedule, with distribution methods including e-mail (cheapest), mail and fax (most expensive). The available budget placed limits on the number of copies that could be distributed by traditional means, and on the number of correspondents that can be retained. A revised

budget for Phase IV of the project requesting a total of US\$365,558 on the basis of no subscription revenues, was presented and approved by the Committee.

The Permanent Committee endorsed the proposal that the MIS should be available free of charge on the ITTO Home Page, that it should be available free of charge to e-mail subscribers and that one copy should be sent free of charge to any trade association or body in member countries, which will in turn undertake onward distribution to its own members. Other subscribers will be charged an appropriate subscription fee, especially those requesting fax copies. Several trade representatives indicated that they were prepared to distribute the MIS reports to their members.

3. PD 5/94 Rev.3 (M) Development of Computerized Information System for the Forestry Commission of Ghana

The representative of Ghana reported that work was well advanced on this project. All the computer hardware and some software had already been installed and were functioning. The programme of staff training had been completed, and application software/documentation was being developed. The project has been delayed, however, due to delays in building renovations and replacement of faulty hardware. The Secretariat will undertake a monitoring mission to Ghana in early 1997.

4. PD 34/94 Rev.1 (M) Establishment and Implementation of a Forest Statistical Information System (Colombia)

The representative of Colombia reported that the project was proceeding on schedule. Several workshops had already taken place since project start-up in March 1996. A project steering committee has been established and will convene for its first meeting in January 1997, at which time the ITTO Secretariat will also undertake a project monitoring mission.

5. PD 35/94 Rev.4 (M,I) Forest Products Marketing Organization Feasibility Study (Papua New Guinea)

The representative of Papua New Guinea (PNG) informed the Committee that the first Stage of the project had been completed. From the findings it had been concluded that a voluntary forest products marketing organization was not feasible in the current economic climate facing the PNG forest industry. This finding means that any work to be undertaken in Stage 2 (including that proposed by the consultants in the Stage 1 report) would be a significant departure from that originally foreseen under the approved project document. The donor countries requested, therefore, that the PNG government submit a letter to them and the ITTO Secretariat outlining their views on the work to be undertaken under (a revised) Stage 2. A steering committee, comprising representatives of PNG, donors, ITTO Secretariat and the consultants for Stage 1, should be convened as soon as possible following receipt of this letter. The steering committee should make recommendations regarding the future of the project (e.g. workplan for Stage 2, possible reformulation and re-submission, etc.) for consideration at the next Session of the Permanent Committee.

6. PD 25/95 Rev.1 (M) Training Workshops on Tropical Forestry and Timber Trade Statistics (ITTO Secretariat)

The Secretariat informed the Committee that, following its request, a new curriculum had been developed based on the review of previous workshops carried out earlier by an independent consultant. Consultations are underway with potential host countries to decide on venues for the next series of workshops to commence in April 1997. Prior to this, the workshop manual will be revised to reflect the new curriculum, in consultation with the host agency(ies) and with the assistance of the independent consultant who developed the curriculum.

The problem of the desirable and appropriate level of participation in the workshops was discussed at length. It was agreed that members should do their utmost to ensure that the target group of technical staff participate in the workshop in the interest of cost-efficiency. The Secretariat agreed to continue its efforts to work with appropriate national agencies to screen

and select participants while respecting the ultimate right of members to choose their nominees.

7. PD 27/95 Rev.3 (M) Establishment and Operation of a Forest Strategic Information Center (CIEF) - Phase I (Peru)

The Secretariat informed the Committee that the first installment of funds had been sent at the end of October. The Secretariat will attend the initial steering committee meeting scheduled for early 1997.

8. PD 46/94 (M,F,I) Forestry Law Regulation (Bolivia)

The representative of Bolivia informed the Committee that the new forest law had been adopted in July 1996 and that a draft set of regulations had already been prepared. The project funds would assist in finalizing these and in drafting the terms of reference for the various forestry functions (e.g. management, inventory, monitoring) to be covered under the provisions of the law. The Secretariat informed the Committee that the project funds had been transferred to Bolivia at the end of October.

9. PD 26/96 Rev.1 (M) Reinforcement of the National System for the Collection and Processing of Forest Statistics and Support for the Training of Field Units (Gabon)

The representative of Gabon reminded the Committee that this project is still awaiting financing. The Committee agreed to recommend again to Council at this Session to allocate funds for the implementation of the project.

8. Consideration of Project Proposals

The Committee had before it five project proposals evaluated by the Expert Panel for the Technical Appraisal of Project Proposals at its Twelfth Session in Yokohama (25 August - 1 September 1996). Following the practice in the other two Permanent Committees, the Committee decided to consider only those projects which were recommended to it by the Expert Panel. Consequently the Committee considered only two new projects. In addition, the Committee re-considered a proposal from the Government of Indonesia which had been submitted originally to an earlier Session, following assessment by the Ninth Session of the Expert Panel

1. PD 1/95 Rev.3 (M) Training Development on Assessment of Sustainable Forest Management in Indonesia

The project was formally presented to the Committee by the representative of Indonesia. He indicated that consultations had taken place to incorporate the views of certain members. In the ensuing discussion, the representatives of U.S.A. and Japan requested that further consultations should take place in order to ensure that some of the views of some NGOs in U.S.A. were taken into consideration as well as some of the reservations expressed by the Expert Panel on Project Appraisal. With the agreement of the Committee, the representative of Indonesia proposed to hold the necessary consultations with interested members and to resubmit the project proposal for consideration by the Committee at its next Twentieth Session in Santa Cruz, Bolivia.

2. PD 25/96 Rev.2 (M) China's Consumption of Forest Products and Its Demand for them from the International Market by the Year 2010 (China)

The representative of China presented the revised proposal and thanked the Expert Panel for its assistance in ensuring that the proposal submitted to the Committee was of a high standard. He noted that the project would lead to improved statistics for ITTO's requirements and for his government's policy development. The Committee recommended to the ITTC to approve the amended proposal for implementation by ITTO.

3. PD 44/96 (M) Rev.2 Establishment of a Forest Statistics Information System (Panama)

The representative of Panama introduced the proposal, which will assist Panama in linking its various regional offices as well as other environmental agencies via a computer network. The project outputs will help to provide centralized and consistent data for national and (when developed) environmental accounts, as well as contributing to better policy analysis in the forest sector. Following queries from some members, the representative of Panama agreed to prepare a second revision of the proposal, ensuring that all the recommendations of the Expert Panel were adequately addressed. The Secretariat also agreed to undertake a monitoring mission immediately after project start-up to assist Panama in finalizing the project workplan, which would be distributed to all donors. Subject to these provisos, the Committee recommended to the ITTC to approve the amended proposal for implementation by ITTO.

9. Decision on Fellowship Applications under Project PD 1/93 Rev.1 (M.F.I)

A selection panel, comprising the Vice-Chairman of the Council, and the Chairmen and Vice-Chairmen of the Permanent Committees, reviewed applications received for fellowships. The Selection Panel's recommendations appear under the appropriate section of the report of the Permanent Committee on Forest Industry.

10. Election of Chairman and Vice-Chairman for 1997

Following usual consultations undertaken by the Producer and Consumer Groups, Mr. Geoffrey PLEYDELL (U.K.) was elected Chairman of the Committee for 1997 and Dr. ROSZEHAN Mohd. Idrus (Malaysia) was elected Vice-Chairman for 1997.

11. Dates and Venues of Future Sessions

The Twentieth Session of the Permanent Committees will be held in conjunction with the Twenty-second Session of the International Tropical Timber Council, scheduled for Santa Cruz, Bolivia from 21 to 29 May 1997. The Twenty-first Session of the Permanent Committee will be held in conjunction with the Twenty-third Session of the ITTC scheduled for Yokohama from 12 to 20 November 1997. The Twenty-second Session will be held in conjunction with the Twenty-fourth Session of the ITTC which will take place in Libreville, Gabon from 20 to 28 May 1998.

12. Any Other Business

(i) ITTO Activity

Further Update of "Timber Certification in Transition: Study on Certification of All Internationally Traded Timber and Timber Products"

The Secretariat informed the Committee that the terms of reference for the follow-up study called for under Decision 4(XX) have been drafted and the consultants retained. In view of the travel and other related activities to be undertaken by the consultants, a supplement of US\$70,000 to the original budget was needed. Council will be requested to allocate funds accordingly. The report will be presented to the Twenty-third Session of the Council in November 1997.

(ii) 1997 Market Discussions

The Vice Chairman informed the Committee that the Informal Trade Network Group had prepared a draft agenda for the Market Discussions to be held during the next Session of the Council in Santa Cruz, Bolivia. The agenda, including presentations by the ITTO Secretariat as well as regional trade representatives, was endorsed by the Permanent Committee.

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13 - 20 November 1996
Yokohama, Japan

**REPORT TO THE INTERNATIONAL TROPICAL TIMBER COUNCIL
NINETEENTH SESSION OF THE PERMANENT COMMITTEE ON
REFORESTATION AND FOREST MANAGEMENT**

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Report

Appendix I Technical Assessment of Project Proposals

1. Introduction

The Nineteenth Session of the Committee was opened, on 13 November 1996 by the Chairman of the Permanent Committee on Reforestation and Forest Management, Ing. Angel Murillo Reina. The list of Participants is reproduced in Document ITTC(XXI)/Info.2 Rev.1.

2. Adoption of Agenda and Organization of Work

At the first meeting on 13 November 1996, the Committee formally adopted the Agenda of its Nineteenth Session as contained in Document PCF(XIX)/1 Rev.1.

3. Admission of Observers

A list of observers admitted by the Committee to attend its Nineteenth Session is contained in Document ITTC(XXI)/Info.3.

4. Annual Review and Assessment of the World Tropical Timber Situation

Joint Session with the Permanent Committee on Economic Information and Market Intelligence (PCM) and the Permanent Committee on Forest Industry (PCI); to be reported by PCM.

5. Report on Completed Projects

The Secretariat explained that the projects listed in Document PCF(XIX)/3, Report on Completed Projects, are considered technically completed. The field activities for these projects have been concluded and the final report and the audited financial report has been submitted to the Secretariat. However, the Secretariat explained that some administrative issues may still be pending such as the acceptance of the audited financial report. With this in mind, the Committee reviewed the following completed project found in PCF(XIX)/3.

1) PD 28/95 Rev.1 (F) International Conference on Community Forestry: A Tool for Sustainable Forest Management (Philippines)

The Secretariat informed the Committee on the successful conduct of the Conference as contained in document PCF(XIX)/14. The Secretariat further informed that the Executing Agency has also submitted the Proceedings of the Conference, as well as the audited financial statement. The Committee took note of the Reports and this Project will be closed as soon as the review of the financial report is completed and accepted by the Secretariat.

6. Report on Completed Pre-Projects

The Secretariat informed the Committee that since its last session in Manila, the Philippines in May 1996, one pre-project has been completed as described in Document PCF(XIX)/4, Report on Completed Pre-Projects.

1) PPD 1/93 Rev.1 (F) Feasibility Study for the Preparation of Management Plan for the Souanke-Sembe-Kelle Area in North West, Congo

The Panel noted that pre-project activities have been completed, and that the report of the audited pre-project accounts has been received by the Secretariat. The pre-project resulted in the formulation of project proposal PD 12/96 Rev.2 (F) "Development of a Sustainable Management Plan for the Souanke-Sembe-Kelle Area (Phase II)", which is tabled during this Session for final appraisal. The Committee decided to consider this pre-project as completed.

7. Consideration of Project Proposals

Eighteen project proposals entered the project cycle leading up to the Nineteenth Session of the Permanent Committee of Reforestation and Forest Management. The Committee recalled its recommendation to the Council during its Eleventh Session in Yokohama in November 1992, requesting the Secretariat not to forward any revisions of proposals requiring complete reformulation until these revisions had again been technically evaluated by the Expert Panel. In this light eight project proposals were considered by the Committee.

Project List

Projects Assessed by the Committee

PROJECT NUMBER	TITLE	COUNTRY
PD 15/95 Rev.3 (F)	Development of the Lanjak Entimau Wildlife Sanctuary (LEWS) as a Totally Protected Area (TPA) Phase II (Malaysia)	Malaysia
PD 31/95 Rev.3 (F)	A Model Project for Cost Analysis to Achieve Sustainable Forest Management (Malaysia)	Malaysia
PD 44/95 Rev.3 (F)	Management and Conservation of Mangrove Forests in the Gulf of Fonseca, Honduras	Honduras
PD 12/96 Rev.2 (F)	Development of a Sustainable Management Plan for the Souanke-Sembe-Kelle Area (Phase II) (Congo)	Congo
PD 17/96 Rev.2 (F)	Technical Assistance to the National Forest Inventory (NFI) (Reviewed by 11th Expert Panel)	Indonesia
PD 18/96 Rev.2 (F)	Validation of Studies, Development of Management Plans and Proposal for Sustainable Forest Production Units (Peru)	Peru
PD 30/96 Rev.2 (F)	Project for a 2,500 ha Timber Production Plantation in the Reserved Forest of Haho-Baloe (Plateaux Region - Togo)	Togo
PD 42/96 Rev.1 (F)	Support for the Development of a Forestry and Wildlife Law (Peru)	Peru

(PD 45/96 (F) was resubmitted as PPD 19/96 (F))

Details of the technical evaluation of these proposals are presented in Appendix 1 of this report. The Committee's recommendations regarding approval of these proposals are presented in item 15 below.

Projects not Assessed by the Committee

PD 1/96 Rev.1(F)	Sustainable Forest Management and Agroforestry Systems in the Nargana District, Kuna Yala Indigenous Territory, Panama	Panama
PD 16/96 Rev.1 (F)	<i>Ex Situ</i> Conservation of <i>Shorea javanica</i> , <i>Diospyros celebica</i> , and <i>Santalum album</i> and Their Use for Future Breeding and Biotechnology (Indonesia)	Indonesia
PD 21/96 Rev.1 (F)	Strengthening of Sustainable Management in La Mayronga and the North-Western Region of Ecuador	Ecuador

PD 22/96 Rev.1 (F)	Forest Development Project in Islas de la Bahia - Phase II (Honduras)	Honduras
PD 26/96 Rev.1 (F)	Studies on the Management Standards of Hill Dipterocarp Forests in Sarawak from a Watershed Management Point of View - Phase II (Malaysia)	Malaysia
PD 36/96 Rev.1 (F)	Selection and Testing of Clonal Hardwoods in Species Rich Systems: Enrichment Planting and Multi-Strata Agroforests (Cameroon)	Cameroon
PD 37/96 (F)	Evaluation of the impact of Disturbances on Floristic Diversity. Conservation <i>in situ</i> of the Phylogenetic Resources of Cameroon's Closed Forest	Cameroon
PD 38/96 (F)	Study of the Phenology of the Main Marketable Species of the Cameroonian Moist Forests	Cameroon
PD 41/96 (F)	Reforestation and Improvement of Production Systems through the Establishment of Agroforestry Systems in the Chambamontera-Cajamarca Region (Peru)	Peru
PD 43/96 (F,I)	Establishment of Tropical Timber Research Directorate and Manpower Development in Tropical Forest Management (Nepal)	Nepal

8. Consideration on Pre-project Proposals

The Committee noted that eight Pre-projects were evaluated by the twelfth Expert Panel. In addition, on the recommendation of the Expert Panel, one Project proposal was revised and submitted as a Pre-project proposal.

Pre-Project List

Pre-Projects Assessed by the Committee

PROJECT NUMBER	TITLE	COUNTRY
PPD 9/96 Rev.1 (F)	Establishment of a Centre for the Production of Forest Tree Seeds (Congo)	Congo
PPD 10/96 Rev.1 (F)	Preliminary Study for a Project on the Production of Timber by the Agroforestry Method in the Wawa Region (Plateaux Region of Togo)	Togo
PPD 13/96 Rev.1 (F)	Establishment of a Network of Permanent Sample Plots to Monitor the Dynamics of the Côte d'Ivoire Reserved Forests	Côte d'Ivoire
PPD 15/96 Rev.1 (F)	Technical Assistance to Develop a Mapping and Inventory Project Aimed at the Sustainable Management and Administration of Forest Resources (Panama)	Panama
PPD 16/96 Rev.2 (F)	Demonstration on Reforestation Using Tropical Hardwood Species in Yunnan Province of China	China
PPD 17/96 Rev.1 (F)	Study and Definition of a General Scheme for Implementing Strategies for the Sustainable Management of the Forests of Gabon in Accordance with the Year 2000 ITTO Objective	Gabon

PPD 19/96 (F)	Development of an Integrated Strategy for Reduction of Shoot Borer Impact on West African Mahogany Plantations	Ghana
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Details of the technical evaluation of these proposals are presented in Appendix 1 of this report. The Committee's recommendations regarding approval of these proposals are presented in item 15 below.

Pre-Projects not Assessed by the Committee

PPD 11/96 (F)	Identification and Planning of Measures for the Sustainable Management of the Kloto Community Forests in the Reserved Forest of Missahoe with the Participation of Rural Communities (Togo)	Togo
PPD 14/96 (F)	A Sustainable Management Model in the Iwokrama Rain Forest (Guyana)	Guyana

9. Review of Project Work in Progress

The Committee took note of a status report (Document PCF(XIX)/5) by the Secretariat on the 70 Projects, in the field of Reforestation and Forest Management, that have been approved by the Council, and which are either: a) in the process of implementation (61), b) awaiting the signing of an Agreement (1), c) pending finance (6), or d) falling under the sunset provision since last Session (2).

A) Projects under implementation

- 1) 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 (Cameroon)
- 2) PD 68/89 Rev.1 (F) Management of Tapaj s National Forest for Sustainable Production of Industrial Timber (Brazil)
- 3) PD 77/90 (F) Establishment of A Pilot Area for Silviculture in Closed Forests in Congo
- 4) PD 89/90 (F) Sustainable Forest Management and Human Resources Development in Indonesia - Phase I
- 5) PD 95/90 (F) Forest Management in the Alexander von Humboldt National Forest, Phase I, II, and III (Peru)
- 6) PD 99/90 Rev. 1 (F) Establishment of Rio Preto National Forest (Brazil)
- 7) PD 103/90 Rev. 1 (F) Training and Manpower Development in Community Forestry Management (Nepal)
- 8) PD 104/90 Rev. 2 (F) Studies of the Management Standards of Hill Dipterocarp Forest in Sarawak from a Watershed Management Point of View - Phase I (Malaysia)
- 9) PD 105/90 Rev. 1 (F) Model Forest Management Area, Phase I (Malaysia)
- 10) PD 106/90 Rev.1 (F) Development of the Lanjak Entimau Wildlife Sanctuary as a Totally Protected Area - Phase I (Malaysia)
- 11) PD 115/90 Rev.1 (F) Rehabilitation of Natural Forests (Malaysia)

- 12) PD 120/91 Rev.4 (F,I) Development of Operational Model for Sustainable Management of Natural Tropical Forests (Malaysia)
- 13) PD 128/91 Rev.1 (F) Management, Conservation and Development of Mangrove Forests in Panama
- 14) PD 130/91 Rev.2 (F) Plantation Establishment Methods (First Phase) (Philippines)
- 15) PD 131/91 Rev.2 (F) Pilot Project for the Sustained Management of the So'olala Forest (Cameroon)
- 16) PD 162/91 Rev.1 (F) Intensification of Growth and Yield Studies in Previously Logged Forests (Papua New Guinea)
- 17) PD 171/91 Rev.2 (F) Conservation and Management for Multiple Use and development of Colombian Mangrove Swamps - Phase I
- 18) PD 172/91 Rev.2 (F) The Recovery of Natural Systems of the Hillsides of Caqueta - Phase II (Colombia)
- 19) PD 176/91 Rev.1 (F) Sustained Management for Production, Conservation, Demonstration, Diffusion and promotion Activities In Moist Tropical Forests in Ecuador's Northwest
- 20) PD 185/91 Rev.2 (F) Sustainable Forest Management and Development in Peninsular Malaysia - Phase I
- 21) PD 186/91 Rev.2 (F) Tree Flora of Sabah and Sarawak (Malaysia)
- 22) PD 202/91 Rev.1 (F) Sustainable Forest Management Through Collaborative Efforts (Thailand)
- 23) PD 8/92 Rev.2 (F) Study on the Growth of Native Species of Commercial Interest in Honduras
- 24) PD 9/92 Rev.1 (F) Forest Management in Islas de la Bahia, Honduras, Central America
- 25) PD 11/92 Rev.1 (F) Development and Dissemination of Re-afforestation Techniques of Mangrove Forests (Japan/Thailand)
- 26) PD 14/92 Rev.2 (F) A Demonstration Program of Sustainable Utilization of Tropical Forests by Means of Differentiated Management in Hainan Island, China - Phase II
- 27) PD 18/92 Rev.2 (F) Determination of Forest Typology Related to Silvicultural Systems (Côte d'Ivoire)
- 28) PD 26/92 Rev.2 (F,I) Development of Methods and Strategies for Sustained Management of Moist Tropical Forests in Cameroon
- 29) PD 37/92 Rev.1 (F) Preliminary Studies and Preparation of a Management Plan for the Bokoue Forest (Gabon)
- 30) PD 42/92 Rev.1 (F) Reforestation and Sustainable Management and Utilization in the Natural Cloud Forests of Jaen-San Ignacio - Phase II (Peru)
- 31) PD 2/93 Rev.1 (F) Integrated Pilot Management of the Ngoua II Forest North-Phase I: The Preparation of the Management Plan (Congo)
- 32) PD 6/93 Rev.2 (F) Manual and World Natural Mangrove Atlas for Mangrove Ecosystem Restoration (Global)

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| 33) | PD 11/93 Rev.1 (F) | A Strategy for the Sustainable Management and Harvesting Forest Resources Leading to the Consolidation of the Indigenous Territories in the Colombian Amazon |
| 34) | PD 12/93 Rev.3 (F) | Integrated Forest Fire Management in Indonesia - Phase I: National Guideline on the Protection of Tropical Forests Against Fire |
| 35) | PD 20/93 Rev.1 (F) | Development of National Guidelines for the Sustainable Management of Natural Tropical Forests in Cameroon |
| 36) | PD 22/93 Rev.4 (F) | Forest Management, Community Participation and Sustainable Utilization in Si-Kop Forest Area, Coastal Province, Cameroon |
| 37) | PD 24/93 Rev.2 (F) | Forest Management of Natural Forest in Malaysia - Phase II |
| 38) | PD 25/93 Rev.1 (F) | Evaluation of Progress Made by Ecuador Towards Achievement of ITTO Target 2000 |
| 39) | PD 26/93 Rev.1 (F) | Development of Bentuang Karimun Nature Reserve as National Park - Phase I (Indonesia) |
| 40) | PD 32/93 Rev.2 (F) | Rehabilitation of Logged-over Forests in Asia/Pacific Region (Sub Project III) (Regional) |
| 41) | PD 33/93 Rev.1 (F) | Conservation, Management, Harvesting and Integrated and Sustained Use of Forests in the Chimanes Region, Beni, Bolivia - Phase I |
| 42) | PD 35/93 Rev.4 (F) | Forestry Management, Community Development and Sustained Use of Forest on the Punta Patiño Nature Reserve, Darien Region, Republic of Panama - Phase II |
| 43) | PD 4/94 Rev.3 (F) | East New Britain Balsa Industry Strengthening Project (Papua New Guinea) |
| 44) | PD 8/94 Rev.2 (F) | Evergreen Club of Ghana/ITTO Youth in Forestry Project (Ghana) |
| 45) | PD 16/94 Rev.1 (F) | Reforestation for Production of Valuable Timber and Non-Timber Products (Peru) |
| 46) | PD 18/94 Rev. 1(F) | Participatory Forest Development in the Alto Mayo Region for the Sustainable Management of Moist Tropical Forest - Phase I |
| 47) | PD 27/94 Rev.2 (F) | Women and Tropical Forest Development Program (Ghana) |
| 48) | PD 28/94 Rev.2 (F) | Continuation of the Publication of the Journal "Bosques y Desarrollo" and Organization of a Communication and Information Service (Andean Region) |
| 49) | PD 31/94 Rev.1 (F) | Planning Practical and Cost-Effective Strategies for Genetic Resource Conservation of Commercial Tree Species in Tropical Asia (Regional, Malaysia) |
| 50) | PD 49/94 Rev.1 (F) | Establishment of an Ongoing Forest Monitoring Network (Permanent Growth Plots) in the Forest Reserves and Woodlots of the Guiana Region (Venezuela) |
| 51) | PD 2/95 Rev.1 (F,I) | Book and Databank on the Lesser-Known Timbers of South-East Asia: Volume 5(3) within the PROSEA Programme (Regional, Indonesia) |

- 52) PD 3/95 Rev.2 (F) Conservation and Provenance Plantings and Integrated Pest Management to Sustain Iroko Production in West Africa (Ghana, Côte d'Ivoire, Cameroon)
- 53) PD 8/95 Rev.1 (F) Multiple Resources Stratification, Mapping and Inventory for the Management of the First Forest Zone in Gabon - Phase I
- 54) PD 9/95 Rev.2 (F) Reforestation Using High-Value Tropical Species in Agroforestry Systems of the Province of Tambopata (Peru)
- 55) PD 14/95 Rev.2 (F) Model Forest Management Area - Phase II (Malaysia)
- 56) PD 16/95 Rev.2 (F) Forest Health Monitoring to Monitor the Sustainability of Indonesian Tropical Rain Forest (Indonesia)
- 57) PD 37/95 Rev.2 (F) Management of Cative Forests and Non-Timber Products with the Participation of Rural and Indigenous Communities, Darien, Panama
- 58) PD 39/95 Rev.1 (F) Institutional Strengthening for the Sustainable Management of Forest Plantations (Colombia)
- 59) PD 41/95 Rev.1 (F) Piloting Collaborative Forest Management Systems for Off-Reserve Areas in Southern Ghana
- 60) PD 28/96 Rev.1 (F) Inventory and Preparations for the Management of the Minkebe Forest Area of Gabon
- 61) PD 35/96 Rev.2 (F) Conservation and Maintenance of Biological Diversity in Tropical Forests Managed Primarily for Timber Production, Surigao Del Sur, Philippines

B) Projects awaiting implementation agreement

- 1) PD 13/96 Rev.1 (F) Multiple-Use Management in the Macaue National Forest Based on Rubber Plantations - Phase I: Development of a Master Plan to Support Community Organization

C) Projects awaiting financing

- 1) PD 10/95 Rev.2 (F) Evaluation of Silvicultural Trials of Indigenous Timber Species for Developing Forest Plantations in Gabon
- 2) PD 30/95 Rev.1 (F) Dissemination and Training on ITTO Guidelines and Criteria - Phase II (Brazil)
- 3) PD 43/95 Rev.1 (M,F,I) First Latin American Workshop on Tropical Forests Within the Framework of the International Tropical Timber Agreement (Venezuela/Peru)
- 4) PD 8/96 Rev.1 (F) Conservation and Pest Management for Realizing the Potential of Mahogany as a Sustainable Crop (Bolivia/Honduras)
- 5) PD 19/96 Rev.1 (F) Forest Plantations for Commercial Purposes in Areas of "Chaca-Chacales" in the Province of Satipo (Peru)
- 6) PD 27/96 Rev.1 (F) Forestry and Genetic Improvement of the Okoume (*Aucoumea Klaineana*, Pierre) - Phase II

D) Projects coming under the sunset provisions since last Session

- 1) PD 33/92 Rev.4 (F) The Establishment of a Demonstration Area for Sustainable Use in the Wood Resources Base of the Forest Enterprise in N'Lobo (Cameroon)
- 2) PD 2/94 Rev.2 (F) Dissemination of Silvicultural Experiences with Promising Forest Species in the Peruvian Amazon Region

Permanent Committee's Recommendations on the implementation of Specific Projects

The Committee noted the reports on the progress of these projects in Document PCF(XIX)/5 and further discussed the substantive issues associated with a number of Projects in depth. Details of these discussions are as follows:

- 1) 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-Bakundo (Cameroon)**

The Committee noted that, in general, the project is now progressing satisfactorily. The Committee however observed that the project accumulated a very important delay, and that according to the revised workplan, which takes into account all belated activities, the project is expected to be completed only in December 1998, instead of January 1996 as originally planned. In this regard, the Committee took note of the assurances given by the Cameroonian Delegation that the revised workplan and time table will be respected.

The Committee also expressed concern over the possible delay in initiating forest management activities, as a result of delays in selecting the forest concessionaire to be involved in the project.

The Committee decided to grant an extension to the project until December 1998, at no extra costs. It also urged the Government of Cameroon to take all necessary steps in order to select the forest concessionaire to be involved in the project as soon as possible.

- 2) PD 68/89 Rev.1 (F) **Management of Tapajos National Forest for Sustainable Production of Industrial Timber (Brazil)**

The Committee took note of the information from the Secretariat on the progress achieved in the implementation of this project which has experienced severe delay due to factors mainly beyond the control of the executing agency. The Committee reviewed the Executive Summaries of the Forest Management Plan (PCF(XIX)/30) and the Environmental Impact Assessment (PCF(XIX)/31). Although the various project activities are finally gaining momentum, the Committee decided to defer the consideration of extension of the Project until the next Session in May, 1997 in Bolivia. The consideration will be based on actual progress in Project implementation according to the revised work plan and budget, that are currently being prepared.

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

The Secretariat informed the Committee on the progress of the Project and the recent work carried out by the two independent Consultants. The Consultants submitted their report which comprises the Review of the Implementation Phase I and the Work Plan for the Implementation on Phase II of the Project as contained in document PCF(XIX)/12, PCF(XIX)/9 and PCF(XIX)/9/Add.1 respectively. The Indonesian Delegation explained that the Project has been approved in a package of three phases, as decided by the ITTC VIII in 1990, and expressed concurrence on the recommendations made by the Consultants in the above documents, in particularly on the reduction of budget of Phase II to US\$ 1,795,610 (PCF(XIX)/9/Add.1). In this light the Committee endorsed the implementation of Phase II of the Project with revised budget of US\$ 1,795,610. In order to finalize the remaining activities under the Phase I, the Committee accepted to grant an extension of the Phase I until May 1997, without additional funding, concurrent with the implementation of Phase II.

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

The Committee accepted the final report for the second phase of this project reproduced as PCF(XIX)/28 and distributed during this session. It also noted the progress achieved in project implementation and recommended the executing agency give a formal presentation of the project's accomplishments at the next Session of the Permanent Committee to be held in Santa Cruz in May 1997.

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

The Committee noted the progress achieved in the implementation of the project. The Committee approved the formal request from the Project Coordinator to grant the Project an extension of 10 months until December, 1997 without additional funds.

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

The Committee noted the progress in the implementation of the project as elaborated by the Project Coordinator. The Committee approved the request from the Project Coordinator to take into account the delay in the appointment of some of the Visiting Scholars and granted a 6 months extension of the Project without additional funds until December 1997.

7) PD 105/90 Rev.1 (F) Model Forest Management Area, Phase I (Malaysia)

The Secretariat presented the updates of the project work in progress as contained in PCF(XIX)/5, page 10 and 11. The Swiss Delegation requested clarification on the Status of Phase II of the Project (PD 14/95 Rev.2 (F)) which has been started while the Phase I (PD 105/90 Rev.1 (F)) has not been completed. The Secretariat explained the decision taken by the Committee during its Eighteenth Session in Manila. (PCF(XVIII)/32 Rev.1, page 7) regarding the commencement of the Project as of 1 June 1996.

The Committee noted that the final output, Development Plan of Model Forest Management Area, is being revised and therefore granted an extension to the project until May 1997, without additional funding.

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

Since all activities have been completed under the Project, Secretariat informed the Committee that Executing Agency has been requested to perform financial audit. Dr. Paul Chai and Dr. Robert Stuebing on behalf of Sarawak Authority, Malaysia, presented to the Committee the overall achievements of the Project and highlighted the importance of biodiversity richness of Lanjak Entimau Wildlife Sanctuary. Their presentation included aspects of flora, fauna and socio-economic of Lanjak Entimau.

The Committee took note of their presentation.

9) PD 120/91 Rev.4 (F,I) Development of Operational Models for Sustainable Management of Natural Tropical Forests (Malaysia)

The Secretariat informed the Committee that the final output of the Project, Management Plan of the Lingkabau Forest Reserve has been published.

The Committee noted that the overall project activities including audit of the financial report should be completed by May 1997.

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

The Committee noted the progress achieved in project implementation and decided to approve an extension of the project for an additional period of six months until March 1997, without additional funds, to allow the completion of project activities. It also recommended the executing agency give a formal presentation of the project's accomplishments at the next Session of the Permanent Committee to be held in Santa Cruz in May 1997.

11) PD 130/91 Rev.2 (F) Plantation Establishment Methods (Phase I) (Philippines)

The Secretariat briefed the Committee on the status of the Project and suggested that six months extension should be granted to the Executing Agency to complete the projects remaining activities.

The Committee granted an extension of project duration until May 1997, without additional funding.

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

The Committee observed that the project is expected to be completed in January 1997 according to the original planning. However it noted that the pace of project implementation decreased during the last period of this year as a result of differences between project staff. Furthermore, forest management activities had not yet been initiated satisfactorily because of delays in selecting a forest concessionaire. The Committee expressed concern about these shortcomings which might result in the delay of the completion of the project and impede the achievement of its objectives.

The Committee noted the declaration made by the Delegation of Cameroon clarifying that the forest concessionaire has been selected and his contract is being finalized. A new project Director will also be nominated soon, so as to speed up project implementation. However an extension of the project until June 1997 is requested in order to complete the remaining project activities, at no extra costs, since the budget allocated to unrealized forest management activities are still with the Executing Agency.

The Committee decided to grant the project an extension until June 1997, and urged the Government of Cameroon to ensure that forest management activities are initiated and completed as soon as possible.

13) PD 162/91 Rev.1 (F) Intensification of Growth and Yield Studies in Previously Logged Forest (Papua New Guinea)

The Committee noted the progress in the implementation of the project as informed by the Secretariat. The Committee took note of the information that an International Consultant would be appointed for a 3 months period from beginning of April, 1997 and decided to defer any decision on extension of the project until the next Session of the Committee in Bolivia in May, 1997.

14) PD 171/91 Rev.2 (F) Conservation and Management for Multiple Use and development of Colombian Mangrove Swamps

The Committee accepted the final report for the first phase of this project reproduced as PCF(XIX)/27 and distributed during this session. It also noted the submission of a reformulated proposal for a staged implementation of the second phase of this project as outlined in document PCF(XIX)/34. The Committee agreed with the changes entailing the breakdown of the implementation of the second phase of the project into two stages. The Committee recommended to the Council to endorse these changes and approve the financing of Phase II - Stage I requiring an ITTO contribution of \$725,365, and Phase II - Stage II requiring an ITTO contribution of \$641,101.

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

The Secretariat informed the Committee that the second and last output of the Project, "Tree Flora of Sabah and Sarawak, Volume II", has now been published and the project will be completed by May 1997. The Committee took note of the information.

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

The Committee noted the progress achieved in project implementation and recommended the executing agency give a formal presentation of the project's accomplishments at the next Session of the Permanent Committee to be held in Santa Cruz in May 1997.

17) PD 6/93 Rev.2 (F) Manual and a World Natural Mangrove Atlas for Mangrove Ecosystem Restoration (Global)

The Secretariat informed the Committee that the second output of Project, a Technical Manual entitled "The Restoration of Mangroves Ecosystems" has now been published, however a delay could not be avoided in finalizing the third output, "World Mangrove Atlas." The Representative of ISME explained the reason and justification which pertain to the delicacy of work performed to refine the draft Atlas.

In view of this, the Committee granted an extension of project duration until July 1997, without additional funding.

18) PD 11/93 Rev.1 (F) A Strategy for the Sustainable Management and Harvesting Forest Resources Leading to the Consolidation of the Indigenous Territories in the Colombian Amazon - Phase I

The Committee noted the submission of a modified workplan for the implementation of this project as outlined in document PCF(XIX)/11. The Committee agreed with the changes entailing the restructuring of the project's activities and budget, approved the aforementioned document as an addendum to the project document PD 11/93 Rev.1 (F), and recommended its immediate implementation.

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

The Committee noted the progress in the implementation of the project as informed by the Secretariat, particularly the appointment of a local consultant to draft the framework of the "Guidelines for Sustainable Forest Management and Silviculture of natural Production Forest".

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

The Committee accepted the executive summary of the final report of this project reproduced as PCF(XIX)/26 and distributed during this session.

21) PD 32/93 Rev.2 (F) Rehabilitation of Logged-over Forest in Asia/Pacific Region (Sub-project III) (Regional)

The Committee noted the progress in the implementation of the project as elaborated by the Project Coordinator and the excellent presentation given by the Project Staff. The Committee took note of the information and supported the view that the new "Rikimaru Approach" should be published in an international journal as soon as possible and decided to grant the Project an extension without additional funds until April, 1997.

22) PD 33/93 Rev.1 (F) Conservation, Management, Harvesting and Integrated and Sustained Use of Forests in the Chimanes Region, Beni, Bolivia - Phases I & II

The delegate from the Kingdom of Denmark reported to the Permanent Committee that his government is satisfied with the progress to date in the implementation of the project.

23) PD 4/94 Rev.3 (F) East New Britain Industry Strengthening Project (Papua New Guinea)

The Committee took note of the information on the progress in the implementation of the project as elaborated by the Delegate from the Papua New Guinea Forest Administration and that the International Expert was finally able to take up his duties after the delay caused by a volcanic eruption. The Committee further took note of the information and praised that certain activities had been initiated by the consultant prior to his official appointment. A revised work plan will be forwarded shortly.

24) PD 8/94 Rev.2 (F) Evergreen Club of Ghana/ITTO Youth in Forestry Project (Ghana)

The Committee was informed by the Secretariat that, according to information provided by the Executing Agency and included in the project progress report, the smooth implementation of the project is impeded by the lack of Government Agencies' contribution as pledged. In this connection, the Committee took note of the declaration made by the Representative of the Government of Ghana, clarifying that Government Agencies' contribution is in kind and concerned the supply of means for the transportation of planting material and school children. Measures have been taken by the Ministry of Lands and Forestry to meet these transportation needs.

25) PD 18/94 Rev.1 (F) Participatory Forest Development in the Alto Mayo Region for the Sustainable Management of Moist Tropical Forests

The Committee noted the progress achieved in project implementation and recommended the executing agency give a formal presentation of the project's accomplishments at the next Session of the Permanent Committee to be held in Santa Cruz in May 1997.

26) PD 27/94 Rev.2 (F) Women and Tropical Forest Development Program (Ghana)

The Committee took note of the progress in project implementation, as presented by the Head of the Executing Agency, as follows:

All the three nurseries provided for in the project document are fully established, with a production capacity of about 1 million seedlings/year each;
The startup workshop, which had been delayed, finally took place in October 1996;
The consultancies' terms of references have been revised, and the consultant in marketing of non-timber forest products has initiated his assignment;
The project work plan has been revised and the revised workplan will be submitted soon to the Secretariat.

The Committee agreed to grant the project an extension period of 6 months at no extra costs, in order to complete the remaining project activities.

27) PD 31/94 Rev.1 (F) Planning Practical and Cost-Effective Strategies for Genetic Resource Conservation of Commercial Tree Species in Tropical Asia (Asia Pacific)

The Secretariat informed the Committee that the Second Project Steering Committee Meeting will be held in Kuala Lumpur on 5 December 1996. The invitations to relevant donor countries and ITTO Secretariat have been issued by the Executing Agency. The Committee took note of this information.

- 28) PD 3/95 Rev.2 (F) Conservation and Provenance Plantings and Integrated Pest Management to Sustain Iroko Production in West Africa (Ghana, Côte d'Ivoire, Cameroon)**

The Committee noted that the project is in its initial stage, and activities have been initiated for the Ghana and Côte d'Ivoire components of the project. The Secretariat informed the Committee that the first tranche of funds that was transferred by the Executing Agency to Cameroon was finally received on 1st November 1996. Activities for the Cameroon component are therefore expected to be engaged soon.

- 29) PD 30/95 Rev.1 (F) Dissemination and Training on ITTO Guidelines and Criteria - Phase II**

The Committee noted the submission of a reformulated proposal for a staged implementation of the second phase of this project as outlined in document PCF(XIX)/35. The Committee agreed with the changes entailing the breakdown of the implementation of the second phase of the project into two stages. The Committee recommended to the Council to endorse these changes and approve the financing of Phase II - Stage I requiring an ITTO contribution of \$853,495, and Phase II - Stage II requiring an ITTO contribution of \$806,020.

10. Review of Pre-Project Work in Progress

Sixteen (16) Pre-projects have been approved by the Committee and are under implementation, in preparatory stages or awaiting funding. The Committee took note of a status report of these Pre-projects submitted by the Secretariat in Document PCF(XIX)/6.

The Committee discussed the substantive issues associated with a number of pre-projects. Details of these discussions are as follows:

- 1) PP-F/05-11 Coordinated Natural Forest Management and Sustainable Rural Development in Areas Adjoining Sapo National Park, Liberia (Stand-by) (Liberia)**

The Secretariat informed the Committee that the situation in Liberia still seems to be unstable. However the Government of Liberia has already joined the ITTA 1994. While hoping that the situation will soon get back to normal, in order to allow the initiation of pre-project activities, the Committee decided to still maintain this pre-project as an approved pre-project, as a measure of encouragement towards the Government of Liberia.

- 2) PPD 6/93 Rev.1 (F) The Development of Guidelines for the Protection of Tropical Forests Against Fire (Global)**

The Secretariat recalled on the status of the Pre-project and the decision made during the Eighteenth Session of the Committee pertaining to the revision of the Draft Guidelines. The Committee noted that Mr. James Sorenson (USA) and Dr. Ronaldo Soares (Brazil) have been engaged to revise the draft. Dr. Ronaldo Soares, presented the final version of the Draft Guidelines to the Committee. Further to some comments and minor corrections in the Draft, the Committee accepted and approved the Guidelines on Fire Management in Tropical Forest, as contained in the document PCF(XIX)/10 Rev.1. In order to ensure the reproduction and dissemination of the Guidelines, the Committee granted additional funding of US\$ 40,090.00 as contained in document PCF(XIX)/37.

The US Delegation suggested that the Guidelines be disseminated among others, through the ITTO "Home Page" on the Internet. The Committee took note of the suggestion made by the US Delegation.

3) PPD 8/93 (F) Demonstration Areas for Sustainable Management of Production Forests (Global)

The Committee took note of the information from the Secretariat that there has been little progress in the Pre-project implementation. The Committee approved the suggestion from the Secretariat to call a meeting to involve the ITTO Regional Consultants in drawing up a plan for the continuation of the project activities.

4) PPD 12/93 (F) Biotechnology and Sustainable Production of Tropical Timber (Global)

The Secretariat informed the Committee that the report of the Study on Biotechnology and Sustainable Tropical Timber Production is being finalized by the Consultant consistently with the recommendation made by the Committee during its Eighteenth Session. It also noted that the final version of the report, translated into French and Spanish, and printed, is expected to be ready before the Twentieth Session of the Committee scheduled for May 1997 in Bolivia.

5) PPD 8/94 Rev.1 (F,I) Diagnosis and Design of a PLANFOR Support Program

The Committee noted the submission of a restructured budget that, due to an increase in the cost of living in Ecuador, requested to use 50% of the funds assigned to ITTO Evaluation and Monitoring, as outlined in document PCF(XIX)/35. Moreover, The Secretariat informed the Committee that it had no objection to the aforementioned transfer. Therefore, the Committee agreed to the transfer of US\$15,000 from the funds allocated to the ITTO Evaluation and Monitoring component to the budget allocated to the Implementing Agency.

11. Decision on Fellowship Applications under Project PD 1/93 Rev.1 (M,F,I)

Successful applicants for ITTO fellowships under Project PD 1/93 Rev.1 (M,F,I) are presented in the Report on the Permanent Committee on Forest Industry.

12. Election of Chairman and Vice-Chairman for 1997

The Vice-Chairman of this year, Dr. Jürgen Blaser of Switzerland, was elected as Chairman for 1997 with acclamation. A delegate from the Ghana proposed Mr. Anoh Emile Jean Claude from Côte d'Ivoire as Vice-Chairman, and he was subsequently elected for 1997 with acclamation.

13. Dates and Venue of the Twenty-second Session

The Committee decided that the dates and venue of its Twenty-second Session will be agreed upon by ITTC in relation to the dates and venue fixed for its Twenty-fourth Session.

14. Any Other Business

A) *Recommendation for Pre-projects and Projects awaiting financing*

The Committee noted with concern the number of approved projects that remained unfunded and the increasing number of unfunded projects passing through the sunset provisions of Decision to 2(X), Annex 2, Paragraph 2. The Committee therefore urged member countries to contribute funds for these unfunded approved projects. The list of such projects is included in Section C of Agenda Item number 9.

In order to ease or facilitate the funding, the structure and budget of two approved projects were divided into two phases. The amended and revised structure and budget were approved by the Committee. The two Projects (PD 171/91 Rev.2 (F) and PD 30/95 Rev.1 (F)) are listed in item 9 under the Permanent Committee's Recommendation.

B) Presentations of Project Results

Special Presentations on the following PCF projects were held as follows during the Council Session.

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

PD 171/91 Rev.2 (F): Conservation and Management for Multiple Use and Development of Colombian Mangrove Swamps, Phase I (Colombia)

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

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

Special Poster Presentations on the following PCF projects were held as follows during the Council Session.

PD 6/93 Rev.2 (F): Manual and a World Natural Mangrove Atlas for Mangrove Ecosystem Restoration (Global)

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

C) Information on the Project Management Information System (PMIS)

The Secretariat informed the Committee that the Project Management Information System (PMIS) has been converted from DBASE for DOS to PARADOX for windows. It is currently being updated and expanded.

D) Project Catalogue

The Secretariat informed the Committee that document PCF(XIX)/7, including annexes 7A and 7B, which contain the latest version of the Project catalog as well as information on the funding status of approved projects under the responsibility of the Permanent Committee on Reforestation and Forest Management, has been updated using a new and improved database format. The catalogue and its annexes have been circulated.

E) Other Matters

No subject discussed.

15. Recommendations to the International Tropical Timber Council

A) The Committee made the following recommendations regarding Projects:

1. The Committee recommended that the Council approve the revised budget of PD 89/90 (F) Phase II and allocate US\$ 1,795,610 for its implementation
2. The Committee recommended that the Council approve Phase II, Stages I & II of PD 171/91 Rev.2 (F) and allocate \$ 725,365 for the implementation of Stage I and \$ 641,101 for Stage II.
3. The Committee recommended that the Council approve PD 15/95 Rev.3 (F) and allocate \$ 1,261,780 for its implementation.

4. The Committee recommended that the Council approve Phase II, Stage I & II of PD 30/95 Rev.1 (F) and allocate \$ 853,495 for the implementation of Stage I and \$ 806,020 for Stage II.
5. The Committee recommended that the Council approve PD 31/95 Rev.3 (F) and allocate \$ 547,893.15 for its implementation.
6. The Committee recommended that the Council approve PD 44/95 Rev.3 (F) and allocate \$ 1,012,352 for its implementation.
7. The Committee recommended that the Council approve PD 12/96 Rev.2 (F) and allocate \$ 446,180 for its implementation.
8. The Committee recommended that the Council approve PD 17/96 Rev.2 (F) and allocate \$ 1,141,461 for its implementation.
9. The Committee recommended that the Council approve PD 18/96 Rev.2 (F) and allocate \$ 1,194,049 for its implementation.
10. The Committee recommended that the Council approve PD 42/96 Rev.1 (F) and allocate \$ 223,660 for its implementation.

B) *The Committee made the following recommendations regarding Pre-projects:*

1. The Committee recommended that the Council approve the allocation of additional funds amounting to \$ 40,090 for the reproduction and dissemination of the Guidelines under PPD 6/93 Rev.1 (F).
2. The Committee recommended that the Council approve PPD 9/96 Rev.1 (F) and allocate \$ 63,658 for its implementation.
3. The Committee recommended that the Council approve PPD 10/96 Rev.1 (F) and allocate \$ 50,300 for its implementation.
4. The Committee recommended that the Council approve PPD 13/96 Rev.1 (F) and allocate \$ 84,930 for its implementation.
5. The Committee recommended that the Council approve PPD 15/96 Rev.1(F) and allocate \$ 49,902 for its implementation.
6. The Committee recommended that the Council approve PPD 16/96 Rev.2(F) and allocate \$ 91,046.50 for its implementation.
7. The Committee recommended that the Council approve PPD 17/96 Rev.1(F) and allocate \$ 88,242 for its implementation.

16. Report of the Session

The Committee accepted this Report for submission to the Council.

Appendix I

TECHNICAL ASSESSMENT OF PROJECT PROPOSALS

- 1) PD 15/95 Rev.3 (F) Development of the Lanjak Entimau Wildlife Sanctuary (LEWS) as a Totally Protected Area (TPA) Phase II (Malaysia)**

Conclusion of the Nineteenth Committee

The Malaysian Delegation Stated that the Lanjak Entimau Sanctuary is of paramount important to the State of Sarawak and it was included as one of the most important recommendations of "Sarawak Mission" published in 1990. Moreover, a plan for cooperation has been extended to Bentuang Karimun Reserve (Indonesia) in order to establish a joint transboundary Totally Protected Areas . In addressing the comments made by the Twelfth Expert Panel, Malaysian Delegation provided clarification on the issues raised by the Expert Panel. The Committee noted the responses as contained in the document PCF(XIX)/33.

The Indonesian Delegation reiterated their concern on the indispensable continuation of Lanjak Entimau Project, since the Bentuang Karimun Project in the Indonesian side is now being implemented. Therefore, he supported the proposal for Phase II of Lanjak Entimau. The Philippines Delegation also supported the proposal in view of the similar values of flora and fauna in the region.

In view of these, the Committee decided to approve the project PD 15/95 Rev.3 (F) and recommended the Council to allocate US\$ 1,261,780 for its immediate implementation.

- 2) PD 31/95 Rev.3 (F) A Model Project for Cost Analysis to Achieve Sustainable Forest Management (Malaysia)**

Conclusion of the Nineteenth Committee

The Committee noted that the revised project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the project PD 31/95 Rev.3 (F) and recommended the Council to allocate US\$ 547,893.15 for its immediate implementation.

- 3) PD 44/95 Rev.3 (F) Management and Conservation of Mangroves in the Gulf of Fonseca, Honduras**

Conclusion of the Nineteenth Committee

The Committee noted that the revised project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the project PD 44/95 Rev.3 (F) and recommended the Council to allocate US\$ 1,012,352 for its immediate implementation.

- 4) PD 12/96 Rev.2 (F) Development of a Sustainable Management Plan for the Souanke-Sembe-Kelle Area (Phase II) (Congo)**

Conclusion of the Nineteenth Committee

The Committee noted that the revised project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the project PD 12/96 Rev.2 (F) and recommended the Council to allocate US\$ 446,180 for its immediate implementation.

- 5) PD 17/96 Rev.2 (F) Technical Assistance to the National Forest Inventory (NFI) (Indonesia)**

Conclusion of the Nineteenth Committee

The US Delegation requested explanation on the institutional arrangement made for implementing the Project. He viewed that FAO assistance through this project may also enhance the

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cooperation between ITTO and FAO. The Indonesian Delegation assured that necessary consultations will be made with FAO which has been involved from the very beginning in the "National Forest Inventory, Phase I". In light with this recommendation, the Committee approved the project PD 17/96 Rev.2 (F) and recommended the Council to allocate US\$ 1,141,461 for its immediate implementation.

6) PD 18/96 Rev.2 (F) Validation of Studies, Development of Management Plans and Proposal for Sustainable Forest Production Units (Peru)

Conclusion of the Nineteenth Committee

The Committee noted that the revised project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the project PD 18/96 Rev.2 (F) and recommended the Council to allocate US\$ 1,194,049 for its immediate implementation.

7) PD 30/96 Rev.2 (F) Project for a 2,500 ha Timber Production Plantation in the Reserved Forest of Haho-Baloe (Plateaux Region - Togo)

Conclusion of the Nineteenth Committee

The Committee took note of the decision of the Government of Togo to withdraw this project proposal in order to further develop certain aspects relating to the sustainability of the project. The Committee agreed that a revised version of the project proposal be submitted to the Twentieth Session of the Permanent Committee in May 1997 in Bolivia.

8) PD 42/96 Rev.1 (F) Support for the Development of a Forestry and Wildlife Law (Peru)

Conclusion of the Nineteenth Committee

The Committee noted that the revised project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the project PD 42/96 Rev.1(F) and recommended the Council to allocate US\$ 223,660 for its immediate implementation.

TECHNICAL ASSESSMENT OF PRE-PROJECT PROPOSALS

1) PPD 9/96 Rev.1 (F) Establishment of a Centre for the Production of Forest Tree Seeds (Congo)

Conclusion of the Nineteenth Committee

The Committee noted that the revised pre-project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the pre-project PPD 9/96 Rev.1 (F) and recommended the Council to allocate US\$ 63,658 for its immediate implementation.

2) PPD 10/96 Rev.1 (F) Preliminary Study for a Project on the Production of Timber by the Agroforestry Method in the Wawa Region (Plateaux Region of Togo)

Conclusion of the Nineteenth Committee

The Committee noted that the revised pre-project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the pre-project PPD 10/96 Rev.1 (F) and recommended the Council to allocate US\$ 50,300 for its immediate implementation.

3) PPD 13/96 Rev.1 (F) Establishment of a Network of Permanent Sample Plots to Monitor the Dynamics of the Côte d'Ivoire Reserved Forests

Conclusion of the Nineteenth Committee

The delegation of Indonesia informed the Committee that a network of over 3,000 Permanent Sample Plots (PSPs) is being established in Indonesia and suggested that cooperation should be encouraged with the Government of Côte d'Ivoire under this important pre-project for the purpose of harmonizing procedures for PSPs establishment and information sharing. The Committee took note of this information and further noted that the pre-project adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the pre-project PPD 13/96 Rev.1 (F) and recommended the Council to allocate US\$ 84,930 for its immediate implementation.

4) PPD 15/96 Rev.1 (F) Technical Assistance to Develop a Mapping and Inventory Project Aimed at the Sustainable Management and Administration of Forest Resources (Panama)

Conclusion of the Nineteenth Committee

The Committee noted that the revised pre-project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the pre-project PPD 15/96 Rev.1 (F) and recommended the Council to allocate US\$ 49,902 for its immediate implementation.

5) PPD 16/96 Rev.2 (F) Demonstration on Reforestation Using Tropical Hardwood Species in Yunnan Province of China

Conclusion of the Nineteenth Committee

The Committee noted that the revised project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the pre-project PPD 16/96 Rev.2 (F) and recommended the Council to allocate US\$ 91,046.50 for its immediate implementation.

6) PPD 17/96 Rev.1 (F) Study and Definition of a General Scheme for Implementing Strategies for the Sustainable Management of the Forests of Gabon in Accordance with the Year 2000 ITTO Objective

Conclusion of the Nineteenth Committee

The Committee noted that the revised pre-project proposal adequately addressed the Expert Panel's comments and recommendations. Therefore, the Committee approved the pre-project PPD 17/96 Rev.1 (F) and recommended the Council to allocate US\$ 88,242 for its immediate implementation.

7) PPD 19/96 (F) Development of an Integrated Strategy for Reduction of Shoot Borer Impact on West African Mahogany Plantations (Ghana)

Conclusion of the Nineteenth Committee

The Panel noted that the pre-project proposal was developed in response to comments and recommendations made by the Twelfth Panel of Experts on project PD 45/96 (F) "Development of an Integrated Strategy for Reduction of Shoot Borer Impact on West African Mahogany Plantations". The Committee also took note of the decision of the Government of Ghana to defer the final decision concerning this pre-project until the Twentieth Session of the Committee in May 1997, where a revised version of the pre-project proposal will be submitted. The Committee agreed that a revised version of the pre-project proposal be submitted to the Twentieth Session of the Permanent Committee in May 1997 in Bolivia.

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TABLE A
TECHNICAL EVALUATION OF PROJECT AND PRE-PROJECT PROPOSALS
IN THE FIELD OF REFORESTATION AND FOREST MANAGEMENT
CONSIDERED DURING THE NINETEENTH COMMITTEE SESSION

PROJECT/ PRE-PROJECT DOCUMENT	ITTA OBJECTIVES ARTICLE 1	AREA OF ACTIVITY		CRITERIA Art.23 Para.6	BUDGET ITTO CONTRIBUTION (US\$)	DURATION (Years)	GEOGRAPHICAL COVERAGE		
		Art.23 Para.2	Art.23 Para.5					EP	PCF
PD 15/95 Rev.3	c, f, h	R & D	b, e	a, b, h, i	1,261,780	18 months	Malaysia	(2)	1
PD 31/95 Rev.3	c, f	R & D Diagnosis	d	a, f, g, h	547,893.15	2	Malaysia	2	1
PD 44/95 Rev.3	c, e, f, h	R & D Demonstration	a, b, c, d, e	a, b, d, e	1,012,352	3	Honduras	2	1
PD 12/96 Rev.2	c, f, h	R & D Demonstration	b, d, e	a, b, c, d, e	446,180	1	Congo	2	1
PD 17/96 Rev.2	b, c, f, h	Diagnosis	b, e	a	1,141,461	2	Indonesia	2	1
PD 18/96 Rev.2	f, h	R & D	a, b, c, d, e	a, b, c, d, e	1,194,049	4	Peru	2	1
PD 30/96 Rev.2	f, h	Facilitation R & D	b, c, d	a, d, e	1,373,779	3	Togo	2	7
PD 42/96 Rev.1	a, b, c, d, e, f, g, h	Facilitation	all	all	223,660	7 months	Peru	2	1
PPD 9/96 Rev.1	f	R & D	c, e	a, b, c, d, e	63,658	0.5	Congo	2	1
PPD 10/96 Rev.1	c, f, h	R & D	b, c, e	a, e	50,300	7 months	Togo	2	1
PPD 13/96 Rev.1	c, f, h	R & D	b, c, e	a, b, c	84,930	3 months	Côte d'Ivoire	2	1
PPD 15/96 Rev.1	a, c, h	R & D	b, c, d, e	all	49,902	3 months	Panama	2	1
PPD 16/96 Rev.1	c, f, h	Diagnosis	c	b, d, f, g, h, i, k	91,046.50	5 months	China	2	1
PPD 17/96 Rev.1	c, f, h	R & D	b, d	a, b, c, e	88,242	0.5	Gabon	1	1
PPD 19/96	c, f, h	R & D	c, d	a, b, c, d, e	373,993	1.5	Ghana	4a	7

For Categories of Recommendations see Table C.

TABLE B

**TECHNICAL EVALUATION OF PROJECT AND PRE-PROJECT PROPOSALS
IN THE FIELD OF REFORESTATION AND FOREST MANAGEMENT
EVALUATED BY THE EXPERT PANEL BUT NOT CONSIDERED BY THE NINETEENTH SESSION**

PROJECT/ PRE-PROJECT DOCUMENT	ITTA OBJECTIVES ARTICLE 1	AREA OF ACTIVITY		CRITERIA Art.23 Para.6	BUDGET ITTO CONTRIBUTION (US\$)	DURATION (Years)	GEOGRAPHICAL COVERAGE	RECOMMEND ATION(*)	
		Art.23 Para.2	Art.23 Para.5					EP	---
PD 1/96 Rev.1	c, e, f, h	Demonstration Facilitation	a, b, c, d, e	a, b, d, e	1,301,30	5	Panama	3	
PD 16/96 Rev.1	c, f, h	R & D	c	b, f, g, h	724,61	5	Indonesia	3	
PD 21/96 Rev.1	c, f, h	Demonstration	b	a, e	754,68	39 months	Ecuador	3	
PD 22/96 Rev.1	e, f, h	Demonstration Facilitation	b, c, d	a, b, d, e	1,498,92	4	Honduras	3	
PD 26/96 Rev.1	c, h	R & D	d, e	b, c, f, h	861,92	2	Malaysia	(2)	
PD 36/96 Rev.1	c, f, h	R & D	b, c, d, e	a, b, c, d, e	1,286,32	3	Cameroon	3	
PD 37/96	c, f, h	R & D	b, d, e	a, c, e	1,171,66	6	Cameroon	4b	
PD 38/96	c, f, h	R & D	b, c, e	a, c, d, e	472,96	4	Cameroon	4b	
PD 41/96	f, h	Facilitation	a, b, c, d, e	a, b, d, e	475,90	3	Peru	5	
PD 43/96 (F,I)	c, f, h	Facilitation	b, c, e	a, d, e	1,997,75	4	Nepal	6/4b	
PD 45/96	c, f, h	R & D	b, c, d	a, b, c, e	125,03	1	Ghana	4a	
PPD 11/96	c, f	R & D	b, c, e	a, e	59,98	5 months	Togo	3	
PPD 14/96	c, f, h	Facilitation	b, d, e	all	38,00	3 months	Guyana	2	

* For Categories of Recommendations see Table C.

TABLE C

Categories of Decision for Expert Panel	Categories of Recommendation from PCF to the Council
<p>1. The Panel concluded that, with the incorporation of any minor amendments noted, the (pre-)project could be commended to the Permanent Committee for final appraisal.</p> <p>2. The Panel concluded that, with the incorporation of the above essential modifications, (which are necessary for the project to succeed,) the (pre-)project could be commended to the Permanent Committee for final appraisal.</p> <p>(2) The Panel concluded that it could not commend the revised proposal and submits it to the committee for further appraisal.</p> <p>3. The Panel concluded that a re-formulation of the proposal is essential and the Panel will need to assess the re-formulated proposal before it can commend it to the Committee for appraisal.</p> <p>4. The Panel concluded that a pre-project is necessary in order to assess the situation and the viability of the proposed work and the possible formulation of a project proposal. (a: Such a pre-project could be commended to the Committee for final appraisal; b: The Panel will need to assess the pre-project proposal before it can commend it to the Committee for appraisal.)</p> <p>5. The Panel concluded that the project is not sufficiently relevant to the mandate of ITTO to merit ITTO support. (The Panel encourages the submitting agency to seek other sources of project support.)</p> <p>6. The Panel concluded that there is insufficient information to assess the project adequately.</p> <p>(Text in parentheses is optional.)</p>	<p>1. Recommend to the ITTC to approve the (amended) proposal for implementation by ITTO.</p> <p>2. Project or Pre-project submitted directly for decision in accordance with the expedited procedure approved by Council Decision 2(X).</p> <p>3. Recommend to the ITTC that the proposal be revised.</p> <p>4. Recommend to the ITTC that the proposal should not be further considered by ITTO.</p> <p>5. Decide on Pre-project activities.</p> <p>6. Recommend to the ITTC that ITTO should approve the proposal for ITTO sponsorship without funding and refer it to other relevant financial institutions, in accordance with Article 20.</p> <p>7. Decision deferred until next session.</p> <p>8. Referred back to the Expert Panel.</p>

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Yokohama, Japan

REPORT TO THE INTERNATIONAL TROPICALTIMBER COUNCIL
NINETEENTH SESSION OF THE PERMANENT
COMMITTEE ON FOREST INDUSTRY

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REPORT

1. Introduction

The Nineteenth Session was opened on 13 November 1996 by Mr. Young-han Kim (Korea) the Chairman of the Committee. The list of Participants is reproduced in Document ITTC(XXI)/Info.2 Rev.1.

2. Adoption of Agenda and Organization of Work

At its first meeting on 13 November 1996 the Committee adopted the agenda of its Nineteenth Session as contained in Document PCI(XIX)/1.

3. Admission of Observers

The list of Observers admitted by the Committee is contained in Document ITTC(XXI)/Info.3.

4. The Annual Review and Assessment of the World Tropical Timber Situation (Joint Session of the Permanent Committees)

This item was taken up at a Joint Session of all Committees under the Chairmanship of Mr. Geoffrey Pleydell, Vice Chairman of the Permanent Committee on Economic Information and Market Intelligence. The discussion began with a summary presentation by the ITTO Statistician of the Secretariat document: Elements for the Annual Review and Assessment of the World Tropical Timber Situation, 1996 (ITTC(XXI)/3). Members were urged to intensify their efforts in providing timely, reliable and comprehensive statistics to the Organization. Efforts were being made by the Secretariat to source the necessary data and encourage responses by producing members partly through the gradual establishment of a network of national correspondents and through the organization of Statistical Training Workshops. Furthermore, the Secretariat was currently working with other relevant agencies in order to coordinate its statistical work and thus avoid overlap. These included ECE/FAO Timber Section, FAO and ITC. Members were invited to suggest revisions to the format of the Review in keeping with the new requirements of the ITTA, 1994. Members were also invited to submit data corrections and/or additions to the Secretariat by 31 December 1996 for incorporation in the final version of the Review.

5. Report on Completed Projects

The Committee took note of the work accomplished on the three projects completed since its last session:

PD 150/91 Rev.1 (I): IDENTIFICATION AND NOMENCLATURE OF COMMERCIAL TROPICAL TIMBER SPECIES IN THE ANDEAN SUB-REGION

PD 152/91 Rev.1 (I): HARMONIZATION OF TECHNICAL TROPICAL TIMBER STANDARDS IN THE ANDEAN SUB-REGION

PD 20/92 Rev.1 (I): THE IDENTIFICATION, PROPERTIES AND USES OF THE TROPICAL TIMBER IMPORTED TO CHINA FROM AFRICA

The Committee expressed its satisfaction with the successful completion of these projects. A summary of the work completed under these projects is presented in document PCI(XIX)/3.

The Committee requested the Secretariat to distribute to interested parties the Handbook for Identification of Andean Species, produced under project PD 150/91 Rev.1 (I).

The Committee also instructed the Secretariat to provide information on the status of audited financial statements when reporting on completed projects.

6. Report on Completed Pre-Projects

The Committee reviewed the work completed under the pre-projects "Pre-feasibility Study on Harmonization of Tropical Plywood Standards" [PPD 5/91 (I)] and "Value-added Wood Processing of the Fast Growing Tropical Species" [PPD 9/94 Rev.2 (I)]. The final reports on these pre-projects are reproduced in documents PPR 41/96 (I) and PPR 37/96 (I).

PD 179/91 Rev.1 (I)	INDUSTRIAL UTILIZATION AND IMPROVED MARKETING OF SOME GHANAIAAN LESSER-USED TIMBER SPECIES FROM SUSTAINABLY MANAGED FORESTS
PD 209/91 Rev.2 (I)	STUDY OF ZAIRIAN TIMBER WITH A VIEW TO PROMOTING CERTAIN SPECIES
PD 17/92 Rev.4 (I)	TECHNOLOGY TRANSFER/COMMERCIALIZATION OF SELECTED COCOWOOD UTILIZATION TECHNOLOGIES
PD 1/93 Rev.1 (M,F,I)	ITTO FELLOWSHIP PROGRAMME - PHASE II
PD 17/93 Rev.3 (M,F,I)	ITTO NETWORK FOR INFORMATION SHARING AND PROJECT SUPPORT
PD 39/93 Rev.3 (I)	RESEARCH AND DEVELOPMENT IN ENERGY ALTERNATIVE FROM BIOMASS (WOOD AND AGRICULTURAL RESIDUES) THROUGH BRIQUETTING, GASIFICATION AND DIRECT COMBUSTION
PD 47/94 Rev.3 (I)	INDUSTRIAL UTILIZATION OF LESSER-KNOWN FOREST SPECIES IN SUSTAINABLY MANAGED FORESTS
PD 20/95 Rev.2 (I)	CHEMICAL MODIFICATION OF BAMBOO CULMS AND THEIR RESISTANCE TO WEATHERING
PD 21/95 Rev.2 (I)	COMPREHENSIVE STUDIES OF THE STRUCTURE AND PROPERTIES OF RATTANS FOR EFFECTIVE UTILIZATION
PD 33/95 Rev.3 (M,F,I)	IMPACTS OF INCREASED UTILIZATION OF LESSER-USED SPECIES (LUS)
PD 3/96 Rev.2 (I)	DEVELOPMENT AND EXTENSION OF RUBBERWOOD PROCESSING AND UTILIZATION TECHNOLOGY
PD 15/96 Rev.2 (M,I)	UTILIZATION, COLLECTION AND TRADE OF TROPICAL NON-WOOD FOREST PRODUCTS IN THE PHILIPPINES

In its review of progress on implementation of project PD 94/90 Rev.3 (I), the Committee was informed by the ITTO Secretariat on the need of additional evaluation and monitoring funds. The additional funds are needed because the project implementation will be extended by three years. The implementation delay was caused by land tenure problems in the project area. The Committee agreed to request to Council the approval of a supplementary allocation of US\$25,000 to fund the project's future monitoring and evaluation costs.

The Committee also considered amendments proposed to approved project PD 39/93 Rev.3 (I) "Research and Development in Energy Alternative from Biomass (Wood and Agricultural Residues) Through Briquetting, Gasification and Direct Combustion". The amendments were proposed in a project revision prepared by the Common Fund for Commodity and submitting governments (Cameroon and Malaysia). The amendments include a slightly modified project title and reflect a downward revision of some of the project costs, which led to a decrease in the ITTO project budget from US\$1,390,195 to US\$1,318,196. The Committee decided to recommend to Council the approval of a further revised project proposal [PD 39/93 Rev.4 (I)] incorporating the proposed amendments, which should replace the previous proposal (version 3). This further revised proposal is entitled "Project for the Development, Application and Evaluation of Biomass Energy Technologies through Briquetting, Gasification and Combustion of (Wood and Agricultural) Wastes".

In its review of the implementation of project PD 47/94 Rev.3 (I), the Committee recalled that ITTO is also supporting other projects to promote sustainable productions and use of lesser known species, among them project PD 179/91 Rev.1 (I). The Committee requested the Secretariat to make available to the implementing agency of PD 47/94 Rev.3 (I) all relevant information and technical reports produced in the project being implemented in Ghana [PD 179/91 Rev.1 (I)].

The Committee highlighted the importance of the review of the tropical plywood standards situation, carried out under pre-project PPD 5/91 (I), implemented for ITTO by the Malaysian Timber Industry Board (MTIB). The Committee recalled that the study is consistent with the ITTA Article 25.3.iv, which calls upon the Committee to promote cooperation between producing and consuming members in the harmonization of specification of processed products. The Committee trusts the study results will lead to further cooperation among members in the area of plywood standards. The Committee expressed its appreciation to MTIB for its assistance in the implementation of this study.

The Committee also thanked the Japan Overseas Forestry Consultants Association (JOFCA) for the implementation of the pre-project study [PPD 9/94 Rev.2 (I)] on value-added wood processing of fast growing tropical species. The Committee noted that the pre-project report contains an overview on wood plantations in the tropics as well as technical information relevant to processing and marketing major plantation species. The study also identified specific value-added products which have already been introduced and accepted by consumers in export markets and made several recommendations for the expansion and improvement of value-added processing. These include training, further dissemination of available technologies, and provision of information on potential markets for value-added products. However, the Committee questioned some figures and data on country forest areas presented in the report and requested their revision by JOFCA prior to general distribution of the report by ITTO.

The Committee also instructed the Secretariat to provide information on the status of audited financial statements when reporting on completed pre-projects.

7. Review of Project Work in Progress

The Committee reviewed the work underway in twenty-one ITTO approved and financed projects in the field of Forest Industry. The full report on project work in progress is reproduced in document PCI(XIX)/4 Rev.2.

Further information on implementation progress was given by the ITTO Secretariat, member countries and implementing agencies on the following projects.

PD 3.a/87 Rev.2 (I)	ENHANCING LOCALLY THE VALUE OF LESSER KNOWN SPECIES (MANUFACTURE OF BLOCKBOARDS FROM LESSER KNOWN SPECIES IN CAMEROON)
PD 12/87 (I)	RESEARCH ON UTILIZATION OF TROPICAL TIMBER IN CONSTRUCTION
PD 47/88 Rev.3 (I)	UTILIZATION OF LESSER USED SPECIES AS ALTERNATIVE RAW MATERIALS FOR FOREST-BASED INDUSTRIES
PD 60/89 (M,F,I):	FELLOWSHIP AND RELATED ASSISTANCE PROGRAM TO PROMOTE TROPICAL FOREST SECTOR DEVELOPMENT
PD 73/89 (M,F,I)	ASSISTANCE FOR PROJECT IDENTIFICATION AND FORMULATION
PD 94/90 Rev.3 (I)	INTEGRATION OF FOREST-BASED DEVELOPMENT IN THE WESTERN AMAZON - PHASE II - TECHNOLOGY FOR SUSTAINABLE UTILIZATION OF RAW FOREST MATERIALS
PD 107/90 (I)	STRATEGIES FOR SUSTAINABLE WOOD INDUSTRIES IN SARAWAK
PD 109/90 Rev.4 (I)	ASSISTANCE TO MODERNIZATION, RESTRUCTURING AND DEVELOPMENT OF WOOD-BASED INDUSTRIES IN COTE D'IVOIRE
PD 143/91 Rev.2 (I)	NON-WOOD TROPICAL FOREST PRODUCTS: PROCESSING, TRADE AND COLLECTION

When reviewing implementation of project PD 15/96 Rev.2 (M,I) the Committee was informed by the representative of Switzerland on the interest of several conservation NGOs of the Philippines in this project. The Committee requested the project implementing agency to consider available information from previous work with non-wood products in the Philippines and to take into account the views of these conservation NGOs in the preparation and implementation of the project work plan. The project work plan shall also consider and include information on the approach adopted in the work with and related to indigenous groups.

8. Report on Pre-Project Work in Progress

The Committee took note of the progress on the implementation of the following pre-project studies:

PPD 50/91 (I)	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"
PPD 2/92 Rev.1 (I)	SUSTAINABLE DEVELOPMENT OF THE PLYWOOD INDUSTRY IN LATIN AMERICA
PPD 11/92 (I)	REVIEWING AND PREPARING SUPPORTING DOCUMENTS FOR WORK ON GUIDELINES FOR THE DEVELOPMENT OF SUSTAINABLE FOREST INDUSTRIES
PPD 9/93 Rev.2 (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 7/94 Rev.2 (I)	PRE-PROJECT FOR THE ESTABLISHMENT OF THE AIMA FOREST CORPORATION - CORFOAIMA
PPD 15/95 Rev.2 (I)	GHANA SEMINAR TO PREPARE AND APPROVE PROJECTS FOR NETWORKED RESEARCH INTO THE PROCESSING, UTILIZATION AND MARKETING OF SMALL DIAMETER TIMBER FROM PLANTATIONS IN AFRICA
PPD 2/96 Rev.1 (I)	DEVELOPMENT OF THE INDIAN RUBBERWOOD INDUSTRY
PPD 7/96 Rev.1 (I)	UPGRADING PRODUCTION EFFICIENCY IN FURNITURE MANUFACTURING

In its review of the pre-project work related to the preparation of Guidelines for the Development of Sustainable Forest Industries [PPD 11/92 (I)], the Committee considered the document PCI(XIX)/5 which contains the report prepared by the Working Group that met to consider and elaborate on the options presented by members on the Guideline's scope, coverage and target audience. The Working Group met in Yokohama from 15 to 17 October 1996, under the Chairmanship of Mr. Franklin Moore (United States of America). Other countries represented in the Working Group were Brazil, Ghana, Japan, Malaysia and the United Kingdom.

The Committee expressed its satisfaction with the report prepared by the Working Group. The Committee noted that the Working Group explored six scope options, ranging from broad Guidelines applying to all wood processing industries to more focussed work which would concentrate on the development of policies and measures to promote further processing in producing member countries. A variety of coverage options were also explored by the Working Group. For all scope options but one, the target audiences were the same.

The Committee decided to support scope option 2 and its accompanying coverage option and target audiences found in document PCI(XIX)/5. That option is to, "focus on policies and measures to promote domestic further processing of tropical timber". The Committee agreed to the accompanying coverage option, "producer and consumer member countries (including different sets of principles/recommended actions, the set of producer member countries focussing on measures to promote further processing industries; and the set for consumer member countries focussing on market access and facilitation of investment and access to financing.)." The Committee further agreed to the target audiences accompanying this option, "national governments, the industrial sector and relevant agencies."

The Committee decided that in the context of this pre-project study forest industries shall be limited to wood processing industries, excluding industry operations related to forest harvesting and timber logging. This limitation of forest industries is justified because harvesting and logging operations have already been covered in the ITTO Guidelines for Sustainable Management of Natural Tropical Forests, 1990.

The Committee decided to approve further work under the pre-project to allow the preparation of a report meeting the above recommendations on Guidelines scope, coverage and target audience. To this end, the Committee decided that a previously approved increase in the pre-project budget (US\$66,300) should be used to fund appropriate consultancy work and preparation of a report which will be made available for consideration by members. The Committee also agreed that after consideration by members a working group may be convened to finalize the document. Both the consultants and the working group shall take into account previous work found in PCI(XVI)/7; PCI(XIX)/5 and work by other organizations such as FAO and UNIDO on the issue of policies and measures to promote the development of further processing industries.

9. Consideration of Project Proposals

Four project proposals were submitted by member governments in time for Committee consideration and appraisal:

PROJECT NUMBER	PROJECT TITLE	SUBMITTING GOVERNMENT
PD 5/92 Rev.3 (I)	ESTABLISHMENT OF A CENTRE FOR THE PROMOTION OF LESSER KNOWN TROPICAL HARDWOOD SPECIES IN EUROPE	GOVERNMENT OF CAMEROON
PD 2/96 Rev.1 (I)	CHEMICAL CONVERSION OF TROPICAL HARDWOOD WASTE TO CONSUMER AND INDUSTRIAL PRODUCTS	GOVERNMENT OF GHANA
PD 11/96 Rev.2 (I)	STRENGTHENING AND DEVELOPMENT OF NON CONVENTIONAL JOINERY WITHIN THE CORPORATION FOR TIMBER DEVELOPMENT IN THE COLOMBIAN PACIFIC REGION (CDP)	GOVERNMENT OF COLOMBIA
PD 46/96 Rev.1 (I)	ESTABLISHMENT OF A WOOD WORKERS AND CRAFTSMANSHIP VILLAGE	GOVERNMENT OF GHANA

The Committee considered in detail the results of the evaluation of these projects effected by the Panel of Experts for Technical Appraisal of Project Proposals, as contained in document PCM,PCF,PCI(XIX)/1 and PCI(XIX)/2 Rev.1. The Committee took note of the decision by Government of Ghana to resubmit to the Expert Panel the project proposal PD 46/96 Rev.1 (I), which has been reformulated taking into account the Panel's recommendation.

The Committee was informed by the Government of Ghana of its decision to further study project proposal PD 2/96 Rev.1 (I). The decision was taken in response to the Expert Panel's opinion that the work proposed under this project is neither sufficiently technically sound nor sufficiently relevant to merit ITTO support. The Government of Ghana will decide later whether or not to resubmit this proposal.

Project proposals PD 5/92 Rev.3 (I) and PD 11/96 Rev.2 (I), which were reformulated or amended taking into account the Expert Panel recommendations, were thoroughly evaluated by the Committee. The detailed results of the Committee's evaluation and appraisal of these project proposals are presented in Appendix I.

10. Decision on Pre-Project Work

The Committee considered and appraised two pre-project proposals:

- | | |
|----------------------|---|
| PPD 12/96 Rev.1 (I): | DEVELOPMENT AND IMPLEMENTATION OF STRESS GRADING RULES FOR TROPICAL TIMBERS
(Government of the Philippines) |
| PPD 18/96 Rev.1 (I): | FORMULATION OF A GENERAL PLAN FOR THE INDUSTRIALIZATION OF TIMBER PRODUCTION IN GABON IN COMPLIANCE WITH THE SUSTAINABLE FOREST MANAGEMENT STANDARDS
(Government of Gabon) |

The Committee noted that these proposals were prepared in accordance with recommendations made by the Expert Panel for Technical Appraisal of project proposals. The Committee decided to approve the implementation of both proposals. PPD 18/96 Rev.1 (I) was further revised during the Session to incorporate minor amendments in the budget to appropriately cover ITTO monitoring, evaluation and administrative program support costs. The approved pre-project proposals are reproduced in documents PPD 12/96 Rev.1 (I) and PPD 18/96 Rev.2 (I) and the approved budgetary funds are included in Appendix I (Technical Evaluation of Project Proposals).

11. Decision on Fellowship Applications Under Project PD 1/93 Rev.1 (M.F.I)

The Permanent Committee authorized the establishment of a Fellowship Selection Committee to evaluate fellowship applications submitted in time for the Nineteenth Session and select the successful candidates. The Selection Committee was composed of:

Ms. Stephanie Caswell	(U.S.A.)	Vice-Chairperson of ITTC
Dr. Achmad Sumitro	(Indonesia)	PCM Chairman
Mr. Geoffrey Pleydell	(United Kingdom)	PCM Vice-Chairman
Mr. Angel Murillo	(Honduras)	PCF Chairman
Dr. Jürgen Blaser	(Switzerland)	PCF Vice-Chairman
Mr. Young-han Kim	(Korea)	PCI Chairman
Mr. Bilé Allogho Joachim	(Gabon)	PCI Vice-Chairman

The Selection Committee considered a total of 152 applications and recommended to the Permanent Committee that 34 applicants be approved, subject to the availability of funds at a total cost of approximately US\$155,000. The approved applications are listed in Appendix II. In recommending applications for approval, the Selection Committee should take into account the need to maintain timely and efficient processing of approved applications and monitoring of fellowship activities.

12. Election of Chairman and Vice-Chairman for 1997

The Committee elected Mr. Bilé Allogho Joachim (Gabon) the Chairman and Ms. Aulikki Kauppila (Finland) the Vice-Chairperson for 1997.

13. Dates and Venue of the Twenty-Second Session

The Committee decided that the dates and venue of the Twenty-second Committee Session will be agreed upon by ITTC in the Twenty-first Council Session.

14. Recommendations to the International Tropical Timber Council

The Committee made the following recommendations to the ITTC:

1. To approve for implementation the following project proposals:

PD 5/92 Rev.4 (I) ESTABLISHMENT OF A CENTRE FOR THE PROMOTION OF LESSER KNOWN TROPICAL HARDWOOD SPECIES IN EUROPE (Government of Cameroon)

PD 11/96 Rev.2 (I) STRENGTHENING AND DEVELOPMENT OF NON CONVENTIONAL JOINERY WITHIN THE CORPORATION FOR TIMBER DEVELOPMENT IN THE COLOMBIAN PACIFIC REGION (CDP) (Government of Colombia)

2. To provide funds for the approved pre-projects:

PPD 12/96 Rev.1 (I): DEVELOPMENT AND IMPLEMENTATION OF STRESS GRADING RULES FOR TROPICAL TIMBERS (Government of the Philippines)

PPD 18/96 Rev.2 (I): FORMULATION OF A GENERAL PLAN FOR THE INDUSTRIALIZATION OF TIMBER PRODUCTION IN GABON IN COMPLIANCE WITH THE SUSTAINABLE FOREST MANAGEMENT STANDARDS (Government of Gabon)

3. To allocate additional funds amounting to US\$25,000 to finance evaluation and monitoring activities under project PD 94/90 Rev.3 (I) "Integration of Forest-Based Development in the Western Amazon - Phase II - Technology for Sustainable Utilization of Raw Forest Materials".

4. To approve a further revision (revision 4) of approved project PD 39/93 Rev.3 (I) "Research and Development in Energy Alternative from Biomass (Wood and Agricultural Residues) Through Briquetting, Gasification and Direct Combustion", amending the project title and incorporating budget reassessments which reduced the total ITTO budget from US\$1,390,195 to US\$1,318,196.

5. To approve the recommendation made by the Committee at its Seventeenth Session to allocate additional funds amounting to US\$100,000 to finance implementation of training activities under project PD 73/89 (M,F,I) "Assistance for Project Identification and Formulation".

6. To urge member countries to contribute funds to finance forest industry pre-projects and projects recommended by the Committee and approved by the Council in previous Sessions and still pending funding. These are:

PPD 11/92 (I) REVIEWING AND PREPARING SUPPORTING DOCUMENTS FOR WORK ON GUIDELINES FOR SUSTAINABLE DEVELOPMENT OF FOREST INDUSTRIES (additional funds) [US\$66,300.00]

PPD 11/95 Rev.2 (I) INTERNATIONAL CONFERENCE ON VALUE-ADDED HARDWOOD PROCESSING AND UTILIZATION (GHANA) [US\$107,534.00]

PD 37/94 Rev.3 (I) STRENGTHENING OF THE FOREST PRODUCTS LABORATORY OF IBAMA (BRAZIL) [US\$556,703.00]

PD 13/95 Rev.3 (I) CAPACITY BUILDING IN TRAINING IN PLANNING AND MANAGEMENT OF FOREST INDUSTRIES IN ITTO PRODUCER MEMBER COUNTRIES (FINLAND) [US\$1,090,000.00]

- PD 24/95 Rev.1 (I) THE IDENTIFICATION, PROPERTIES AND USES OF THE TROPICAL
TIMBER IMPORTED TO CHINA FROM LATIN AMERICA (CHINA)
[US\$112,000.00]
- PD 31/96 Rev.2 (M,F,I) INTRODUCING MYANMAR'S LESSER-KNOWN TIMBER SPECIES TO
THE WORLD MARKET (MYANMAR) [\$495,533.50]
- PD 33/96 Rev.2 (I) WORKSHOP ON NONDESTRUCTIVE TESTING OF TROPICAL
TIMBER (PHILIPPINES) [\$139,787.50]

15. Report of the Session

The Committee adopted this report for submission to the Council.

APPENDIX I

Technical Evaluation of Project Proposals

**PD 5/92 REV.3 (I) ESTABLISHMENT OF A CENTRE FOR THE PROMOTION OF LESSER KNOWN TROPICAL HARDWOOD SPECIES IN EUROPE
(GOVERNMENT OF CAMEROON)**

The Committee noted with satisfaction that the Government of Cameroon revised this project taking into account the comments and recommendations made by the Expert Panel for the Appraisal of Project Proposals. The Committee welcomed the amendments introduced in the project proposal to ensure that the Center will only promote trade and use of species meeting production sustainability requirements, without risk of creating a demand that could not be satisfied without negative environmental impacts.

The Committee requested additional clarifications on the ability of a Center sponsored by a single producer country to adequately promote the species and interests of other producers in the region. To meet the Committee's concerns, the proposal was further revised during the Session to include more detailed provisions for consultation between Cameroon and selected neighboring west and central African producers, to enhance their participation in and benefits from the project.

The Committee decided to recommend to Council the further revised proposal [PD 5/92 Rev.4 (I)], incorporating the amendments discussed above.

**PD 11/96 REV.2 (I) STRENGTHENING AND DEVELOPMENT OF NON CONVENTIONAL JOINERY WITHIN THE CORPORATION FOR TIMBER DEVELOPMENT IN THE COLOMBIAN PACIFIC REGION (CDP)
(GOVERNMENT OF COLOMBIA)**

The Committee expressed its satisfaction with the revision of the proposal made by the Government of Colombia, which fully met the recommendations of the Expert Panel for Technical Appraisal of Project Proposals. The Committee was particularly pleased with the provision of additional information on economic feasibility and market prospects which was essential for the assessment of the project's viability.

Some Committee members provided additional information and evidence supporting the implementing agency capability to implement the proposed training program, which has been designed to provide training for under-privileged social groups of southwest Colombia.

The Committee decided to recommend to Council the approval of the project proposal.

TECHNICAL EVALUATION OF PROJECTS AND PRE-PROJECTS
IN THE AREA OF FOREST INDUSTRY

PROJECT DOCUMENT	ITTA OBJECTIVES Article 1	AREA OF ACTIVITY		CRITERIA Art.23 Para.6	ITTO BUDGET (US\$)	DURATION	GEOGRAPHICAL COVERAGE	RECOMMENDATION
		Art.23 Para.2	Art.23 Para.5					
PD 5/92 Rev.4 (I)	b,d,e,g,h	R & D Marketing	a,d,e	a,b,c,d,e	976,500	3 years	Cameroon and consumer countries in Europe	4
PD 11/96 Rev.2 (I)	c,e,h	Forest Industry Training	a,d,e	a,b,c,d,e	540,500	3 years	Columbia	4

PRE-PROJECT PROPOSALS	ITTO BUDGET (US\$)	DURATION	GEOGRAPHICAL COVERAGE	RECOMMENDATION
PPD 12/96 Rev.1 (I)	50,957	12 months	Philippines	3
PPD 18/96 Rev.2 (I)	94,001	5 months	Gabon	3

1. Recommend to the ITTO Council that the proposal should not be further considered by ITTO.
2. Recommend to the ITTO Council that the proposal be revised.
3. Decide to approve the pre-project.
4. Recommend to the ITTO Council to approve the (amended) proposal for implementation by ITTO.
5. Recommend to the ITTO Council that ITTO should sponsor the proposal in accordance with Article 20.
6. Recommend to the ITTO Council that ITTO should approve the proposal for ITTO sponsorship without funding and refer it to other relevant financial institutions.
7. Pre-project or project submitted directly to the Council for decision in accordance with the expedite procedure approved by Council Decision 2(X).

APPENDIX II
LIST OF FELLOWSHIPS APPROVED
(Report of the Selection Committee)

App. No.	Name	Nationality	Subject
PERMANENT COMMITTEE ON FOREST INDUSTRY			
061/96A	Oteng-Amoako, Andrew Akwasi	Ghana	Technical Document Preparation for Macroscopic and Computerized Identification of 120 Ghana Timbers - a joint project between Forestry Research Institute of Ghana & Swiss Federal Institute of Technology
064/96A	Tshiamala, Tshibangu N'Kitabunyi	Zaire	Research on the Utilization on Non Wood Forest Products in Korup Forest Area in South West Province of Cameroon
004/96A	Yoo, Byoung-il	Korea	Research on tropical forest development and its role in Asia/Pacific region and its influence on Korea
089/96A	Yu, Wenji	China	Study tour to Royal Forest Department & Development Division, Bangkok, Thailand and Forest Institute Malaysia, Kuala Lumpur, Malaysia
PERMANENT COMMITTEE ON REFORESTATION AND FOREST MANAGEMENT			
082/96A	Ammamoo, Magdalene Maud	Ghana	Research - A case study: the socio-economic dependency of rural communities on the forest and forest resources in Ashanti and Brong-Ahafo region of Ghana
07/96A	Aruan, Aulia Liat Parluhutan	Indonesia	Deliver Conference Paper at ANZIF Conference, Canberra, Australia
085/96A	Baltodano, Nolvía Lizeth	Honduras	Tropical Dendrology Course at Tropical Science Center, San José, Costa Rica
071/96A	Barker, Martin Gurney	U.K.	Deliver Conference Paper at IUFRO Workshop on Forests at the Limit: Environmental Constraints on Forest Function, South Africa
103/96A	Brown S., Ricardo Gilberto	Honduras	Research on actual situation and ecological characterization of species: Dalbergia tucurensis Donn. Smith, Magndia yoroconte Dandy, Symphonia globulifera Linn. F. Terminalia amazonia (Gmel.). Exell. and Vochysia ferruginea Mart. in Honduras
108/96A	Campos dos Santos, Mario Jorge	Brazil	Postgraduate Programme in Tropical Ecology at Centro de Investigaciones Ecológicas de Los Andes Tropicales, Universidad de Los Andes, Venezuela

015/96A	Cisneros, Hector Alfonso	Peru	Technical visit in relation to industrial forest plantations of advanced technology with fast growing species in Brazilian Tropics
128/96A	Davis, Hamilton Toe	Liberia	Technical Officer Programme at School of Forestry, Sunyani, Ghana
053/96A	Fermin, Juan Carlos	Venezuela	Tropical Dendrology Course at Tropical Science Center, Costa Rica
014/96A	Fonweban, John Ngong	Cameroon	Research on development of stand table projection models for some tropical timber species in Cameroon
127/96A	Garteh, Patrick	Liberia	Technical Officer Programme at School of Forestry, Sunyani, Ghana
078/96A	Giraldo Valderrama, Luis Alfonso	Colombia	Short Training Course Tropical Dendrology Course at Tropical Science Center, San José, Costa Rica
093/96A	Khosla, Prem Kumar	India	Deliver Conference Paper at IUFRO XXXV Executive Board Meeting - Pretoria and Sabie, South Africa
066/96A	Kopachon, Siriporn	Thailand	Forest restoration training program at Lake Eacham Regional Nursery, Queensland Department of Environment, Australia
065/96A	Maradiegue Revollo, Ximena Virginia	Bolivia	Tropical Dendrology Course at Tropical Science Center, Costa Rica
126/96A	Mba Essone, Emmanuel	Gabon	Annual Course on Remote Sensing at Regional Remote Sensing Centre (CRTO), Ouagadougou, Burkina Faso
042/96A	Medina Rivas, Silvano	Colombia	Tropical Dendrology Course at Tropical Science Center, Costa Rica
045/96A	Moumbouilou, Joseph	Congo	Annual Course on Remote Sensing at Regional Remote Sensing Centre (CRTO), Ouagadougou, Burkina Faso
067/96A	Navakitbamrung, Puttipong	Thailand	Forest restoration training program at Lake Eacham Regional Nursery, Queensland Department of Environment, Australia
022/96A	Ngassa, Roger	Cameroon	Technical Document Preparation "Guide de Gestion de Planification pour les Petites et Moyennes Exploitations Forestieres" (Guide for Management and Planning of Small and Medium Sized Logging Enterprises)
099/96A	Rebugio, Lucrecio L.	Philippines	Deliver Conference Paper at the XI World Forestry Congress, Turkey
037/96A	Rios Garcia, Warren	Peru	Tropical Dendrology Course at Tropical Science Center, Costa Rica