



ITTO

**INTERNATIONAL TROPICAL
TIMBER COUNCIL**

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30 October – 4 November 2000
Yokohama, Japan

DECISION 14(XXIX)

ITEMS TO REVISIT AT THE THIRTIETH SESSION OF THE COUNCIL

The International Tropical Timber Council,

Noting the time constraint and the substantive work load of the Council at its Twenty-ninth Session;

Acknowledging the intensive deliberations on the issues which took place during this Council Session;

Decides to continue consideration of the following draft decisions contained in the Annex at its Thirtieth Session:

- (i) Framework for Guidelines on the Management of Secondary Tropical Forests;
- (ii) Certification;
- (iii) Illegal Logging and Trade in Illegally Harvested Timber;
- (iv) Provision of Training on the Application of Criteria and Indicators in Producer Member Countries and Facilitation of Reporting of Progress Towards Achieving Sustainable Management; and
- (v) Guidelines for Establishing Auditing Systems for ITTO's Criteria and Indicators for Sustainable Forest Management.

ANNEX

DRAFT DECISION **** (XXIX)**

FRAMEWORK FOR GUIDELINES ON THE MANAGEMENT OF SECONDARY TROPICAL FORESTS

The International Tropical Timber Council,

Recalling points 1-5 under goal 2 for Reforestation and Forest Management in the Libreville Action Plan; and Decision 7(XXV) on the ITTO Programme of Work for 1999 for the Committee on Reforestation and Forest Management items (i) and (ii) that call for the development of guidelines on reduced impact logging and guidelines on the rehabilitation of degraded forests and forests lands, including guidelines on the management of secondary forests;

Noting the Report of the Consultants prepared under Decision 6 [XXVII];

Further noting the current discussions on the role of ITTO in international fora and cooperation with relevant international organizations;

Recognizing the experience of Member countries with sustainable forest management, codes of practice for forest harvesting and reduced impact logging and the associated results of forest research, taking into account the work of the organization to rehabilitate logged over forests;

Recognizing the need for ITTO to assist its Member countries to develop national guidelines and related tools to build capacity and help accelerate progress toward Objective 2000;

Decides to:

1. Request the Executive Director to [provide] [facilitate the preparation of] a draft set of guidelines on the management of secondary forests based on the outline suggested in Annex IV of ITTC XXVIII/11 for review by an expert panel for consideration by the XXX Council;
2. Request the Executive Director to work in conjunction with FAO, CIFOR, Tropical Forest Foundation and other relevant agencies to establish what current manuals exist; and to use the manuals to develop needed additional training materials to support in-country training programmes on key considerations for reduced impact harvesting and key considerations for the management of small scale forest production systems. The manuals upon completion will be subject to an independent technical review before presentation to Council;
3. Request the Expert Panel on the Technical Appraisal of Project and Pre-Project Proposals to develop a set of eligibility criteria for consideration by the XXX Council to facilitate accelerate approval of projects that support national-level analytical forest sector reviews, the development or upgrading of national SFM guidelines, codes of practice, criteria and indicators and certification processes;
4. Authorize the Executive Director to arrange for two consultants, one from producer and one from consumer members, to determine how many reduced impact logging demonstration forests exist or are being developed and to identify the opportunities for ITTO to support the establishment of sustainable reduced impact logging training and demonstration programmes in each of the ITTO Producer Regions, using existing facilities wherever possible, based upon terms of reference described below;
5. Authorizes the Executive Director to prepare a proposal for an ITTO strategy to promote more effective community participation in all aspects of sustainable forest management for consideration by the Committee on Reforestation and Forest Management and the Council. Wherever possible, this strategy should be based on the use or adaptation of existing participation toolkits and training materials prepared by FAO, UNDP, the World Bank and other organizations; and include targeted training activities for policy-makers, administrators and field practitioners in the ITTO Producer Regions; and

6. Authorizes the Executive Director to arrange for the consultancies and financing of the work specified in the decision from the Bali Partnership Fund.

Terms of Reference

1. Conduct a literature survey per each ITTO region of existing RIL demonstration forests and areas where successful RIL implementation has been executed.
2. Based upon the survey, identify opportunities in which ITTO can leverage the existing resources to conduct RIL training.

DRAFT DECISION ** (XXIX)

CERTIFICATION

The International Tropical Timber Council,

Reaffirming the commitment of Members to the process of advancing ITTO's Year 2000 Objective;

Recognizing that ITTO has developed and adopted Manuals, Guidelines and Reporting Systems for Criteria and Indicators for sustainable forest management;

Recognizing the IPF and IFF conclusions and proposals for action related to certification;

Recognizing forest certification as an important voluntary market-based tool to encourage and create incentives for sustainable forest management;

Recognizing the potential role of certification for ITTO members in improving market transparency, taking into account the role of the private sector, and in helping to promote responsible producer and consumer choices in supply and demand for forest products;

Noting the growing demand in the market for certified timber and the need in Member countries for assistance in implementing ITTO's Criteria and Indicators, and in building capacity and institutional strengthening to implement auditing systems to assess sustainable forest management which may support certification schemes;

Noting the proliferation of certification systems in the market place and the need to facilitate Members' understanding of these various schemes;

Recognizing that while ITTO's Criteria and Indicators were developed to assess progress towards sustainable forest management, performance standards will be required for the purposes of certification;

Recognizing the role of ITTO in promoting market access as provided for in the objectives of the ITTA, 1994, and the Libreville Action Plan;

Noting the need for ITTO as a commodity organization to pro-actively collaborate with other relevant on certification;

[Proposed deletion Recognizing that ITTO as an international organization should not endorse, or be perceived to endorse, any particular certification approach or scheme, including any accompanying standards developed for the purpose of certification;]

Appreciating the desire of producer countries to implement voluntary certification schemes as a means to enhancing market access and generating sufficient income to finance sustainable forest management;

Decides to:

1. Encourage producer Member countries to submit project proposals to implement ITTO's Criteria and Indicators, and build capacity for the auditing of sustainable forest management;
2. **[Proposed deletion** Request the Executive Director to assist Member countries which are implementing voluntary certification schemes based on ITTO's C&I to enhance market acceptance and authorize him to provide assistance to Member countries to

promote and implement timber certification schemes] [upon request] [based on the framework of the ITTO's Criteria and Indicators];

- 2 bis. Request the Executive Director to facilitate discussions between ITTO's Members and relevant interested parties on the principles, frameworks and elements of certification schemes;
3. Authorize the Executive Director to convene a workshop prior to the Thirty-first Session with broad based participation on progress being made regarding the comparability and equivalence of certification schemes;
4. Authorize the Executive Director to engage two consultants, one from producer and the other from consumer country to develop in consultations with relevant interested parties a program for the workshop and prepare an overview paper for consideration at the workshop with the attached terms of reference; and
5. Authorize the Executive Director to arrange for financing the consultancy to develop the program for the workshop and prepare the overview from the Sub-account B of the Bali Partnership Fund.

TERMS OF REFERENCE FOR WORKSHOP

The consultants will develop in consultation with the Executive Director and relevant interested parties a program for the workshop. The purpose of the workshop being:

- to invite member countries and relevant interested parties to participate in a discussion of the principles, frameworks, and elements of certification schemes;
- to identify principles and critical elements relevant to the development of standards for certification;
- to review progress being made towards comparability and equivalence of certification schemes;
- to obtain the perspective of buyers groups towards certification; and
- to recommend relevant actions for ITTO and its Members

The duration of the workshop should be two days.

The workshop attendees should include:

- member countries;
- relevant international organizations;
- representatives of certification schemes;
- relevant private sector groups;
- relevant Non-governmental organizations; and
- - buyers groups

Overview Paper

The consultants will prepare an overview paper regarding the comparability and equivalence of certification schemes, including identifying principles and critical elements necessary for the development of standards for certification. The consultants will take into account recent international efforts and initiatives on mutual recognition, including the outcome of the planned GTZ/FAO/ITTO meeting scheduled for February 2001.

DRAFT DECISION ** (XXIX)

ILLEGAL LOGGING AND ILLEGAL TRADE [IN TROPICAL TIMBER]

The International Tropical Timber Council:

Recalling the relevant paragraphs of Articles 1, 27, 30 and 36 of the ITTA, 1994, and the Libreville Action Plan;

Recognizing the increasing demand for assurances over sustainable forest management and the legality of timber harvest and trade;

Recalling the discussions on the Annual Review and Assessment of the World Timber Situation;

Recognizing the complexity of the underlying causes of illegal logging and illegal trade which undermine sustainable forest management and markets for timber, thus depriving governments, forest owners and local communities of significant revenues and benefits;

Further recognizing the responsibility of all member countries to work together to address this problem [which is driven by supply and demand] [which is influenced by demand as well as supply factors] [which is driven by many factors affecting supply and demand];

Welcoming the increasing international dialogue on illegal logging and trade in illegally harvested timber and the contribution that ITTO can make to these discussions];

Decides to:

Authorize the Executive Director to engage two consultants, one from a producer and one from a consumer country, to undertake an assessment of the current state of [information] knowledge on the nature, causes and extent of illegal logging and illegal trade [in tropical timber and timber products], in accordance with the Terms of Reference attached to this Decision; in order to ensure transparency, this should include, inter alia, a review of illegal trade in [consumer] markets [for tropical timber];

Request the Executive Director to circulate the draft report to Member countries for discussion at the thirtieth Session of Council;

Request the Executive Director to identify and participate in relevant international fora, including the upcoming World Bank Forest Law Enforcement Conference in South East Asia, and report to Council;

[Encourage producer countries to submit project proposals for capacity building and institutional strengthening to identify [measures to combat], [investigate and reduce] illegal logging and illegal trade [and to evaluate the usefulness of potential applications of related technology developments];

Encourage donor countries to support efforts by members to [combat] reduce illegal logging and illegal trade;

Encourage consumer countries to identify and assess the effectiveness of [their] internal measures to control illegal [logging and illegal] trade, and to identify areas needing improvement, including examining [measures to combat illegal logging and illegal trade] [how best to combat [control] illegal logging, including import and procurement practices. [promote better prices, market access; reducing demand for illegally logged timber]; and

7. Authorize the Executive Director to arrange for financing the consultancy [from sub-account B of the Bali Partnership Fund.] [through voluntary contribution].

TERMS OF REFERENCE

1. Review [and assess] existing information and literature on the nature, causes and extent of illegal logging and illegal trade [both in producer and consumer countries], focusing in particular on:
 - [examine the concept of illegal logging and illegal trade]
 - trade data and [information] [knowledge] within the ITTO [and other relevant organizations]
 - issues of general rather than country-specific relevance
2. Taking into account related on-going initiatives, produce a report with [recommendations for remedial measures to be taken by both producer and consumer countries, as well as the ITTO, to address these problems individually and collectively] options for action directed at member countries, working individually and collectively, and the ITTO Secretariat.
3. [Ensure transparency of illegal trade in consumer markets.]

Drafting ideas:

and make recommendations on how producer and consumer countries and the ITTO might address these problems, individually and collectively

along with a review of transparency of illegal trade in consumer markets

[baseline information, case studies]

DREFT DECISION **(XXIX)

**PROVISION OF TRAINING ON THE APPLICATION OF CRITERIA AND INDICATORS
IN PRODUCER MEMBER COUNTRIES AND FACILITATION OF REPORTING
OF PROGRESS TOWARDS ACHIEVING SUSTAINABLE MANAGEMENT**

The International Tropical Timber Council,

Recalling Article 1(d) of the International Tropical Timber Agreement, 1994;

Also recalling Decision 3(XXIV) on Criteria and Indicators which encouraged member countries to apply the revised ITTO Criteria and Indicators;

Further recalling Decision 3(XXVI) on the Application of Criteria and Indicators for Sustainable Management of Natural Tropical Forests, and Decision 5(XXVIII) on the Development of Auditing systems for Criteria and Indicators;

Noting document ITTC(XXIX)/6, the report of the consultants on the Field testing and Workshops for Training the Trainers in the Application of ITTO Criteria and Indicators;

Recognizing the importance of the application of ITTO Criteria and Indicators as a basis for reporting on the progress towards achieving Objective Year 2000 by member countries;

Decides to:

- (i) Authorize the Executive Director to engage two consultants, one from producer and the other from consumer country, to review and revise the ITTO Manuals on the Application of Criteria and Indicators for Sustainable Management of Natural Tropical Forests (and, if necessary, also review and revise the ITTO Criteria and Indicators), based on the experience gained through the four regional workshops conducted under Decision 3(XXVI) and the development of guidelines for a framework of adequate auditing systems for sustainable forest management under Decision 5(XXVIII);
- (ii) Request the Executive Director to develop a format for member countries to report on progress towards achieving sustainable forest management at both the national and management unit levels;
- (iii) Further request the Executive Director to arrange, on request, a phased sequence of national level workshops to selected producer member countries (10 major producer countries) to train forest managers, forest concessionaires, etc., who are directly involved in executing forest management practices, in the effective implementation of the ITTO Manuals at both the national and forest management unit levels;
- (iv) In undertaking (iii), the trainers trained during the Regional Workshops conducted under Decision 3(XXVI) should be mobilized to provide assistance in conducting the national workshops;
- (v) Request countries which have conducted the national level workshops to submit progress reports annually on their efforts towards achieving sustainable forest management, using the format prepared under item (ii); and
- (vi) Authorize the Executive Director to finance the consultancy and the conduct of the above national level training workshops from the Sub-Account B of the Bali Partnership Fund.

DRAFT DECISION **(XXIX)

**GUIDELINES FOR ESTABLISHING AUDITING SYSTEMS FOR ITTO'S CRITERIA AND INDICATORS
FOR SUSTAINABLE FOREST MANAGEMENT**

The International Tropical Timber Council,

Reaffirming the commitment of Members to achieve ITTO's Year 2000 Objective and the references to lack of capacity related to auditing systems for sustainable forest management in the "Review of Progress Towards the Year 2000 Objective" by Prof. Duncan Poore and Mr. Thang Hooi Chiew (Document ITTC (XXVIII)/9);

Recognizing the Expert Panel Report on the Development of a Framework for an Auditing System for ITTO's Criteria and Indicators for Sustainable Forest Management (Decision 5(XXVIII)) and its recommendations for revisions to the draft working documents prepared by consultants pursuant to Decision 5(XXVIII);

Recognizing the growing market for certified timber and the need to promote and assist initiatives by members to implement ITTO's Criteria and Indicators and build capacity to audit and assess sustainable forest management;

Recognizing the importance of assisting countries to generate the capacity and resources to help implement national policies that promote sustainable forest management;

Reaffirming the commitment of members to achieve ITTO's Year 2000 Objective through international collaboration and assistance;

Aware of the need to provide guidance on various aspects of forest auditing as appropriate;

Decides to:

- 1) Develop and publish guidelines that provide the essential elements for a framework of adequate auditing systems for sustainable forest management;
- 2) Authorize the Executive Director to engage the two consultants who had prepared the Working Document authorized by Decision 5(XXVIII) to revise that Working Document to take into account the Report of the Expert Panel convened pursuant to Decision 5(XXVIII) and to circulate the revised working document to a broad range of stakeholders for their review and comment and prepare a draft final report taking into account the comments received;
- 3) Request the Executive Director to convene an Expert Panel comprised of three producer and three consumer member countries and one representative each from conservation non-governmental and timber trade and industry organizations to consider the draft final Consultants' report, including the comments received on it by stakeholders and present its findings at the Thirty First Session of Council; and
- 4) Authorize the Executive Director to arrange for financing the consultancy to prepare the Working Document, circulate it to potential stakeholders and convene the Expert Panel from the Special Account/Bali Partnership Fund.