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DECISION 6(XV)

CONSULTANCY AND WORKING PARTY ON CERTIFICATION OF ALL TIMBER AND TIMBER PRODUCTS

The International Tropical Timber Council,

<u>Having considered</u> the Report "The Economic Linkages between the International Trade in Tropical Timber and the Sustainable Management of Tropical Forests" [Decision 1(X) 4a Activity] [document PCM(XI)/4];

Taking into account the outcome of the discussions of the Joint Sessions on "Policy Issues and Options concerning Linkages between Tropical Timber Trade and Sustainable Management of Tropical Forests" at the Twelfth Joint Session of the Permanent Committees in Kuala Lumpur (12-13 May 1993) and Thirteenth Joint Session of the Permanent Committees in Yokohama (15 November 1993);

Noting that the most favourable interpretation of certification and labelling as a trade intervention is that they can verify the sourcing of wood from sustainably managed forests so that customers may be better informed that products purchased are from sustainable sources and that producers can receive benefits from sustainable management practices;

Also noting that the proliferation of timber labelling and certification schemes may be causing confusion in the market;

<u>Decides</u> to establish a working party in order to examine the options available as laid down in the terms of reference in Annex 2 to this Decision;

<u>Requests</u> the Executive Director to engage two experts one from a Producer country and one from a Consumer country to undertake a consultancy as outlined in the terms of reference in Annex 1 to this Decision;

 $\underline{\text{Requests}}$ the Executive Director to seek the funds from the Special Account necessary to convene the working party and engage the experts.

ANNEX I

Terms of Reference for the Consultants

- -The information study shall be undertaken by two experts, one from a producer country and one from a consumer country.
- -The experts shall:
 - -Gather the information available pertaining to timber certification and labelling schemes and initiatives on all types of timbers.
 - -Prepare an inventory and describe major features of such schemes and initiatives in a consistent form.
 - -Review such schemes and initiatives and seek the views of international organizations, the trade, and NGOs on timber certification and labelling schemes, taking into account the views of Governments of Member countries.
 - -Examine to the fullest extent possible the present reaction to such schemes and initiatives throughout the supply chain including the final end-user.
 - -Prepare and present a report for examination by the working party.

ANNEX II

Terms of Reference for Working Party

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

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

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