

DECISION 3(X)

SUSTAINABLE TROPICAL FOREST MANAGEMENT AND TRADE
IN TROPICAL TIMBER PRODUCTS

The International Tropical Timber Council,

Noting the report to the Council on the Round Table Discussion on Incentives in producer and consumer countries to promote sustainable development of tropical forests;

Recalling ITTO members' commitments to sustainable tropical forest management and trade in tropical timber products from sustainably managed forests, and to provide for activities to these ends;

Recalling the Council's expressed desire to see the development of forest management practices and regulations taking into account the ITTO Guidelines for the Sustainable Management of Tropical Forests;

Recalling ITTO members' commitments to trade in tropical timber from sustainable managed resources by the Year 2000;

Recognizing the importance of both producers' and consumers' efforts to move towards production and trade from sustainably managed tropical forests;

Decides to adopt and implement the following Strategy by which, through international collaboration and national policies and programmes ITTO Members will progress towards achieving sustainable management of tropical forests and trade in tropical timber from sustainably managed resources by the year 2000.

1. In developing and implementing this Strategy, Members are invited to:

- a. continue to develop tropical forest practices and regulations for sustainable management of the tropical forests taking into account the ITTO Guidelines, national and local conditions;
- b. provide to the XI Council Session a paper on their proposed progress towards the Year 2000 Target;
- c. enhance their ability to attain the Year 2000 Target by investigating liberalized trade in tropical timber within the framework of the multilateral trading system;
- d. confer annually on the progress towards the Year 2000 Target;
- e. support projects leading to the achievement of sustainability and the Year 2000 Target through the Special Account;

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- f. inform the ITTO by June 1995 through reviews of progress made towards achieving the Year 2000 Target;
 - g. facilitate the flow of technology that will improve the management of forests, the utilization of tropical timber and value of timber products;
 - h. consider available studies on incentives.
2. Pursuant to this Strategy, the ITTC will:
- a. encourage national strategies which include, amongst others:
 - (i) forest conservation and management;
 - (ii) appropriate economic policies for forest and timber, for example full cost forest accounting and resource pricing regimes;
 - (iii) identifying incentive schemes for attaining sustainable management of tropical forests and regarding operational steps to this effect as ITTO activities;
 - (iv) the investment of revenues from forests in: sustainable forest management; regeneration; and expansion of the forest estate through plantation development;
 - (v) the enhancement of the ability of local communities, particularly those within or near the forest, to obtain appropriate returns, and other benefits from sustainably managed forests;
 - b. undertake in 1995 a major review of progress towards the achievement of the Year 2000 Target, based on national submissions mentioned under 1(f);
 - c. suggest, in light of the 1995 review, any further measures for attaining the Year 2000 Target;
 - d. consider, at its XI Session, the conclusions and recommendations of an expert panel convened by the Executive Director to develop methods of defining and measuring sustainable tropical forest management and decide on any further initiatives to ensure the attainment of the Year 2000 Target;
 - e. convene a workshop on incentives to promote sustainable development of tropical forests as provided for in PD 82/90 (M) which will identify options for members in formulating trade policies and will be based on the guiding principles listed below.
 - (i) Monitoring by members of the international timber trade through timely and accurate information on the market, including prices.
 - (ii) Improved utilization and increased value of forest products through the introduction of improved technology and management practices, making more efficient and better use

of tropical forests and forest products.

(iii) Market mechanisms to cover the costs of sustainable management of tropical forests.

f. undertake assessments of the resources needed by producer countries to attain the sustainable management of tropical forests by the Year 2000 Target. This will be achieved through a systematic approach which will identify the obstacles to and the solutions for attaining sustainable forest management and the time-stream of costs and benefits in implementation of the Year 2000 Target. This will be coordinated by a panel of experts selected by the Council. The terms of reference and composition of this panel will be agreed at the XI Council Session.

3. In support of the implementation of the Council Strategy, the Executive Director is requested:

- a. to identify, with assistance from an expert panel, possible methods of defining general criteria for an measurement of sustainable tropical forest management and present them to the XI Council Session;
- b. to undertake, with the assistance of an expert panel, studies to estimate the resources needed by producer countries to attain sustainability by the Year 2000 and to report on progress at each Council Session;
- c. to assist member nations, that so request, in undertaking studies and projects which define the most appropriate incentives for sustainable forest management, taking account of the ITTO Guidelines, and trade in timber from sustainably managed resources and to report their findings and progress to Council;
- d. to work with independent organizations, including industry associations and other non-government organizations, in developing means by which they can help Members to achieve the Year 2000 Target; and
- e. to explore with other relevant international agencies the possibility of a joint study of the sale and pricing systems for standing timber and their contribution towards sustainable management of tropical forests.
