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**PROGRESS REPORT ON THE IMPLEMENTATION OF  
THE ITTO THEMATIC PROGRAMMES**

(Item 15(b) of the Provisional Agenda)



List of Acronyms

BWP	ITTO Biennial Work Programme
CFME	ITTO Thematic Programme on Community Forest Management and Enterprises
FLEGT	Forest Law Enforcement, Governance and Trade of the European Union
IDE	ITTO Thematic Programme on Industrial Development and Efficiency
ITTC	International Tropical Timber Council
ITTO	International Tropical Timber Organization
IUFRO	International Union of Forest Research Organizations
JICA	Japan International Cooperation Agency
MP	Monitoring Protocol
NTFP	Non Timber Forest Products
OLMS	ITTO Online Monitoring System
REDD	Reducing Emissions from Deforestation and Forest Degradation
REDDES	ITTO Thematic Programme on Reducing Deforestation and Forest Degradation and Enhancing Environmental Services
TFLET	ITTO Thematic Programme on Forest Law Enforcement, Governance and Trade
TLAS	Timber Legality Assurance System
TMT	ITTO Thematic Programme on Trade and Market Transparency
TP	Thematic Programme
TPAC	Thematic Programme Advisory Committee
TPD	Thematic Programme Document
TPP	Thematic Programme Profile
YPO	Yearly Plan of Operation

## 1. Introduction

This document is prepared pursuant to Decisions 8 (XLIV) on the Thematic Programmes (TP) subaccount under the Special Account, 9 (XLIV) on the Operational Procedures and Guidelines of the Thematic Programmes on a Pilot Basis and 10 (XLIV) on the Thematic Programme Profiles (TPP), requesting the Executive Director to prepare annual progress reports on the implementation of the ITTO Thematic Programmes for Council's review.

The Thematic Programmes approved by the Council are:

- Forest Law Enforcement, Governance and Trade (TFLET)
- Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES)
- Community Forest Management and Enterprises (CFME)
- Trade and Market Transparency (TMT)
- Industry Development and Efficiency (IDE)

In keeping with the above Decisions, this document reports on the progress related to the implementation of the ITTO Thematic Programmes since the end of the Forty-fifth Session of the ITTC.

## 2. Thematic Programme Development

Substantial progress has been made in the programme development and the implementation of the activities, pre-projects, small projects and projects approved under the Thematic Programmes.

The pledges received during the 45<sup>th</sup> session of the ITTC allowed the launch of two additional Thematic Programmes on 'Community Forestry and Management' (CFME) and on "Trade and Market Transparency" (TMT) in 2010. In accordance with Decision 9(XLIV) *Thematic Programmes on Pilot Basis: Operational Procedures and Guidelines* and Decision 10(XLIV) – *Thematic Programme Profile*, and based on the approved CFME and TMT Thematic Programme Profiles (TPP), Draft Thematic Programme Documents (TPDs) were developed for both programmes.

In parallel, the ITTO Executive Director invited Member Countries to nominate Members for the Thematic Programme Advisory Committee (TPAC), to assist him with the implementation of the Thematic Programme, viz., to:

- select activities/pre-projects/projects for financing under the Thematic Programme;
- monitor and evaluate progress in implementing the Thematic Programme; and
- identify potential additional sources of voluntary financial contributions to the Thematic Programme.

In accordance with the guidelines and procedures set forth in Decision 9(XLIV) Annex 3, each TPAC includes three producer member representatives with recognized expertise on the thematic programme; at least one non-donor consumer member representative with recognized expertise on the thematic programme; and expert representatives of interested donors and collaborating institutions and the Executive Director or his designated representative. Members for each TPAC were selected.

Current members include:

### CFME:

#### Producers:

Mr. Ernesto ARENDS RODRIGUEZ	Venezuela
Mr. Theodore MBARO	Central African Republic
Mr. Juan Magboo PULHIN	Philippines

#### Consumers:

Dr. Pablo Manuel MARTINEZ DE ANGUIA	Spain (non-donor)
Mr. Kazuyuki MORITA	Japan

## TMT

### Producers:

Ms. Pradeepa BHOLANATH	Guyana
Ms. Beatrice Darko OBIRI	Ghana
Ms. Sim Wah LOKE	Malaysia

### Consumers:

Dr. Rin Won JOO	Republic of Korea (non-donor)
Mr. Stefano GUIDESE	Switzerland

First meetings of the CFME and TMT TPAC were held in Yokohama, Japan on 1-2 March 2010 and 4-5 March, 2010 respectively. The Draft Thematic Programme Documents (TPD) were reviewed in detail, revised and a final TPD was adopted. Both Committees emphasized the need for regular flow of funds and fund raising, including by the TPAC members, to ensure adequate implementation of the TPs. Calls for proposals under any TP should only be launched when sufficient funding is available. Although both Committees agreed that the consultation process for proposal review will be through electronic means, it was proposed that the Council consider providing financial means to allow for a meeting of the TPAC once a year, this in particular during the TP pilot phase. One such meeting should involve members of all TPACs to share experiences. The minutes of both meetings are attached as Annex 3

The adopted TPDs, together with guidance for preparation and submission of proposals was circulated to all ITTO Member Countries in April 2010 and the TP section of the ITTO website was updated accordingly ([http://www.itto.int/en/thematic\\_programme\\_general/](http://www.itto.int/en/thematic_programme_general/)).

## **3. PROGRAMME MANAGEMENT AND MONITORING**

The ITTO Online Monitoring System (OLMS) has been further developed to improve its user-friendliness. The system has also been translated into French and Spanish to promote wider use. The OLMS provides an integrated web-based monitoring system, which allows for systematic interaction between the Project Coordinators of Executing Agencies and ITTO Project Managers. The system has been developed with a view to conduct more efficient monitoring and evaluation and to achieve effective overall project management. It will establish an electronic database of projects with a complete dossier of project related documentation and information (e.g., Project Document, Project Agreement, Technical Reports, Monitoring Mission Reports, Steering/Technical Committee Reports, Financial Statements and Cash Flow information). The use of the OLMS has become mandatory for all projects under the ITTO Thematic Programmes.

The development of 'Monitoring Protocols' (MP) to guide the programme monitoring and evaluation has been finalized for the four active TPs on CFME, REDDES, TFLET and TMT. The purpose of the MPs is to establish a planning, monitoring and evaluation framework for the programme, which will serve as the main reference for measuring performance and success. Following a series of meetings and consultations, including discussions on the synchronization with the MPs of the other ITTO Thematic Programmes, final documents were presented in April 2010. The final MPs are attached as Annex 2.

## **4. TP Calls for Proposals**

### **The Spring Cycle 2010**

The Spring Cycle 2010 was launched on 16 April 2010 for CFME, TFLET and TMT with a deadline of 28 May 2010. The funding remaining under REDDES (US\$ 363,406) was not considered sufficient to launch a call for proposal under this TP.

The Spring Cycle 2010 attracted 18 proposals from 10 member countries and the ITTO Secretariat, seeking a total of US\$ 6,125,920. Nine proposals from six member countries (Ecuador, Ghana, Indonesia, Peru, PNG, Thailand) and the ITTO Secretariat, seeking a total of USD 3,320,881 were received under CFME. Seven proposals from six member countries (China, Germany, Guatemala, Honduras, Indonesia, Peru) and the ITTO Secretariat, seeking a total of USD 2,544,179 were received under TFLET. Under TMT two proposals seeking a total of USD 260,860 were received from Ghana and the ITTO Secretariat.

All proposals were subject to the established three-step review process applied under the TPs, including:

- proposal screening for compliance with the requirements under the Spring Cycle;
- technical pre-appraisal by the ITTO Secretariat;
- expert review by the members of the respective Thematic Programme Advisory Committee (TPAC).

Based on the Secretariat pre-appraisal and the TPAC expert review, the ITTO Executive Director selected the following ten proposals (CFME 5, TFLET 4, TMT 1) for funding:

<b>TFLET Spring Cycle 2010 Allocation</b>				
<b>Project ID</b>	<b>Submitted by</b>	<b>Title</b>	<b>ITTO Funding</b>	<b>Project Total</b>
TFL-PD 017/09 Rev.2 (M)	China	Equipping small and medium sized forestry enterprises in China for procurement of tropical timber from legal and sustainably managed forests	\$322,056	\$505,036
TFL-PD 019/10 Rev.2 (F)	Indonesia	Developing collaborative management in the Cibodas Biosphere Reserve, West Java Indonesia	\$496,670	\$591,278
TFL-PPD 023/10 Rev.1 (F)	Germany	Development and implementation of a species identification and timber tracking system in Africa with DNA fingerprints and stable isotopes	\$175,742	\$198,242
TFL-PPD 024/10 Rev.2 (F)	Guatemala	Improvement of forest law enforcement at the national level to promote forest governance in Guatemala	\$563,339	\$804,419
TFLET Spring Cycle 2010 Allocation Total			\$1,557,807	

<b>CFME Spring Cycle 2010 Allocation</b>				
<b>Project ID</b>	<b>Submitted by</b>	<b>Title</b>	<b>ITTO Funding</b>	<b>Project Total</b>
CFM-PD 001/10 Rev.1 (F)	Indonesia	Strengthening capacity of stakeholders for the development of community-based plantation forest at 3 selected areas in Indonesia	\$465,151	\$553,711
CFM-PPD 005/10 Rev.1 (M)	Thailand	Increasing access to markets and capital for teak plantation smallholders in Thailand	\$31,104	\$53,904
CFM-PPD 006/10 Rev.1 (F)	PNG	Enabling customary landowners to participate effectively in CFM and REDD schemes within four pilot areas of PNG	\$122,040	\$156,040
CFM-SPD 007/10 Rev.1 (F)	Ghana	Enrichment of young forest plantations with selected NTFPs for livelihood improvement and support of forest fringe communities in Atwima Mponua District of Ghana, in order to secure and protect the resources on a sustainable forest management basis	\$149,229	\$290,079
CFM-PA 009/10 Rev.2 (F)	ITTO	International Conference on Forest Tenure, Governance and Small and Medium Forest Enterprises with Focus in the Asia Pacific	\$ 200,000	\$ 200,000
CFME Spring Cycle 2010 Allocation Total			\$ 967,524	

TMT Spring Cycle 2010 Allocation				
Project ID	Submitted by	Title	ITTO Funding	Project Total
TMT-SPD 002/10 Rev.1 (M)	ITTO	Improving resilience of the tropical timber sector to the impacts of global and regional economic and financial crises	\$150,000	\$150,000
TMT Spring Cycle 2010 Allocation Total			\$ 150,000	

The total allocation to the ten proposals approved under the TP Spring Cycle 2010 is US\$ 2,675,331. The activities are currently getting underway.

Reviewer comments and recommendations for unsuccessful proposals were compiled and returned to proponents, with copies to the respective ITTO Official Contact Point.

Two proposals (Ghana and Guatemala) have received support during the proposal development. Summary information on each activity can be found in Annex 1.

## 5. Thematic Programme Financing

Subsequent to the pledges made at the 45<sup>th</sup> session of the ITTC, held in Yokohama, Japan, 9-14 November 2009, additional funding of US\$ 335,327 has been received for TFLET from Germany (US\$ 87,871) and the USA (US\$ 247,456) during the last quarter of 2010. Including those pledges the financing status of the individual Thematic Programmes is as follows:

TFLET:

During the third quarter of 2010, new pledges to TFLET have been made by the USA (US\$ 247,456) and Germany (US\$ 87,871). The total pledges received under TFLET amount to US\$ 6,181,711 or 41,21 % of the programme total (US\$ 15 million) envisaged for the programme pilot phase, leaving a balance sought of US\$ 8,818,289 or 58.79 %. Programme Donors include the Netherlands, United Kingdom, Japan, USA, Switzerland, Germany, Australia, New Zealand, Finland, Norway, Republic of Korea and the Japan Lumber Importers Association.

TP	Approved indicative budget	Total Pledges	Remaining Balance	Donors
TFLET	\$ 15,000,000 (100%)	\$ 6,181,711 (41,21%)	\$ 8,818,289 (58,79%)	Netherlands, UK, Japan, USA, Switzerland, Germany, Australia, New Zealand, Finland, Norway, Republic of Korea. Japan Lumber Importers Association

A total of US\$ 5,957,652 has been committed under TFLET, leaving an amount available for allocation of US\$ 224,059.

a) Pledges	b) Committed	c) Available for Allocation (a – b)
\$ 6,181,711	\$ 5,957,652	\$ 224,059

The amount currently remaining available for allocation under TFLET (US\$ 224,059) is not considered sufficient to launch another call for proposals under the programme before new pledges have been received.

REDDES:

The pledges received under REDDES amount to US\$ 4,438,958 or 24.66 % of the programme total (US\$ 18 million) envisaged for the programme pilot phase, leaving a balance sought of US\$ 13,561,042 US\$ or 75.34 %. Programme Donors include Norway, Switzerland, Japan and the USA.

TP	Approved indicative budget	Total Pledges	Remaining Balance	Donors
REDDES	\$ 18,000,000 (100%)	\$ 4,438,958 (24.66%)	\$ 13,561,042 (75.34%)	Norway, Switzerland, Japan, USA

A total of US\$ 4,075,552 has been committed under REDDES, leaving an amount available for allocation of US\$ 363,406.

a) Pledges	b) Committed	c) Available for Allocation (a – b)
\$ 4,438,958	\$ 4,075,552	\$ 363,406

The amount currently remaining available for allocation under REDDES (US\$ 363,406) is not considered sufficient to launch another call for proposals under the programme before new pledges have been received.

CFME:

The pledges received under CFME amount to US\$ 1,000,000 or 10.00 % of the programme total (US\$ 10 million) envisaged for the programme pilot phase, leaving a balance sought of US\$ 9,000,000 US\$ or 90.00 %. Programme Donors include Japan, Switzerland and the USA.

TP	Approved indicative budget	Total Pledges	Remaining Balance	Donors
CFME	\$ 10,000,000 (100%)	\$ 1,000,000 (10,00%)	\$ 9,000,000 (90,00%)	Japan, Switzerland, USA

A total of US\$ 997,524 has been committed under CFME, leaving an amount available for allocation of US\$ 2,476.

a) Pledges	b) Committed	c) Available for Allocation (a – b)
\$ 1,000,000	\$ 997,524	\$ 2,476

The amount currently remaining available for allocation under CFME (US\$ 2,476) is not considered sufficient to launch another call for proposals under the programme before new pledges have been received.

TMT:

The pledges received under TMT amount to US\$ 1,000,000 or 20.00 % of the programme total (US\$ 5 million) envisaged for the programme pilot phase, leaving a balance sought of US\$ 4,000,000 US\$ or 80.00 %. Programme Donors include Switzerland, USA, Japan and Finland.

TP	Approved indicative budget	Total Pledges	Remaining Balance	Donors
TMT	\$ 5,000,000 (100%)	\$ 1,000,000 (20,00%)	\$ 4,000,000 (80,00%)	Switzerland, USA, Japan and Finland

A total of US\$ 180,000 has been committed under TMT, leaving an amount available for allocation of US\$ 820,000

a) Pledges	b) Committed	c) Available for Allocation (a – b)
\$ 1,000,000	\$ 180,000	\$ 820,000

The next call for proposals under TMT is expected to be launched in the first quarter 2011.



IDE:

No pledges or expressions of interest have been received yet under the Thematic Programme on Industry Development and Efficiency

TP Title	TP Total envisaged	Total Pledges	Remaining Balance	Donors
IDE	\$ 10,000,000 (100%)	none	\$ 10,000,000 (100%)	none

Recalling Decision 9(XLIV) to urge members to contribute to the Thematic Programmes Sub-Account to initiate implementation of the thematic programmes, the Council may wish to re-emphasize the urgent need for additional financial pledges to initiate and implement ALL thematic programmes.

## 6. Outreach Activities

A dedicated Thematic Programme section has been created on the ITTO website ([http://www.itto.int/en/thematic\\_programme\\_general/](http://www.itto.int/en/thematic_programme_general/)). The site provides general information on the ITTO Thematic Programmes including the Thematic Programme Documents, Monitoring Protocols, information on approved projects, information on calls for proposals and links to the Manuals and other documentation relevant for the preparation of proposals. Furthermore a brochure on the TPs has been published.

Information on the Thematic Programmes was presented at various meetings and conferences, including:

- XXIII International Union for Forest Research Organizations (IUFRO) WORLD CONGRESS, Seoul, Korea, 23 August 2010
- Summer Course, Hiroshima University, Bogor Agricultural University, SEAMEO BIOTROP, Bogor, Indonesia, 9 August 2010
- International Conference on Biodiversity Conservation in Transboundary Tropical Forests, Quito, Ecuador, 23 July 2010
- The second International Forum for Sustainable Asia and the Pacific (ISAP 2010), Yokohama, Japan, 7 July 2010
- International Seminar on REDD, Tokyo, 10-12 March 2010, Forestry Agency Japan, JICA
- Copenhagen COP 15 at the ITTO/IUFRO/Inter-Cooperation Side Event on Forests, Livelihoods & Climate Change, 11 Dec 2009 and the Forest Day 3 learning Event on Financing for Forests and Climate Change: integrating the social, economic and environmental aspects
- Launching ceremony for REDD Demonstration Activities in Indonesia (Jakarta, 6 Jan 2010) where the Indonesian Minister of Forestry celebrated REDD demonstration activities which included the ITTO 7&I project. Senior officers of the MoF commended ITTO for its recent support to the implementation of REDD activities in Indonesia through two new ITTO projects under the REDDES TP.
- 5<sup>th</sup> FLEGT Annual Coordination Meeting in Brussels, Belgium, 19-20 November 2009
- Brussels, Belgium. Presentation on the ITTO Thematic Programmes at the European Commission, Europe Aid, 27 October 2009
- 13<sup>th</sup> World Forestry Congress, Buenos Aires, Argentina: Presentation on the Thematic Programmes during the ITTO side event on 21 October 2009

An article on the ITTO REDDES programme was published in the UN-REDD Newsletter Issue 3, October 2009. ([http://www.un-redd.org/Newsletter3\\_ITTO\\_commentary/tabid/2037/language/en-US/Default.aspx](http://www.un-redd.org/Newsletter3_ITTO_commentary/tabid/2037/language/en-US/Default.aspx))

## 7. Concluding Remarks

The Thematic Programmes have received a very positive feedback from the ITTO member countries, which is clearly reflected in the numbers of inquiries and proposals received. The pledges made at the 45<sup>th</sup> Session of the ITTC have allowed the launch of two additional TPs on Community Forest Management and Enterprises and on Trade and Market Transparency in 2010. As a result, four out of the five approved Thematic Programmes are operational by the second year of the TP pilot phase. During 2010, additional pledges have been received from Germany (US\$ 87.871) and the USA (US\$ 247.456). The three calls for proposals launched in 2009 and 2010 have attracted a total of 58 proposals (*re-submitted proposals are counted once*) out of which 26 (or 44,83 %) have been funded. In addition eight activities receive funding under the TFLET pre-cursor, resulting in 34 activities (see Table 1) funded under the ITTO Thematic Programmes. The total funding ITTO has committed for those 34 activities is US\$ 10,929,621. This funding has leveraged approximately US\$ 5,14 million in counterpart funding and in-kind contributions by participating countries and institutions.

The ITTO Secretariat has also further streamlined and improved project management and monitoring. Monitoring Protocols have been developed to guide programme monitoring and evaluation. The Online Monitoring System (OLMS) has been further developed to serve as an interactive and web-based tool for more efficient monitoring and evaluation and more effective overall project management at the level of Project Coordinator at the Executing Agency and ITTO Project Managers. The system is operational in three languages (English, French, Spanish). Outreach activities have continued, including preparation of a brochure on the TPs, circulation of information through the ITTO website and presentations at relevant workshops or conferences.

The limited funding pledged so far for the TP pilot phase has allowed to already address a substantial spectrum of Thematic Programme Outputs, albeit partially, as defined in the Thematic Programme Documents. However, the funds remaining for allocation under CFME, REDDES, TFLET do not permit the launch of another call for proposals. New funding is needed to more comprehensively address the defined outputs in pursuit of achieving the programmatic objectives and to enable ITTO to launch the fifth approved Thematic Programme on Industry Development and Efficiency (IDE).

Table 1: TP approved projects

<b>TFLET pre-cursor approved projects</b>				
<b>Project ID</b>	<b>Submitted by</b>	<b>Title</b>	<b>ITTO Funding</b>	<b>Project Total</b>
PP-A/43-193	Under BWP 2008/2009	Enhance capacity of small and medium size enterprises to produce and trade timber from legally and sustainable source	\$ 300,000	\$ 300,000
PP-A/43-194	Under BWP 2008/2009	Promote trade in tropical timber and tropical timber products from sustainably managed and legally harvested sources	\$ 600,000	\$ 600,000
PP-A/43-200	Under BWP 2008/2009	Provide technical assistance for selected poor local/indigenous communities to formulate project proposals for submission to ITTO for management of forests and sustainable timber production	\$ 100,000	\$ 100,000
PP-A/43-202	Under BWP 2008/2009	Global assessment of the status of tropical forest tenure with identification of trends and implications for investment and management, and for convening an expert workshop on Tropical Forest Tenure and Business Models, including formulation of a project to assist Civil Society Organization(s) to set up and operate on a pilot basis a remote sensing system to detect illegal logging activities in areas known to be critically affected by such activities	\$ 200,000	\$ 200,000
PD 124/01 Rev.2 (M) Phase II – Stage 2	Africa	Promotion of Sustainable Management of African Forests (ITTO/ATO)	\$ 544,070	\$ 591,070
PPD 138/07 Rev.1 (M)	Peru	Verifying the Legality of Timber Forest Products in Peru	\$ 79,844	\$ 79,844
PD 449/07 Rev.2 (M,I)	PNG	Enhancing Forest Law Enforcement in Papua New Guinea	\$ 473,040	\$ 473,040
PD 493/07 Rev.1 (F)	Cambodia	Strengthening Capacity of Forest Law Enforcement and Governance (Cambodia)	\$ 561,195	\$ 561,195
<b>TFLET Spring Cycle 2009 approved projects</b>				
TFL-PPD 005/09 Rev.1 (F)	Thailand	Strengthening the capacity of local communities of Chaipayum Province (Thailand) to manage community forest	\$56,970	78,678
<b>TFLET Autumn Cycle 2009 approved projects</b>				
TFL-PPD 001/09 Rev.2 (M)	Colombia	Implementing and promoting sustainable forest management through formulation of an action plan for improved forest law enforcement and governance in Colombia	\$91,498	122,598
TFL-PD 003/09 Rev.2 (M)	Cameroon	Improving governance and transparency of timber harvests and trade in Cameroon	\$365,526	418,626
TFL-SPD 007/09 Rev.1 (M)	Ghana	Strengthening the capacity of small-medium enterprises in Ghana to produce and trade in timber products from legal and sustainable sources	\$163,039	180,704
TFL-PD 010/09 Rev.1 (M)	Indonesia	Strengthening the capacity of related stakeholders in Java on implementing new Indonesian TLAS	\$474,163	555,163
TFL-PD 014/09 Rev.1 (M)	Cameroon	Reduction of illegal logging through better governance of community forests in the Lom et Djerem Division, East region, Cameroon	\$302,562	355,562
<b>TFLET Spring Cycle 2010 approved projects</b>				
TFL-PD 017/09 Rev.2 (M)	China	Equipping small and medium sized forestry enterprises in China for procurement of tropical timber from legal and sustainably managed forests	\$322,056	\$505,036
TFL-PD 019/10 Rev.2 (M)	Indonesia	Developing collaborative management in the Cibodas Biosphere Reserve, West Java Indonesia	\$496,670	\$591,278
TFL-PPD 023/10 Rev.1 (F)	Germany	Development and implementation of a species identification and timber tracking system in Africa with DNA fingerprints and stable isotopes	\$175,742	\$198,242
TFL-PPD 024/10 Rev.2 (M)	Guatemala	Improvement of forest law enforcement at the national level to promote forest governance in Guatemala	\$563,339	\$804,419

<b>REDDES Spring Cycle 2009 approved projects</b>				
<b>Project ID</b>	<b>Submitted by</b>	<b>Title</b>	<b>ITTO Funding</b>	<b>Project Total</b>
RED-A 004/09 Rev.1 (F)	ITTO	Building a voluntary carbon marketing scheme to promote sustainable forest management	\$97,180	\$97,180
<b>REDDES Autumn Cycle 2009 approved projects</b>				
RED-PD 005/09 Rev.2 (F)	Guyana	Strengthening Guyana's capacity to manage forest resources and environmental services through resources assessment and monitoring changes in deforestation and degradation	\$400,680	\$540,880
RED-PPD 006/09 Rev.2 (F)	Guatemala	Local REDDES programme for development and addressing climate change in Guatemala: Building social processes for sustainability	\$82,080	\$177,660
RED-PD 007/09 Rev.2 (F)	Indonesia	Enhancing forest carbon stock to reduce emission from deforestation and degradation through sustainable forest management (SFM) initiatives in Indonesia	\$447,071	\$539,617
RED-SPD 009/09 Rev.2 (F)	Indonesia	Promoting the partnership efforts to reduce emission from deforestation and forest degradation of tropical peatland in south Sumatra through the enhancement of conservation and restoration activities	\$149,493	\$181,287
RED-PD 018/09 Rev.1 (F)	Peru	Sustainable forest management and utilization of ecosystem services in forests managed by the Ese'Eja naïve community in Infierno, Peru	\$356,519	\$523,319
RED-SPD 020/09 Rev.1 (F)	China	Development and demonstration on scheme of payment for environmental services (PES) derived from degraded and secondary tropical production forests in China.	\$149,040	\$203,040
RED-A 023/09 Rev.1 (F)	DRC	Technical Support for the Development of a National Forest Inventory in the Democratic Republic of Congo to assess carbon stocks and changes in carbon stocks of forest land	\$476,820	\$510,220
RED-PD 026/09 Rev.1 (F)	Ghana	Reducing emissions from deforestation and forest degradation through collaborative management with local communities	\$658,716	\$760,408
RED-PD 029/09 Rev.1 (F)	Brazil	Monitoring deforestation, logging and land use change in the Pan Amazonian Forest - PANAMAZON II	\$1,124,784	\$6,262,784

<b>CFME Spring Cycle 2010 approved projects</b>				
<b>Project ID</b>	<b>Submitted by</b>	<b>Title</b>	<b>ITTO Funding</b>	<b>Project Total</b>
CFM-PD 001/10 Rev.1 (F)	Indonesia	Strengthening capacity of stakeholders for the development of community-based plantation forest at 3 selected areas in Indonesia	\$465,151	\$553,711
CFM-PPD 005/10 Rev.1 (M)	Thailand	Increasing access to markets and capital for teak plantation smallholders in Thailand	\$31,104	\$53,904
CFM-PPD 006/10 Rev.1 (F)	PNG	Enabling customary landowners to participate effectively in CFM and REDD schemes within four pilot areas of PNG	\$122,040	\$156,040
CFM-SPD 007/10 Rev.1 (F)	Ghana	Enrichment of young forest plantations with selected NTFPs for livelihood improvement and support of forest fringe communities in Atwima Mponua District of Ghana, in order to secure and protect the resources on a sustainable forest management basis	\$149,229	\$290,079
CFM-PA 009/10 Rev.2 (F)	ITTO	International Conference on Forest Tenure, Governance and Small and Medium Forest Enterprises with Focus in the Asia Pacific	\$ 200,000	\$ 200,000

<b>TMT Spring Cycle 2010 approved projects</b>				
<b>Project ID</b>	<b>Submitted by</b>	<b>Title</b>	<b>ITTO Funding</b>	<b>Project Total</b>
TMT-SPD 002/10 Rev.1 (M)	ITTO	Improving resilience of the tropical timber sector to the impacts of global and regional economic and financial crises	\$150,000	\$150,000



**ANNEX 1: STATUS OF APPROVED ACTIVITIES, PRE-PROJECTS, SMALL PROJECTS AND PROJECTS****Enhance capacity of small and medium size enterprises to produce and trade timber from legally and sustainable source**

Project number:	Activity PP-A/43-193	
Project country:	Global	
Budget:	Total:	US\$ 300,000
	ITTO Contributions:	US\$ 300,000
Submitted by:	Included in ITTO Biennial Work Programme 2008-2009: Activity ref. 12	
Implementing agencies:	ITTO	
Duration:	24 months	
Financed at:	TFLET pre-cursor	

**Summary:**

Assist countries in developing initiatives that will enhance capacity of small and medium-sized enterprises to produce and trade timber from legal and sustainable sources with the aim of promoting progress towards sustainable forest management, verifiable legality and certification.

**Progress:**

- Review and updating of the procedures, guidelines and criteria for selecting civil society/private sector partnership proposals previously applied to include the new element of verifiable legality.
- Five (5) partnership proposals were received and duly assessed by the ITTO Secretariat. Subsequently, three (3) proposals were selected and approved by the Executive Director for funding and implementation as follows:

**Tropical Forest Foundation (TFF)/PT Suka Jaya Makmur (PTSJM)[Indonesia]**

29.05.2009 MOU governing the implementation of the proposal signed by ITTO and partnership.  
05.06.2009 First installment of ITTO funds amounting to US\$45,000.00 disbursed to partnership.  
20.12.2009 Mid-term progress report submitted to ITTO Secretariat.  
06.01.2010 Second installment of ITTO funds amounting to US\$40,000.00 disbursed to partnership.

**The Forest Trust (TFT)/Manejo Florestal e Pretação de Servicos Ltda (MAFLOPS)[Brazil]**

25.09.2009 Proposal approved for funding and implementation by the Executive Director.  
09.10.2009 MOU governing the implementation of the proposal signed by ITTO and partnership.  
30.10.2009 First installment of ITTO funds amounting to US\$45,000.00 disbursed to partnership.  
14.04.2010 Mid-term progress report submitted to ITTO Secretariat.

**The Foundation for People and Community Development (FPCD)/Innovision (PNG) Ltd (IPNGL)[Papua New Guinea].**

25.09.2009 Proposal approved for funding and implementation by the Executive Director.  
07.10.2009 MOU governing the implementation of the proposal signed by ITTO and partnership.  
14.10.2009 First installment of ITTO funds amounting to US\$45,000.00 disbursed to partnership.  
25.04.2010 Mid-term progress report submitted to ITTO Secretariat.  
30.04.2010 Second installment of ITTO funds amounting to US\$40,000.00 disbursed to partnership.

**Promote trade in tropical timber and tropical timber products from sustainably managed and legally harvested sources**

Project number:	Activity PP-A/43-194	
Project country:	Global	
Budget:	Total:	US\$ 600,000
	ITTO Contributions:	US\$ 600,000
Submitted by:	Included in ITTO Biennial Work Programme for 2008-2009, Activity ref. 13	
Implementing agencies:	ITTO	
Duration:	24 months	
Financed at:	TFLET pre-cursor	

**Summary:**

This activity is divided into two components namely (a) establishment and operation of a web-based information system and (b) development of timber tracking systems. It is included in the ITTO Biennial Work Programme 2008-2009 in a reverse sequence of the two components and a planned commencement of implementation during the second half of 2008. The objectives of the activity are to be achieved principally through the establishment and maintenance of a website containing relevant information on legally and sustainably produced timber and providing ITTO funding of approved proposals from private sector forest companies operating in ITTO producer and developing consumer member countries to develop innovative (paperless) timber tracking systems using commercially available hardware and software, building upon the experience gained from previous work on ITTO pilot schemes on the feasibility of adopting timber tracking systems under the ITTO Biennial Work Programme 2006-2007. The approved funding of US\$300,000.00 for component (b) of the activity at the Forty-third Session of the ITTC in November 2007 will enable ITTO to support six proposals, two for each of the three producing regions at a maximum amount of US\$44,247.00 for each approved proposal.

**Progress:**

Component (a)

1. Conceptualization, determination of feasibility and cost-effectiveness of options to be finalized for implementation in 2009.
2. Invitations sent out in March 2009 to relevant NGOs to submit proposals for consideration by the ITTO Secretariat.
3. Selection of the proposal from The Forest Trust (TFT) by the Executive Director in May 2009.

The Forest Trust

18.06.2009 MOU governing the implementation of the proposal signed by TFT and ITTO.  
24.06.2009 First installment of ITTO funds amounting to US\$135,000.00 disbursed by TFT.  
08.09.2009 First progress report submitted by TFT to the Secretariat.  
19.02.2010 Submission of mid-term progress report by TFT to the Secretariat.  
12.05.2010 Submission of Interim Financial Report by TFT to the Secretariat.  
04.06.2010 Second installment of ITTO funds amounting to US\$110,000.00 disbursed to TFT.

Component (b)

4. Review and updating of procedures, guidelines and criteria for selecting proposals previously applied under the ITTO pilot schemes on the feasibility of adopting timber tracking systems.
5. Posting an invitation for the submission of proposals on innovative timber tracking systems to private sector forest companies operating in ITTO producer and developing consumer member countries on ITTO website on 23 October 2008. The invitation indicates a maximum amount of ITTO funding of US\$44,247.00 for each approved proposal and requests proposals not exceeding five pages containing the purpose and goals, methodology, intended outputs and impacts, key activities to be carried out,

duration, budget by activity and sources including counterpart funding if it exceeds US\$44,247.00 and workplan

6. Similar invitations have been disseminated to the ITTO official contact points in member countries on 27 October 2008 and through the Tropical Timber Market Report, the Tropical Forest Update, the ITTO Trade Advisory Group (TAG) and the ITTO Civil Society Advisory Group (CSAG)
7. As of 31 December 2009, eight (8) proposals were received and assessed by the ITTO Secretariat

Green Gold Forestry Ltd. (GGF)[Peru]

- 11.05.2009 MOU governing the implementation of the proposal signed by ITTO and company.
- 20.05.2009 First installment of ITTO funds amounting to US\$20,000.00 disbursed to company.
- 16.04.2010 Mid-term progress report submitted to ITTO Secretariat.
- 22.04.2010 Second installment of ITTO funds amounting to US\$20,000.00 disbursed to company.

P.T. Seng Fong Moulding Perkasa (PTSFMP)[Indonesia]

- 28.08.2009 MOU governing the implementation of the proposal signed by ITTO and company.
- 02.09.2009 First installment of ITTO funds amounting to US\$20,000.00 disbursed to company.
- 22.12.2009 Mid-term progress report submitted to ITTO Secretariat.
- 05.01.2010 Second installment of ITTO funds amounting to US\$20,000.00 disbursed to company.
- 06.04.2010 Final report submitted to ITTO Secretariat.

Demerara Timbers Limited (DTL)[Guyana]

- 28.06.2010 MOU governing the implementation of the proposal signed by ITTO and company.
- 01.07.2010 First installment of ITTO funds amounting to US\$20,000.00 disbursed to company.

Industries forestières de Batalimo (IFB)[Central African Republic]

- 08.03.2010 MOU governing the implementation of the proposal signed by ITTO and company.
- 11.03.2010 First installment of ITTO funds amounting to US\$20,000.00 disbursed to company.

Furniture Exports (PNG) Ltd. (FEL)[Papua New Guinea]

- 22.04.2010 MOU governing the implementation of the proposal signed by ITTO and company.
- 26.04.2010 First installment of ITTO funds amounting to US\$20,000.00 disbursed to company.

John Bitar & Co. Ltd. (JBCL)[Ghana]

- 06.05.2010 MOU governing the implementation of the proposal sent to the company.
- To-date Yet to receive signed MOU.



**Provide technical assistance for selected poor local/indigenous communities to formulate project proposals for submission to ITTO for management of forests and sustainable timber production**

Project number:	PP-A/43-200	
Project country:	Global	
Budget:	Total:	US\$ 100,000
	ITTO Contributions:	US\$ 100,000
Submitted by:	Included in ITTO Biennial Work Programme 2008-2009: Activity ref. 15 (a)	
Implementing agencies:	ITTO	
Duration:	12 months	
Financed at:	TFLET pre-cursor	

**Summary:**

This activity is included in the ITTO Biennial Work Programme 2008-2009 with a planned commencement of implementation during the first half of 2008.

The activity will provide a maximum of US\$20,000.00 to up to five communities to prepare, in collaboration with relevant national agencies, project proposals to improve forest management and the marketing of forest goods for submission to ITTO or other relevant funding bodies. As part of this activity, project proposals will be submitted to ITTO and other funding agencies by forest-dependent communities.

Consultants have been engaged in early 2009, in order to assist the forest-based communities to develop up to five project proposals.

**Progress:**

A consultant was engaged in the preparation of a pre-project proposal in Thailand, a small project proposal in Guatemala and a project proposal in Cameroon. The pre-project proposal in Thailand was submitted to the ITTO Secretariat and subsequently approved by the Executive Director for funding and implementation under the ITTO TFLET Thematic Programme. The small project proposal in Guatemala was submitted to the ITTO Secretariat and had been returned to the submitter for revision. The project proposal in Cameroon has not been submitted to the ITTO Secretariat for approval and funding under the ITTO TFLET Thematic Programme.

The Secretariat has yet to receive the submission of the revised small project proposal from Guatemala as well as the project proposal from Cameroon.

**Global assessment of the status of tropical forest tenure with identification of trends and implications for investment and management, and for convening an expert workshop on Tropical Forest Tenure and Business Models, including formulation of a project to assist Civil Society Organization(s) to set up and operate on a pilot basis a remote sensing system to detect illegal logging activities in areas known to be critically affected by such activities**

Project number:	PP-A/43-202	
Project country:	Global	
Budget:	Total:	US\$ 200,000
	ITTO Contributions:	US\$ 200,000
Submitted by:	Included in ITTO Biennial Work Programme 2008-2009: Activity 15c	
Implementing agencies:	ITTO	
Duration:	Activity under the 2008/2009 BWP	
Financed at:	TFLET pre-cursor	

**Summary:**

The task refers to Activity 15c of ITTO Biennial Work Programme 2008-2009.

**Progress:**

The workshop was successfully held in Yaoundé, Cameroon, on 25-29 May 2009 co-organized with various partners including the Government of Cameroon, Rights and Resources Initiative (RRI), FAO, IUCN, CIFOR, InterCooperation, the Global Alliance for Community Forestry and ICRAF. ITTO sponsored two participants from each of its member countries in Sub-Saharan Africa, being one from Government and one from Civil Society or Local Community Organizations.

The Conference results were presented during the 45<sup>th</sup> ITTC held in Yokohama in 9-14 November 2009.

The Government of Netherlands put as a condition for financing that "... *serious efforts are being made that as an outcome of the Conference one or more NGO's will be supported in a project to set up and operate on a pilot basis a remote sensing system to detect illegal logging activities in areas know to be critically affected by such activities*". In this regard, an expert in remote sensing with previous experience in Africa was hired and supported interested civil society organization(s) in the region in the development of a project proposal to enhance their activities in forest law compliance in critical areas of West Africa.

The project proposal has been prepared and submitted by Ghana, Togo and Côte d'Ivoire to the ITTO 39<sup>th</sup> Expert Panel which convened in February 2010 for appraisal. After comments from the Expert Panel, the proposing countries submitted a revised proposal for assessment of the 41<sup>st</sup> EP on February 2011, and it will be open for funding thereafter.

The Activity can be considered as successfully completed.

**Promotion of Sustainable Management of African Forests (ITTO/ATO)**

Project number:	Pd 124/01 Rev.2 (M) Phase II Stage 2	
Project country:	Africa	
Budget:	Total:	US\$ 544,070
	ITTO Contributions:	US\$ 544,070
	ATO	US\$ 47,000
Submitted by:	ITTO/ATO	
Implementing agencies:	ITTO	
Duration:	24 months	
Financed at:	TFLET pre-cursor	

**Summary:**

This project is designed to assist ten ITTO African member countries (all of which are also members of the African Timber Organization - ATO) to implement the harmonized ITTO/ATO Principles, Criteria and Indicators (PCI) for the Sustainable Management of African Tropical Forests. The specific objectives of the Project are to establish key elements of adequate capacity to implement ATO/ITTO PCI at national level in the African member countries of ITTO and for effective regional-level cooperation through ATO to support individual Member countries to implement the ATO/ITTO PCI. It involves extensive capacity building in ten member countries and within ATO itself. The project has been divided into three phases, with the first and second phases split again into two stages each to facilitate funding.

**Progress:**

The project will be reported as completed to the Committee on Economic Information and Market Intelligence (Document CEM-CFI(XLIV)/2)

**Verifying the Legality of Timber Forest Products in Peru**

Project number:	PPD 138/07 Rev.1 (M)	
Project country:	Peru	
Budget:	Total:	US\$ 79,844
	ITTO Contributions:	US\$ 79,844
Submitted by:	Government of Peru	
Implementing agencies:	ITTO	
Duration:	9 months (planned)	
Financed at:	TFLET pre-cursor	

**Summary:**

This pre-project was approved and financed by the ITTC at its Forty-fourth Session in November 2008. The development objective of the pre-project is to contribute to the consolidation of the system of forest concessions for timber production purposes in Peru by establishing favourable conditions to ensure that the Peruvian products that reach the international market can demonstrate their legal origin from sustainably managed forests. The specific objective of the pre-project is to design and test a pilot system for the traceability of Peruvian export timber, while assessing the status of the export chain and identifying the requirements for the implementation of the traceability system as well as institutional and budgetary requirements for the voluntary implementation of the system by national companies, to be reflected in a project proposal.

**Progress:**

Progress in the implementation of the pre-project is as follows:

07.07.2009	Pre-project Agreement signed by ITTO and Executing Agency.
07.07.2009	ITTO funds amounting to US\$69,300.00 disbursed to Executing Agency.
July 2009	Commencement of the implementation of the pre-project.
Sep 2010	The implementation of the pre-project has resulted in the delivery of the report on a pilot scheme for timber traceability to guarantee sustainability and legality including a cost-benefit analysis of the scheme as well as a project proposal for the development of feasible timber traceability options in Peru. The project proposal has yet to be formally submitted through the ITTO contact point in Peru to the Secretariat and the implementing agency has been requested to submit the completion report and final financial audit of the pre-project to the Secretariat.

**Enhancing Forest Law Enforcement in Papua New Guinea**

Project number:	PD 449/07 Rev.2 (M,I)	
Project country:	Papua New Guinea	
Budget:	Total:	US\$ 473,040
	ITTO Contributions:	US\$ 473,040
Submitted by:	PNG	
Implementing agencies:	ITTO	
Duration:	24 months	
Financed at:	TFLET pre-cursor	

**Summary:**

This project was approved and financed by the Council at its Forty-third Session in November 2007. The development objective of this project is to further improve PNG's sustainable forest management regime by enhancing forest law enforcement and governance in the forestry sector. The specific objective is to enhance a forest law enforcement regime including products tracking and chain of custody verification systems, complemented by enhanced training and monitoring, to further support sustainable forest management in PNG's forestry sector.

**Progress:**

19.05.2008 Project agreement signed by ITTO and Executing Agency.  
 16.12.2009 First installment of ITTO funds amounting to US\$103,000.00 disbursed to Executing Agency.  
 Dec 2009 Commencement of project implementation.  
 Sep 2010 Problems related to the replacement of project staff and consultants have delayed the implementation of the project. After the submission of a revised workplan and first Yearly Plan of Operation, the implementation of project activities commenced in August 2010.

**Strengthening Capacity of Forest Law Enforcement and Governance (Cambodia)**

Project number:	PD 493/07 Rev.1 (F)	
Project country:	Cambodia	
Budget:	Total:	US\$ 561,195
	ITTO Contributions:	US\$ 561,195
Submitted by:	Cambodia	
Implementing agencies:	ITTO	
Duration:	36 months	
Financed at:	TFLET pre-cursor	

**Summary:**

This project proposal is the output of PPD 128/06 Rev.1 (F) "Strengthening Capacity of Forest Law Enforcement and Governance in Cambodia" that has been completed in December 2007. In order to control illegal logging, forest clearing and encroachment in Cambodia, the pre-project recommended that appropriate facilities and equipment should be in place with well qualified trained staff in all Forestry Administration offices.

The project aims to facilitate the implementation of the Government's policy platform in combating illegal logging, forest clearing and land encroachment through the improvement of capacity of human resources and the upgrading of operational means/equipment to ensure effective Forest Law Enforcement and Governance (FLEG) in Cambodia. In addition to staff members of the Forestry Administration, selected local communities will be trained in how an effective FLEG operation can benefit the community by protecting their interests, promote legal forest activities and ensure their legal access to timber and non-timber forest products and services.

The expected outputs of the project are: improved facilities and staff capabilities, effective monitoring and documentation of illegal forest activities, effective judicial processing, and effective extension of measures to all stakeholders. These outputs will contribute directly to the on-going capacity building program of the Forestry Administration of Cambodia as a high priority.

**Progress:**

The project activities started in January 2009. Progress achieved in the implementation of the activity in the reporting period (September 2009-August 2010) includes:

- Developed a training program of four modules including fundamental laws involved in law enforcements (Forestry Law, Land Law, Code of Criminal Procedure, Protected Area Law and Other Laws and Regulations)
- Organized Training Course on Forest Law Enforcement on 28 September-14 October 2009 at the Forest and Wildlife Training Center, Phnom Penh, Cambodia with the participation of 31 staff members from the central and local governments. Another training course was conducted on 18 March- 31 March 2010 at the Forest and Wildlife Training Center. This was attended by 55 participants mainly from Forestry Administration Divisions.
- Improved the Cambodia Forest Crime Monitoring Case Tracking System which was developed as a database system under the Project UNTS/CMB/001/DFI in 2000. This system has been installed at the four project sites (Kompong Thom, Kratie, Pursat and Preah Sihanuk provinces). Almost 100 cases of forest crime cases were recorded in the system (01 January-31 July 2010)
- A pocket field guide book on "Forest Law Enforcement" has been prepared and is under finalization
- Organized three extension workshop on Forestry Law and Regulations to stakeholder in Kratie province (31 May 2010), Kompong Thom Province (28 June 2010) and Preah Sihanuk Province (26 July 2010). They were attended by 286 participants
- Produced four posters to increase public awareness of illegal logging. Titles of the posters include: "Stop destroying forests and participate in restoration and protection", and "Chainsaw is a killer in destroying

forests”, and “Wildlife hunting without permit is illegal and the offenders shall be subject to the fines and penalties as stated in Article 98 of the Forestry Law”.

**Strengthening the capacity of local communities of the Chaiyaphum Province (Thailand) to manage community forests**

Project number:	TFL-PPD 005/09 Rev.1 (F)	
Project country:	Thailand	
Budget:	Total:	US\$ 78,678
	ITTO Contributions:	US\$ 56,970
	Government of Thailand:	US\$ 21,708
Submitted by:	Government of Thailand	
Implementing agencies:	Bureau of Community Forest Management of the Royal Forest Department, Thailand	
Duration:	6 months	
Financed at:	TFLET Spring Cycle 2009	

**Summary:**

The pre-project will develop a project proposal aimed at enhancing forest law enforcement and governance and strengthening communities' capacities to use their forests for poverty alleviation in the Chaiyaphum Province. To ensure an adequate project design, the pre-project will collect necessary baseline information on community forestry and define clear strategies on how to solve problems inhibiting sound community forestry development. The development objective of the pre-project is to contribute to the sustainable development of rural communities of the Chaiyaphum Province through the promotion of law enforcement, good governance and sustainable management and use of community forests. The specific objective is to develop a comprehensive project proposal aimed at strengthening the capacity of communities of Chaiyaphum Province to sustainably manage their forests.

**Progress:**

There has been a substantial delay in concluding the agreement regulating the implementation of the pre-project due to internal procedures of the government of Thailand. It is expected that the pre-project agreement will be duly signed in November/December 2010.



**Implementing and promoting sustainable forest management through formulation of an action plan for improved forest law enforcement and governance in Colombia**

Project number:	TFL-PPD 001/09 Rev.2 (M)	
Project country:	Colombia	
Budget:	Total:	US\$ 122,598
	ITTO Contribution:	US\$ 91,498
	Government of Colombia:	US\$ 31,100
Submitted by:	Government of Colombia	
Implementing agency:	Asociación de Corporaciones Autónomas Regionales y de Desarrollo Sostenible (ASOCARS) [Association of Regional Autonomous Corporations and Sustainable Development]	
Duration:	12 months	
Financed at:	TFLET Autumn Cycle 2009	

**Summary:**

The pre-project will develop a full project proposal to specify and integrate the problems related to illegal logging as well as the weaknesses of the forest legislation and the forest management capacity of the relevant institutions, so as to facilitate the future formulation of a strategic action plan for the improvement of forest law enforcement and governance in Colombia.

The pre-project is specifically aimed at analyzing and evaluating policies, programs, management capacity and the national forest legislation and their compatibility with the policies and sectoral programs and standards of the agricultural and mining sectors, through a participatory process with relevant stakeholders. The output of the pre-project will be a sound project proposal developed in cooperation with forest sector stakeholders.

**Progress:**

The signing of the pre-project agreement governing the implementation of the pre-project was completed in September 2010. Subsequently, the memorandum of understanding (MOU) between the implementing agency and the Ministry of Environment, Colombia on the implementation of the pre-project was signed on 14 October 2010. The disbursement of the first installment of ITTO funds amounting to US\$60,000.00 is expected to be effected before the end of October 2010 to facilitate the commencement in the implementation of the pre-project.

### Improving governance and transparency of timber harvests and trade in Cameroon

Project number:	TFL-PD 003/09 Rev.2 (M)	
Project country:	Cameroon	
Budget:	Total:	US\$ 418,626
	ITTO Contribution:	US\$ 365,526
	Traffic International:	US\$ 53,100
Submitted by:	Government of Cameroon	
Implementing agency:	Traffic International	
Duration:	24 months	
Financed at:	TFLET Autumn Cycle 2009	

#### Summary:

The project is designed to contribute to the improvement of governance and transparency of timber harvest and traded in Cameroon and internationally by strengthening the national process for controlling illegal logging and associated trade in Cameroon in order to contribute to transparency of timber trade in Cameroon with a view to address the problems of unsustainable timber harvesting, weak forest law enforcement and illegal trade of the country's timber.

#### Progress:

The signing of the project agreement governing the implementation of the project was completed on 22 March 2010. Consultations between the implementing agency (Traffic International) and its collaborating counterpart in Cameroon, (MINFOF) have been carried out and the draft project inception report including a detailed work plan have been submitted to the ITTO Secretariat in early October 2010. The implementing agency is currently revising the project inception report and the detailed work plan following the comments and suggestions provided by the ITTO Secretariat. The implementation of the project is expected to commence shortly.

**Strengthening the capacity of small-medium enterprises in Ghana to produce and trade in timber products from legal and sustainable sources**

Project number:	TFL-SPD 007/09 Rev.1 (M)		
Project country:	Ghana		
Budget:	Total:		US\$ 180,704
	ITTO Contribution:		US\$ 163,039
	Government of Ghana:		US\$ 17,665
Submitted by:	Government of Ghana		
Implementing agency:	Kumasi Wood Cluster Association (KWC)		
Duration:	24 months		
Financed at:	TFLET Autumn Cycle 2009		

**Summary:**

The project will address the weak capacity of Small Medium Forest Enterprises in forest law enforcement and governance in Ghana. The main objective is to strengthen the capacity of SMFEs to produce and trade in legal timber through the development and implementation of internal wood control system (IWCS) consistent with legal and sustainable timber trade requirements. At the completion of the project, SMFEs will demonstrate understanding of the various standards covering Chain of Custody and wood tracking by documenting and implementing procedures to comply with and monitor compliance with legal timber trade requirements enabling an appreciable number of them to begin efforts towards CoC certification. Activities and approaches include training selected SMFEs on proper record capturing and storage practices, information management, how to use and implement IWCS; assisting SMFEs to set up their own IWCS and liaising with stakeholder institutions to audit SMFEs interested in certification. In order to ensure the sustainability of the project, SMFEs will be encouraged to join the Kumasi Wood Cluster Association (KWC) or form similar network(s) or association(s) to encourage and promote trade in legal and sustainable timber.

**Progress:**

The signing of the project agreement governing the implementation of the project was completed on 5 April 2010. The project inception report including the detailed work plan had been submitted to and approved by the ITTO Secretariat and the disbursement of the first installment of ITTO funds amounting to US\$70,000.00 to the implementing agency (KWC) was effected on 8 July 2010, marking the commencement in the implementation of the project. Following the selection and appointment of the project team and consultants, the implementation of a number of project activities has begun. The first meeting of the project technical committee (PTC) and project monitoring mission were conducted in Kumasi, Ghana on 21 September 2010. The meeting noted that the implementation of the project was on track and on schedule.

**Strengthening the capacity of related stakeholders in Java on implementing new Indonesian Timber Legality Assurance System (TLAS)**

Project number:	TFL-PD 010/09 Rev.1 (M)	
Project country:	Indonesia	
Budget:	Total:	US\$ 555,163
	ITTO Contribution:	US\$ 474,163
	Government of Indonesia:	US\$ 81,000
Submitted by:	Government of Indonesia	
Implementing agency:	Secretariat Directorate General of Forest Production	
Duration:	24 months	
Financed at:	TFLET Autumn Cycle 2009	

**Summary:**

The Timber Legality and Verification System (*Sistim Verifikasi Legalitas Kayu - SVLK*) was developed to provide legal assurance on timber products from Indonesia. In June 2009 the Indonesian Ministry of Forestry issued a ministerial decree on sustainable forest management and timber legality verification through the Minister of Forestry decree No. P.38/Menhut-II/2009 concerning Standard and Guidelines on Assessment and Performance of Sustainable Production Forest Management and Verification of Timber Legality which applies to state and private forests. Additionally, with regard to the standard, an assessment guideline is stipulated under a decree of the Director General of Production Forest Management No. P.6/VI-Set/2009. The effective implementation of the regulation requires capacity building of relevant stakeholders and organizations, in particular for the owners of community forests. The project will focus on the dissemination of information on the new TLAS standard to communities and relevant stakeholders through workshops. It will support the establishment of institutions for independent monitoring of TLAS for timber resources from community forests and community plantation forests, conduct a series of training events to introduce and implement the standard to license holders of community forests and community plantation forest as well as local government officers and representatives of small/medium wood processing industries.

**Progress:**

The signing of the project agreement governing the implementation of the project was completed on 14 April 2010. The project inception report including the Yearly Plan of Operation (YPO) 1 had been submitted to and approved by the ITTO Secretariat and the disbursement of the first installment of ITTO funds amounting to US\$100,000.00 to the implementing agency was effected on 8 July 2010, marking the commencement in the implementation of the project. Following the selection and appointment of the project team and consultants, the implementation of initial project activities has begun in accordance with YPO 1.

**Reduction of illegal logging through better governance of community forests in the Lom et Djerem Division, East region, Cameroon**

Project number:	TFL-PD 014/09 Rev.1 (M)		
Project country:	Cameroon		
Budget:	Total:		US\$ 355,062
	ITTO Contribution:		US\$ 302,562
	Government of Cameroon:		US\$ 52,500
Submitted by:	Government of Cameroon		
Implementing agency:	Forestry Department, Ministry of Forestry and Wildlife (MINFOF)		
Duration:	24 months		
Financed at:	TFLET Autumn Cycle 2009		

**Summary:**

This project seeks to reduce illegal logging and poverty in the Lom and Djerem Division through better governance and development of community forestry. The specific objectives include to sufficiently satisfy the demand of wood in the north and neighboring countries through better organization of timber markets and promotion of the creation and implementation of legal timber titles; and to reduce poverty at the community level through good governance in managing existing community forest and micro-development projects in the Lom and Djerem Division. The expected outputs are:

- 1) to assist 6 communities in obtaining and managing community forests;
- 2) to sensitize the Lom and Djerem councils on the creation of council forests;
- 3) to supply the Northern markets with sawmill residues;
- 4) to better understand and disseminate the timber market chain from Lom and Djerem to the Northern regions;
- 5) to put in place a wood tracking system from the Koundi community forest;
- 6) to reinforce the capacities of members of the Koundi community in increasing and better managing revenues from their forest; and
- 7) to sensitize all actors on legal wood trade; and
- 8) to install and have a functional Coordination Unit in place

**Progress:**

The signing of the project agreement governing the implementation of the project was completed on 22 March 2010. Consultations between the implementing agency, (MINFOF) and its collaborating agencies, FORUM VERT and TTRECED (NGOs) have been conducted. The memorandum of understanding (MOU) between the implementing agency and the collaborating agencies as well as the curriculum vitae of the project team and the detailed information on bank account for the project have been submitted to the ITTO Secretariat in August 2010. The implementing agency is preparing the project inception report including the detailed work plan to be submitted to the ITTO Secretariat for its consideration and approval. The implementation of the project is expected to commence shortly.

**Equipping small and medium sized forestry enterprises in China for procurement of tropical timber from legal and sustainably managed forests**

Project number:	TFL-PD 017/09 Rev.2 (M)	
Project country:	China	
Budget:	Total:	US\$ 505,036
	ITTO Contribution:	US\$ 322.056
	Government of China:	US\$ 112.820
	Industry Association (China):	US\$ 70.160
Submitted by:	Government of China	
Implementing agency:	Institute of Forestry Policy and Information, Chinese Academy of Forestry (CAF)	
Duration:	36 months	
Financed at:	TFLET Spring Cycle 2010	

**Summary:**

Small and medium sized wood processing enterprises (SMFEs) in China play a vital role in the domestic and international markets for processing wood products as they account for around 90% of the total output value of China's timber enterprises. The project will provide the means for SMFEs to become equipped for procurement of timber from legal and sustainably managed tropical forests. SMFEs in Zhangjiagang in the Jiangsu Province, Huzhou and Jiashan in the Zhejiang province and in Shanghai will be surveyed to assess the status of their procurement management. Training and advice will be delivered to enterprises along with information (via a technical bulletin) on marketing, trade, procurement and corporate social responsibility. Policy suggestions will be made and selected SMFEs will be guided through COC certification. A web-based platform for better communication between SMFEs, government and other stakeholders will be established.

**Progress:**

Under implementation (approved under Spring Cycle 2010 in September 2010)

**Developing collaborative management in the Cibodas Biosphere Reserve, West Java Indonesia**

Project number:	TFL-PD 019/10 Rev.2 (M)	
Project country:	Indonesia	
Budget:	Total:	US\$ 591,278
	ITTO Contribution:	US\$ 496,670
	Government of Indonesia:	US\$ 94,608
Submitted by:	Government of Indonesia	
Implementing agency:	Balai Besar Taman Nasional Gunung Gede Pangrango Mountain Gede Pangrango National Park, Directorate General Forest Protection and Natural Conservation, Ministry of Forestry	
Duration:	24 months	
Financed at:	TFLET Spring Cycle 2010	

**Summary:**

The project will support the implementation of a collaborative management activity as the key tool for the effective management of the Cibodas Biosphere Reserve. The specific objective of the project is to strengthen forest law enforcement and governance, conservation, and the sustainable use of biodiversity and environmental services rendered by the Cibodas Biosphere Reserve. The expected outputs of the project are: 1) increased stakeholders commitment to the effective management of the Cibodas Biosphere Reserve; 2) Development of an integrated management plan for the Cibodas Biosphere Reserve; and 3) Enhanced community awareness on the conservation and sustainable use of biodiversity and environmental services, and on forest law enforcement and governance.

**Progress:**

Under implementation (approved under Spring Cycle 2010 in September 2010)

**Pre-project to develop a proposal on ‘Development and implementation of a species identification and timber tracking system in Africa with DNA fingerprints and stable isotopes’**

Project number:	TFL-PPD 023/10 Rev.1 (F)	
Project country:	Selected Central African countries	
Budget:	Total:	US\$ 198,242
	ITTO Contribution:	US\$ 175,742
	vTI:	US\$ 22,500
Submitted by:	Government of Germany	
Implementing agency:	Johann Heinrich von Thünen Institute (vTI), Federal Research Institute for Rural Areas, Forestry and Fisheries	
Duration:	7 months	
Financed at:	TFLET Spring Cycle 2010	

**Summary:**

Based on experiences from pilot-studies in Cameroon and Latin-America the pre-project will develop a full project proposal on “Development and implementation of a species identification and timber tracking system in Africa with DNA fingerprints and stable isotopes” with regional focus on the timber producing countries Cameroon, Central African Republic, Congo Dem. Rep, Congo Rep. and Gabon, Ghana, and Kenya as an important timber transit country. The pre-project will (a) define the role and contribution of collaborating agencies (b) seek support and agreements with the governments of African countries involved in the project; (c) draw conclusions from former pilot studies and to define the technical work plan, (d) identify the stakeholders and define their roles in the full project; and (f) seek additional financial support for the full project. Expected outputs of the full project to be developed include (a) a timber tracking system with DNA and stable isotopes working for 5 important timber species in Africa, (b) reference databases on genetic and isotopic spatial patterns ready for control uses, and (c) facilities for DNA-fingerprinting and stable isotopes with trained staff in timber producer and timber consumer countries.

**Progress:**

Under implementation (approved under Spring Cycle 2010 in September 2010)



**Improvement of forest law enforcement at the national level to promote forest governance in Guatemala**

Project number:	TFL-PPD 024/10 Rev.2 (M)	
Project country:	Guatemala	
Budget:	Total:	US\$ 804.419
	ITTO Contribution:	US\$ 563.339
	Government of Guatemala:	US\$ 200.880
	IUCN:	US\$ 40.200
Submitted by:	Government of Guatemala	
Implementing agency:	National Institute of Forests (INAB)	
Duration:	36 months	
Financed at:	TFLET Spring Cycle 2010	

**Summary:**

The project will improve the effective implementation of sustainable forest management plans in Guatemala, through strengthening the capacity of forest institutions to enforce the forest management legislation and relevant regulations, as well as through the provision of better services and instruments for the promotion of sustainable forest management. It will strengthen the capacity of INAB to control forest law enforcement through improvement of observation systems and inter-institutional coordination at the national, regional and local levels. The project will increase the involvement of civil society, institutions and local governments in the implementation of activities aimed at strengthening actions to reduce illegal activities and ensure compliance with current forest laws and regulations, among other activities focused on improving forest governance.

**Progress:**

Under implementation (approved under Spring Cycle 2010 in September 2010)

## REDDDES

### Building a Voluntary Carbon Marketing Scheme to Promote Sustainable Forest Management

Project number:	RED-A 004/09 Rev.1 (F)	
Project country:	Global	
Budget:	Total:	US\$ 97,180
	ITTO Contribution:	US\$ 97,180
Submitted by:	ITTO Secretariat	
Implementing agencies:	ITTO Secretariat	
Duration:	9 months	
Financed at:	REDDDES Spring Cycle 2009	

#### Summary:

The Activity will develop a feasibility study for the establishment of a mechanism in ITTO to capture funds from private sector and other potential contributors, to fund voluntary forest related carbon offsetting schemes, including REDD and PES projects. The Activity shall also generate a design and strategy for the implementation of the proposed scheme.

#### Progress:

The activity has been implemented through the service provider INDUFOR OY of Finland. Indufor developed a feasibility study for private sector involvement in REDD+ projects. The feasibility study covers the establishment of a mechanism in ITTO to capture funds from private sector and individuals to fund voluntary forest climate projects with the potential to generate emission reductions and other environmental services. It will also generate a design and strategy for the implementation of the proposed scheme.

#### Reviews carried out by the study include:

- ITTO legal structure, mandate, mechanisms and existing financing channels
- Major studies conducted on voluntary carbon markets, especially related to forestry
- Current carbon financing mechanisms such as World Bank Carbon Funds and the United Nations REDD program (UN-REDD)
- Examples of existing PES schemes combined with carbon projects and institutions involved
- Carbon standards relevant to REDD projects and their criteria
- Private sector companies that might have interest to engage in the promotion of forest carbon and PES projects through an ITTO mechanism

Interviews were carried out with ITTO staff and key Japanese stakeholders, including the Japanese Forest Agency, the Japanese International Cooperation Agency (JICA), the Japan Bank for International Cooperation (JBIC) and private sector companies in Europe and Japan.

Based on the research and interviews conducted, a first report has been produced. The report has been reviewed and circulated within ITTO for comments. A second, revised and enlarged version of the feasibility study has been submitted by Indufor in May 2010. The study provided detailed background information on possibilities to attract and involve private sector investment in REDD+ projects and initiatives in the tropics. It provides guidance on the topic for ITTO, member countries and partners. The report will be presented to the 46th ITTC in December 2010. It provides guidance for ITTO to promote private sector involvement in REDD+ development, in ITTO producer member countries.

**Strengthening Guyana's capacity to manage forest resources and environmental services through resources assessment and monitoring changes in deforestation and degradation**

Project number:	RED-PD 005/09 Rev.2 (F)	
Project country:	Guyana	
Budget:	Total:	US\$ 540,880
	ITTO Contribution:	US\$ 400,680
	Government of Guyana:	US\$ 140,200
Submitted by:	Government of Guyana	
Implementing agency:	Guyana Forestry Commission (GFC)	
Duration	12 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

This project seeks to address two main areas: conducting, at a demonstration level, an assessment of forest resources and environmental services including the completion of a feasibility study of targeting remuneration systems for environmental services; and secondly, by supporting sustainable forest management and resources utilization at the community level to maintain forest resources and prevent deforestation and degradation. The outcome of the project will be the strengthening of Guyana's capacity to manage forest resources and environmental services through resources assessment and monitoring changes in deforestation and degradation. This will allow for planning and management of these resources to be significantly enhanced as will management of deforestation and forest degradation. Also, capacity building exercise will see improved management of forest and environmental resources by target communities and stronger compliance with sustainable forest management practices. These immediate benefits of these will be enhanced ability at the national and community level to manage forest and environmental services in Guyana.

**Progress:**

The Project Agreement regulating the implementation of the project was duly signed on 5 April 2010. The Project Inception Report and the Detailed Work Programme have been received and approved by the ITTO Secretariat and the first disbursement of funds was transferred to the Executing Agency on 30 August 2010. Project staff and consultants have been selected by the EA and project activities have commenced in September 2010. Progress includes:

- The Remote Sensing and GIS Consultant and the Environmental Services Specialist, as approved by ITTO following GFC's request for no objection, were contracted. Initial activities have commenced under both consultancies. Under the Remote Sensing and GIS consultancy, discussions have commenced on the framework to be used for the forest resources assessment and preferred variables for both data inputs and results that the model will generate. The lead consultant is working with the Guyana Forestry Commission in examining existing forest inventory data, mapping information along with some other data, in an effort to build on existing data and capacities that currently exist within the GFC. For the Environmental Services Specialist, an initial meeting was held, at which the consultants formulated the initial list of criteria for identifying the feasibility of various environmental services in Guyana's context. This, along with international literature in this area, will form the basis of assessments to be completed as the immediate next step;
- New remote sensing images are in the process of being procured and imagery analysis of selected forest areas is being conducted on those at hand;
- Existing forest inventory data is currently being assessed to evaluate forest and environmental services and ground truthing and aerial surveys are being planned to verify the results of remote sensing and forest inventory data;
- Images for identification of areas for hotspot monitoring and to further assess compliance with legality and deforestation and degradation are also currently being selected and procured;
- Available market mechanisms, incentives programmes and remuneration systems for environmental services have begun to be assessed; and
- The requirements that are necessary to access identified markets and remuneration systems are currently being evaluated.

**Local REDDES programme for development and addressing climate change in Guatemala: Building social processes for sustainability**

Project number:	RED-PPD 006/09 Rev.2 (F)	
Project country:	Guatemala	
Budget:	Total:	US\$ 177,660
	ITTO Contribution:	US\$ 82,080
	Government of Guatemala	US\$ 95,580
Submitted by:	Government of Guatemala	
Implementing agencies:	Foundation of Integrated Development of Men and Environment, CALMECAC	
Duration:	12 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

In order to reduce deforestation and forest degradation, INAB and Calmecac are seeking to develop sustainable forest management and establish financial mechanisms derived from the management and conservation of resources and environmental services in 16 municipalities of the Departments of Huehuetenango and Quiché, while at the same time providing a climate change adaptation mechanism. Thus, this project is aimed at consolidating information and agreements with local communities on the management of natural resources, while generating quantitative and qualitative data on forest resources and environmental services potential in the area. Given the importance of the participation of local social stakeholders and the need to raise awareness on the significance of forests and climate change impacts on the implementation of a REDD project, the establishment of a local stakeholder network is also envisaged to create effective social processes geared to poverty and vulnerability reduction. This pre-project links and creates social dynamics between different sectors based on new models of participatory management of natural resources and sharing of benefits at the local level.

**Progress:**

The Pre-project Agreement regulating the implementation of the project was duly signed on 5 April 2010. The Pre-project Inception Report and the Detailed Work Programme have been received and approved by the ITTO Secretariat and the first disbursement of funds was transferred to the Executing Agency on 16 September 2010. Progress in pre-project implementation can be summarized as follows:

- Pre-project staff and consultants have been selected and hired by the EA;
- Both office and field equipment required are being procured;
- Project data has been uploaded onto the ITTO Online Monitoring System;
- Two meetings have been held with the communities on the Northern Border so as to share information regarding the forestry work carried out there over the last two years;
- Two meetings have been held with local mayors to phantom the interest of the municipalities in the management of their natural resources;
- Information exchanges have been carried out as regards the forest management activities carried out by the communities of Quiche and Huehuetenango; and
- Maps and other cartographic information are currently being compiled in the region.

**Enhancing Forest Carbon Stock to Reduce Emission from Degradation through Sustainable Forest Management (SFM) Initiatives in Indonesia**

Project number:	RED-PD 007/09 Rev.2 (F)	
Project country:	Indonesia	
Budget:	Total:	US\$ 539,616
	ITTO Contribution:	US\$ 447,071
	Government of Indonesia:	US\$ 92,545
Submitted by:	Government of Indonesia	
Implementing agencies:	Director General of Forest Production Development & Directorate of Planning Development for Forest Utilization, Ministry of Forestry of Indonesia	
Duration:	24 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

The project will promote SFM as an important option for forest based climate change mitigation to reduce emission from and by tropical forest. As a first priority it will focus on initiating multi-stakeholder processes for development of a national strategy to maintain and increase forest carbon stock through implementation of SFM. The expected outputs of the project are:(1) Information on SFM forest based carbon, C stock, CO2 sequestration, and green products; (2) Supporting infrastructure and mechanism to bring additional incentives in implementing SFM as important option in reducing emission from deforestation and forest degradation assessed; (3) Outreach activities to promote public awareness among relevant stakeholders on SFM initiatives in enhancing forest based carbon stock, sequestration, and carbon storage in green products in order to reduce GHG CO2 developed. After project completion it is expected that the strategy will be institutionalized. The successful implementation of the project will generate awareness among local people and other related stakeholders to participate in managing forestland in a sustainable way. Local government, communities and private sector will get incentives from the ongoing effort in implementing conservation and forest management in reducing emission from deforestation and degradation.

**Progress:**

The Project Agreement regulating the implementation of the project was duly signed on 28 May 2010. The first installment of funds was sent on 11 August 2010 following receipt of the project inception report and approval of the project coordinator. No objection letters have been issued for relevant ITTO-supported project staff and the first project steering committee will be convened in November 2010.

**Promoting the partnership efforts to reduce emission from deforestation and forest degradation of tropical peatland in south Sumatra through the enhancement of conservation and restoration activities**

Project number:	RED-SPD 009/09 Rev.2 (F)	
Project country:	Indonesia	
Budget:	Total:	US\$ 181,287
	ITTO Contribution:	US\$ 149,493
	Government of Indonesia:	US\$ 31,794
Submitted by:	Government of Indonesia	
Implementing agency:	Regional Research Center of South Sumatra	
Duration:	24 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary**

The project is intended to enhance sustainable management and conservation of tropical PSF to reduce emissions and to increase carbon stocking through the involvement of stakeholders and local community in the conservation and rehabilitation of degraded PSF in South Sumatra. It is part of Reduced Emission from Deforestation and forest Degradation (REDD)-Indonesia, on the context of PSF. There are two major issues addressed in the project:

- 1) resolving the conflict of interest between authorities in the management of PSF and
- 2) reducing the emission from deforestation and forest degradation through the promotion of conservation and restoration of PSF ecosystem.

Five options for strategic management intervention specific to peatland, under REDO in Indonesia (Indonesia Forum on Climate Change Alliance-IFCA, Consolidation report 2008) will also be addressed, namely (1) Regulate and restore water table, (2) Prevent peatland from fire, (3) Build coordination and consistency across government jurisdiction and sectors to control cross boundary impacts of fire by controlling its sources and spread, (4) Regulate further conversion of peatlands and revise and reinforce rules for management of existing peatlands plantation sites and (5) Implement land swaps where possible to retain high carbon value forest and peat while allocating alternative land for new plantation. The project intervention will put the priority on the third and fourth option for strategic management intervention through awareness raising, capacity building and coordination and field implementation of restoring ecosystem function in the degraded peatland through plantation. Local-indigenous species, which have been identified earlier, will be used in this restoration of ecosystem.

**Progress:**

The Project Agreement regulating the implementation of the project was duly signed in May 2010. The Implementing Agency is in the process of finalizing necessary administrative arrangements for the implementation of the project. It is expected that the project will begin its activities in September 2010.

**Sustainable forest management and utilization of ecosystem services in forests managed by the Ese'Eja native community in Infierno, Peru**

Project number:	RED-PD 018/09 Rev.1 (F)	
Project country:	Peru	
Budget:	Total:	US\$ 523,319
	ITTO Contribution:	US\$ 356,519
	Government of Peru	US\$ 166,800
Submitted by:	Government of Peru	
Implementing agencies:	Association for Investigation and Development, AIDER	
Duration:	36 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

The project is aimed at strengthening the management of forests over which the community has acquired utilization rights, so as to penetrate the emerging ecosystem services markets and thus generate additional income to allow the community to obtain resources for the adequate management of their territory and ecotourism concession. It will be implemented in the Ese'Eja native community of Infierno where a forest concession was granted by the Peruvian Government to the community for ecotourism purposes in areas located in the Madre de Dios region (Peru), within the buffer zone of the Tambopata National Reserve and the Bahuaje Sonene National Park. Community capacities will be developed for the planning and establishment of agreements approved by all community members for the use of forest resources and services, thus establishing the basis for the development of a project for the reduction of emissions from deforestation and degradation (REDD). Recognizing that well-defined utilization and marketing rights are a vital prerequisite for access to these markets, the project will facilitate the formalization of rights to trade ecosystem services and to resolve existing land tenure conflicts in the concession area. These objectives will be met with support from the Peruvian government, which will allow the community to progress towards sustainable development.

**Progress**

The Project Agreement regulating the implementation of the project was duly signed on 8 June 2010. The Project Inception Report and the Detailed Work Programme have been received and approved by the ITTO Secretariat and the first disbursement of funds was transferred to the Executing Agency on 13 September 2010. Project activities officially commenced on 15 September 2010. Progress includes:

- On September 28, 2010 the project organized an open meeting in the Ese'Eja native community at Infierno and invited all stakeholders, including local authorities, community leaders, teachers and others, to participate in the launching of the project. Within this framework, some arrangements for the implementation of the project were agreed to in a participatory manner, such as the confirmation of a community delegation in charge of the coordination with the project's technical personnel;
- The consultant hired to carry out the socio-economic evaluation of the community has initiated his study and is currently gathering and analyzing secondary information about the community, as well as holding meetings with the communal authorities and leaders so as to obtain base information to design the first participatory workshop, as programmed in the project's current Yearly Plan of Operations;
- An area has been designated at the community to function as the project's office and is currently being furnished; and
- The project's team is carrying out reconnaissance visits within the community's territory with a view towards obtaining relevant information to utilize as the basis for the elaboration of a strategy for the management of their communal forests.

**Development and demonstration on scheme of payment for environmental services (PES) derived from degraded and secondary tropical production forests in China**

Project number:	RED-SPD 020/09 Rev.1 (F)		
Project country:	People's Republic of China		
Budget:	Total:	US\$ 203,040	
	ITTO Contribution:	US\$ 149,040	
	Government of China:	US\$ 54,000	
Submitted by:	Government of the People's Republic of China		
Implementing agencies:	Institute of Forest Resource Information Technique, Chinese Academy of Forestry (CAF)		
Duration:	24 months		
Financed at:	REDDDES Autumn Cycle 2009		

**Summary:**

The project attempts to reduce deforestation and forest degradation, enhance environmental services and help improve forest dependent livelihoods in the tropics of China. The Lingshui Li Autonomous County of the Hainan Province has been selected as project area and one typical forest-dependent community (village) will be chosen in the demonstration area. The project will develop an assessment report on environmental services derived from degraded and secondary tropical production forests in the selected area. A scheme of PES derived from degraded and secondary tropical production forests in demonstration areas based on community and other stakeholders' participation will be discussed, consulted, optimized, identified and implemented. Policy suggestions on the scheme of PES will be developed and submitted to local governments.

**Progress:**

The Project Agreement regulating the implementation of the project was duly signed in March 2010. The first installment of project funds was transferred from ITTO to the Executing Agency in May 2010 after the receipt of the first Yearly Plan of Operation (YPO).

A review of relevant literature and cases on PES derived from production and protection forests has been conducted. In addition, Chinese schemes of Forest Ecological Benefit Compensation Funds in non-commercial forests operated by the central and local governments have been reviewed. Dagan village in the town of Qunying, Lingshui Li autonomous county, South China has been chosen as the demonstration site. The collection of baseline information and data for socioeconomic and environmental aspects of the demonstration area is underway.



**Technical Support for the National Forest Inventory Development in the Democratic Republic of Congo for the Evaluation of the Carbon Stock Changes in Forest Lands**

Project number:	RED-A 023/09 Rev.1 (F)	
Project country:	Democratic Republic of Congo	
Budget:	Total:	US\$ 510,220
	ITTO Contribution:	US\$ 476,820
	Government of D.R. Congo:	US\$ 33,400
Submitted by:	Government of D.R. Congo	
Implementing agency:	Directorate of Forest Inventory and Planning (DIAF)	
Duration:	12 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

The project will operate as support to the UN-REDD Programme in the DRC and complement the work of FAO in this exercise by ensuring that technical and logistical capacity exists in the DRC to carry out this activity. The objective of this Activity is to lay the strong foundations required for supporting a carbon inventory on national forest land in the DRC by providing national institutions:

- Qualified personnel to undertake field measurements and manage the information generated;
- Office equipment (e.g., laboratory with computers and printers) and field operations equipment.

The main beneficiaries of the activity are the DRC government and more specifically the Directorate of Forest Inventory and Planning (DIAF) and the Directorate for Sustainable Development (DDD) working within the Ministry of Environment, Tourism and Nature Conservation (MECNT) and the University of Kisangani (UNIKIS). Eventually the three institutions will have developed a productive working relationship. DIAF will have trained personnel to do field measurements and DDD will be staffed by trained personnel to manage the information generated through its Environmental Services Division and Carbon Stocks Management Bureau. UNIKIS will have developed expertise in training personnel for the measurement of ground-level carbon

**Progress:**

The Project Agreement regulating the Activity implementation was duly signed on 19 March 2010. The project inception report (required for the release of the first installment of project funds) and related first Yearly Plan of Operation were submitted on 28 April 2010 and approved. The activity began implementation with the disbursement of the first installment of TP funds on 13 May 2010

A preparatory workshop was held from 08 - 12 July 2010, in Kinshasa (D. R. Congo), for representatives from relevant institutions involved in the Activity implementation including ITTO, FAO (UN-REDD), Forest Carbon partnership Fund (FCPF), Direction des Inventaires et Aménagements Forestiers (DIAF) for the Ministry in charge of forests in DR Congo, University of Kinshasa (UNIKIN), University of Kisangani (UNIKIS), WCS and WWF. The preparatory workshop aimed at the following issues: development of a roadmap document for the training courses and practices, procedures for identification and selection of the key personnel of involved institutions to be trained on MRV techniques, and logistics, technical and financial aspects regarding the MRV training sessions in relation to forest carbon stock inventory and greenhouse gas emissions inventory.

The first monitoring mission (Activity Steering Committee meeting and field visit) is scheduled for November 2010.

**Reducing Emissions from Deforestation and forest Degradation through Collaborative Management with Local Communities (Ghana)**

Project number:	RED-PD 026/09 Rev.1 (F)	
Project country:	Ghana	
Budget:	Total:	US\$ 760,408
	ITTO Contribution:	US\$ 658,716
	Government of Ghana	US\$ 101,692
Submitted by:	Government of Ghana	
Implementing agencies:	Forestry Research Institute of Ghana (FORIG)	
Duration:	48 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

The project aims to contribute to sustainable management and conservation of Ankasa Conservation area to improve the provision of environmental services and reduce greenhouse gas (GHG) emissions. The Ankasa Conservation area incorporates the Nini-Suhien National Park and the Ankasa Resource Reserve and is considered as the most biologically diverse forest ecosystem in Ghana. The project specifically intends to develop and implement participatory, good governance and management system for the Ankasa conservation area, determine the financial value of the environmental services as well as methods for measurement, assessment reporting and verification (MARV) for forest carbon. The project will be participatory and thus will build on a high level community involvement and capacity building.

**Progress:**

The Project Agreement regulating the implementation of the project was duly signed on 05 March 2010. An Inception Report and related first Yearly Plan of Operation were submitted on 15 April 2010 and approved. The activity began implementation with the disbursement of the first installment of TP funds on 20 April 2010.

The inception workshop was held on 10 -12 May 2010, in Kumasi (Ghana), for sixty (60) representatives of the following nine (9) communities involved in the project implementation: Amokwaw, Fia, Ghana-Nungua-Cocoatown, Tweakor Navrongo, Aiyinasi-Ayawora, Ohiamadwen-Fiasoro, Asomasi, Naptoma and New Adiembra of the Ankasa Conservation area. The workshop report was submitted through the on-line monitoring system.

The Executing Agency has started the strategic analysis of the drivers of forest degradation and deforestation at identified sites, through a participatory process. The aim is to establish baseline data on forest cover changes in the Ankasa Conservation Area, as a demonstration area on SFM for REDD with an effective participation of identified local communities.

**Monitoring deforestation, logging and land use change in the Pan Amazonian Forest – PANAMAZON II**

Project number:	RED-PD 029/09 Rev.1 (F)	
Project country:	PanAmazonian	
Budget:	Total:	US\$ 6,262,784
	ITTO Contribution:	US\$ 1,124,784
	ACTO Contribution:	US\$ 1,389,600
	ACTO Member Countries:	US\$ 3,748,400
Submitted by:	Government of Brazil	
Implementing agencies:	Amazon Cooperation Treaty Agency (ACTO)	
Duration:	48 months	
Financed at:	REDDDES Autumn Cycle 2009	

**Summary:**

The project will address constraints that are limiting the use of the Indicator of the Forest Cover by implementing national monitoring systems as a key element so as to increase the governance in the Amazon. In order to facilitate countries interaction and integrated action in boundary zones the project will strengthen the dialogue and coordination platforms linked to the Amazon Cooperation Treaty Organization (ACTO). The project is divided in three components:

- (i) Coordination of participatory processes for the development of Forest Cover National Monitoring Systems;
- (ii) Implementation of Forest Cover National Monitoring Systems; and
- (iii) Strengthening of the existing platforms for regional dialogue and coordination on forest management, with focus on forest cover monitoring with the possibility to include other criteria and indicators for sustainable forest management.

The systems will make use of the technology platform developed by the Government of Brazil and the methodology already adopted in this country will be considered for the implementation of the National Systems. Furthermore, the project will contribute to the improvement of knowledge in the sector, to share new technologies, to prioritize lines of action for the regional cooperation and to share experiences on the enforcement of forest laws.

**Progress:**

The Project Agreement regulating the implementation of the project was duly signed on 27 July 2010. The Implementing Agency is in the process of preparing the necessary documentation for the project implementation. A technical meeting involving the national coordinators from all participating countries, ABC, ACTO, GTZ, INPE and ITTO will be held at the new INPE facilities in Belem, Brazil on 9-10 Nov. 2010.

In terms of counterpart contributions, a commitment letter has been received from the German GTZ indicating a contribution of 'up to US\$ 1.0 million' provided by GTZ on behalf of the Governments of Germany and the Netherlands. The funds will be administered through ACTO in coordination with GTZ.

Communications have been initiated between the Implementing Agency (ACTO), JICA (Japanese International Cooperation Agency) and INPE (Brazilian National Institute for Space Research), concerning INPE implemented training and capacity building training courses on forest monitoring in cooperation with JICA and under the recently signed MOU between INPE and FAO with the intention to coordinate all initiatives and ensure the most efficient use of the financial resources.

## CFME

### Strengthening capacity of stakeholders for the development of community-based plantation forest at 3 selected areas in Indonesia

Project number:	CFM-PD 001/10 Rev.1 (F)	
Project country:	Indonesia	
Budget:	Total:	US\$ 553,711
	ITTO Contribution:	US\$ 465,151
	Government of Indonesia:	US\$ 88,560
Submitted by:	Government of Indonesia	
Implementing agencies:	Directorate of Plantation Forest Development, Directorate General of Production Forest Development	
Duration:	24 months	
Financed at:	CFME Spring Cycle 2010	

#### Summary:

The government of Indonesia has initiated new policies and legislation allowing local communities to be actively involved in forest management especially in the state production forest. Community-based plantation forest (HTR) is offered as a priority program in Indonesia to achieve SFM mission. HTR was launched in 2007. Constraints to the development of HTR include limited managerial and technical capacity. The project will improve the knowledge and skills of CBPF owners in managing their forest. It will enhance the capacity of communities to plan, utilize, monitor and manage their forest resources, which is critical to reduce illegal logging and associated trade. Expected outputs of the project include: 1) Improved capacity of community group in developing community based production forest (CBPF) management plan and in forest cultivation; 2) Increased number of facilitators and technical persons in the field of forestry at the district level, provincial and central to guide the community in managing their plantation forest; 3) Improved market access for forest products from CBPF and other plantation business.

#### Progress:

Under implementation (approved under Spring Cycle 2010 in September 2010)

**Increasing access to markets and capital for teak plantation smallholders in Thailand**

Project number:	CFM-PD 005/10 Rev.1 (M)	
Project country:	Thailand	
Budget:	Total:	US\$ 53,904
	ITTO Contribution:	US\$ 31,104
	Government of Thailand:	US\$ 22,800
Submitted by:	Government of Thailand	
Implementing agencies:	Forest Resource Management Office 3 (Lampang), Royal Forest Department of Thailand	
Duration:	6 months	
Financed at:	CFME Spring Cycle 2010	

**Summary:**

Smallholder tree plantations are contributing significantly to income generation in rural households. Many countries have developed conclusive policies and regulations to establish such plantations, involving in many cases various forms of government subsidy schemes. However, there are still considerable barriers in government legislation to create a supportive environment for enabling smallholder's easy access to markets. The main objective of this pre-project is development of a full proposal to improve both the quality and quantity of the supply base for high value timber plantations, at the same time increasing income and contributing to poverty reduction through smallholder forestry in rural areas of Thailand.

**Progress:**

Under implementation (approved under Spring Cycle 2010 in September 2010)

**Enabling customary landowners to participate effectively in CFM and REDD schemes within four pilot areas of PNG**

Project number:	CFM-PPD 006/10 Rev.1 (F)	
Project country:	PNG	
Budget:	Total:	US\$ 156,040
	ITTO Contribution:	US\$ 122,040
	Government of PNG:	US\$ 34,000
Submitted by:	Government of PNG	
Implementing agencies:	PNG Forest Authority	
Duration:	9 months	
Financed at:	CFME Spring Cycle 2010	

Summary:

The Pre-Project Proposal is a direct outcome of the “PNG Forestry and Climate Change Policy Framework for Action”, highlighting the need for engaging customary landowners at the local level and enhancing the capacity of government institutions at the national level. Forest communities in the four pilot areas are dependent upon forest products and services for subsistence and commercial purposes. The Pre-Project will enable the PNG Forest Authority to formulate a Full-Project Proposal to support CFM and REDD schemes in PNG through the establishment of a model platform for collecting and managing data and other information related to customary land ownership and forest quality. The Pre-Project will enable participating communities, the PNG Forest Authority and other stakeholders to systematically gather and consolidate forest and land tenure information using a single platform to jointly address the interrelated challenges of CFM and REDD.

Progress:

Under implementation (approved under Spring Cycle 2010 in September 2010)

**Enrichment of young forest plantations with selected NTFPs for livelihood improvement and support of forest fringe communities in Atwima Mponua District of Ghana, in order to secure and protect the resources on a sustainable forest management basis**

Project number:	CFM-SPD 007/10 Rev.1 (F)	
Project country:	Ghana	
Budget:	Total:	US\$ 290,079
	ITTO Contribution:	US\$ 149,229
	Government of Ghana:	US\$ 140,850
Submitted by:	Government of Ghana	
Implementing agencies:	Rural Development and Youth Association (RUDEYA)	
Duration:	24 months	
Financed at:	CFME Spring Cycle 2010	

Summary:

The development goal of the small project is to establish sustainable Community Forest Management and Enterprises (CFME) to reduce rural poverty through improved livelihood options, reduced land degradation, and soil fertility management in young reforestation area in the Atwima Mponua District of Ghana. The project will use a participatory approach to initiate and establish pilot forest enterprises for short to long-term management of young forest plantations for 150 farmers using beekeeping, grains of paradise and black pepper. It is envisaged that at the end of the project business management groups are established and the 150 forest dwellers will have between the parties agreed legal rights to the land and forest resource they are managing. This will help improve community participation in sustainable forest management, enhance livelihoods, promote community based forest enterprises and reduce poverty among Taungya farmers and forest communities.

Progress:

Under implementation (approved under Spring Cycle 2010 in September 2010)

**International Conference on Forest Tenure, Governance and Small and Medium Forest Enterprises with Focus in the Asia Pacific**

Project number:	CFM-PA-009/10 Rev.2 (F)		
Project country:	Asia Pacific		
Budget:	Total:	US\$ 200,000	
	ITTO Contribution:	US\$ 200,000	
Submitted by:	ITTO Secretariat		
Implementing agencies:	ITTO Secretariat		
Duration:	12 months		
Financed at:	CFME Spring Cycle 2010		

**Summary:**

The Activity focuses on Activities 32 and 47 of the ITTO Biennial Work Programme 2010-2011; approved by the 45<sup>th</sup> Session of the ITTC (Decision 2/XLV), requiring ITTO to organize an International Conference on Forest Tenure, Governance and Small and Medium Forest Enterprises with focus in the Asia-Pacific; as well as to develop a global study on gender in relation to tropical forests, to assess the status of gender equity in forest ownership and forest enterprises in the tropics. The Conference will complete a series of similar conferences organized by ITTO and partners with previous focus in Latin America (Brazil, 2007) and Africa (Cameroon, 2009).

**Progress:**

Under implementation (approved under Spring Cycle 2010 in September 2010)



## TMT

**Improving resilience of the tropical timber sector to the impacts of global and regional economic and financial crises**

Project number:	TMT-SPD 002/10 Rev.1 (M)	
Project country:	Global	
Budget:	Total:	US\$ 150,000
	ITTO Contribution:	US\$ 150,000
Submitted by:	ITTO Secretariat	
Implementing agencies:	ITTO Secretariat	
Duration:	12 months	
Financed at:	CFME Spring Cycle 2010	

## Summary:

The proposal is a response towards the lack of resilience of the tropical forestry sector to the impacts of the recent global financial and economic crisis. It will particularly address the concern of ITTO producer member countries that detailed analyses of the impacts of the crisis and policy responses were required to enable them to be better prepared for future economic and financial downturns. In addition, the study will address the concern of ITTO consumer member countries that the analyses will improve the understanding of the underlying factors impacting demand for tropical wood products in consumer markets. The proposal focuses on increasing the resilience of the tropical timber sector to the threats arising from global economic and financial shocks by increasing the capacity of ITTO producer member countries to manage, adapt, recover from and anticipate such crises. The study will develop a knowledge base for informed decision-making at international, regional and national levels on strategies for minimising the risks to the tropical timber sector from global economic and financial shocks.

## Progress:

Under implementation (approved under Spring Cycle 2010 in September 2010)

## Annex 2: Monitoring Protocols of operational Thematic Programmes

### TFLET MONITORING PROTOCOL

#### TFLET General objective

The general objective of the Thematic Programme is to improve national forest law enforcement and governance in tropical ITTO member countries in order to

- enhance and diversify international trade in tropical timber from sustainably managed forests, and
- help alleviate poverty in those countries.

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
a) Strengthen forest law compliance and governance through improved national policy and legal frameworks, strengthened enforcement and other institutions, improved data and knowledge, strengthened partnerships and improved cooperation among the private sector, civil society organizations and other stakeholders	Improved access to forest resources by forest communities and other forest-dependent people	Laws and legal instruments on tenure and user rights established, reviewed or improved	5 countries	Improved laws and regulations published in the national gazette (where applicable)
	Multi-stakeholder platforms for policy dialogue on forest governance	Establishment and operation of multi-stakeholder consultation mechanism		Evidence on establishment of committees Reports of Multi-stakeholder committees
	National action plans for strengthening forest governance and law compliance	National Action Plan formulated and under implementation		Evidence on approval of National Action Plans Periodic reports on implementation of National Action Plans
	Improved data and knowledge on illegal logging and trade	Establishment and strengthening of law enforcement units		Number of personnel trained in forest law enforcement; Evidence on establishment of LEU Law Enforcement Units operational
		National studies on timber flows carried out		Reports on studies; Database(s) on interventions on forest crime, illegal logging and trade
	Improved verification and monitoring procedures for legal compliance	Reconciliation Mechanism for resolving trade flow discrepancies		Reconciliation mechanism established and related reports
	Assessment of appropriate technologies for chain of custody, tracking and tracing	Cost-effective and non-paper based timber tracking systems developed and implemented	Report on the implementation of the systems, certification of verification of legality, chain of custody certification reports	
	Compendium on tracking and tracing technologies prepared	Compendium	Compendium of tracking and tracing technologies and evidence on dissemination	

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
b) Improve transparency and effective management of supply chains and increased domestic and international trade in legally produced tropical timber	Ensured market access for competitive tropical timber products from legal/sustainable sources	Increased volumes of traded tropical timber and timber products from legal and sustainable sources	TBD	Number of Certificates of COC, legality, etc.
	Appropriate public procurement policies related to timber	Development of Procurement policies in ITTO producing countries	5 countries	Number of countries with public procurement policies and legislation formulated and/or implemented
	Increased opportunities in the public sector markets for legally produced tropical timber and timber products	Public timber procurement policies and legislation formulated and/or under implementation		Dissemination of public timber procurement policies in producer countries Increased trade volumes of tropical timber and timber products
	Functioning partnerships established among civil society organizations, the private sector and government agencies in monitoring of timber flows and legal compliance and origin of tropical timber supplies	Civil society / private sector / governmental agency partnerships established	5 partnerships	Progress/Completion Reports; MOUs of partnerships
	Capacity building activities undertaken among civil society organizations	Training Courses on forest law compliance implemented		Number of Training modules; Reports on training programmes; Participants evaluation reports
	Approved codes of conduct of trade associations and demonstration of commitments to their implementation	Codes of conduct from the private sector)	5 Codes of Conduct	Reports on the implementation of Codes of Conduct adopted

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
c) Improve capacity of community and small and medium-sized enterprises to implement and demonstrate that timber produced and traded comes from legal sources contributing to sustainable livelihoods	Increased production of tropical timber from legal and sustainable sources (from community forests)	Value and volume of timber produced and traded by forest dependant and local communities	5 communities	Production and Trading records from the communities Certification of community based SFM
	Capacity building activities undertaken in communities	Relevant training modules developed and disseminated in forest communities	5 communities	Training modules, reports on training
	Increased production of tropical timber from legal and sustainable sources by SMEs	Value and volume of timber traded by SMEs	5 SMEs	Production and Trading records from the SMEs
	Capacity building activities undertaken for SMEs	Relevant training modules developed and disseminated to SMEs	5 SMEs	Training modules, reports on training
	Increased number of SMEs operating in the formal sector	Increased number of registered SMEs	Percentage increase	Database on registered SMEs
d) Improve international cooperation in forest law enforcement and governance among ITTO member countries and other related international initiatives	International policy development activities undertaken	Increase in the number of ITTO member countries participating in international and regional initiatives to improve forest law enforcement and governance	TBD	Reports of the international and regional initiatives
		Increase of ITTO member countries in trans-boundary timber control processes		Number of bilateral initiatives on forest law enforcement
	Regional and international cooperation initiatives implemented	Increased number of ITTO member countries engaged in regional and international cooperation initiatives	All ITTO member countries	Number of initiatives to facilitate country engagement in regional and international cooperation initiatives such as VPA/FLEGT etc
	Information sharing and knowledge management activities undertaken	FAO/ITTO best practices on forest law compliance policy briefs disseminated		Distribution list of FAO/ITTO best practices on forest law compliance policy briefs
	Information on timber procurement and due diligence requirements disseminated		Due Diligence Report and reports on dissemination mechanism	

**REDDES MONITORING PROTOCOL**

**REDDES General objective**

Reduce deforestation and forest degradation, enhance environmental services and help improve forest dependant livelihoods through sustainable management of tropical forests, forest restoration and other related activities.

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
<p>The <u>specific objective</u> of the Programme is to strengthen the capacity of ITTO developing member countries and their stakeholders to:</p> <p>a) Reduce unplanned deforestation</p> <p>b) Reduce forest degradation</p> <p>c) Maintain and enhance climate change mitigation and other environmental services of tropical forests</p> <p>d) Contribute to the social and economic sustainability and well-being of forest-dependent communities by increasing forest values through forest restoration and rehabilitation, as well as payments for forest-based environmental services</p> <p>e) Enhance adaptation and resilience of tropical forests to negative effects of climate change and</p>	<p>Avoided deforestation, restoration or conservation initiatives established to combat deforestation and degradation;</p>	<p><u>Increased area under SFM, restoration or conservation</u></p> <p><u>Number of initiatives on avoided deforestation:</u> Delineated land and forest tenure and user rights Monitor forest cover and landuse change Establishment of permanent forest estate</p> <p><u>Number of initiatives addressing restoration:</u> Forest landscape restoration Demonstration projects on restoration</p> <p><u>Number of initiatives on conservation</u> Trans-boundary Conservation Area (TBCA) Buffer zone management</p>	<p>6 countries (2 per region)</p>	<p>Projects funded</p> <p>Reports on initiatives</p>
	<p>Integration of climate change mitigation/adaptation and other environmental services in the ITTO guidelines on C&amp;I, SFM, certification, valuation, as appropriate to manage forest area sustainably</p>	<p>Revised/updated versions of ITTO guidelines and other relevant policy documents incorporating new approaches on climate change and environmental services</p>	<p>2 guidelines/policy documents reviewed/updated</p>	<p>New/updated versions of ITTO guidelines</p>
	<p>Income generation based on forest related environmental services and other forest outputs by local communities</p>	<p>Increased income resulting from forest-related environmental services and other forest products by local communities of participating countries</p> <p>Increase of women participation in the community forest-related environmental services of participating countries</p>	<p>10% increase from the baseline information in income in at least 30 communities</p> <p>Increase of women participation in at least 30 communities of participating</p>	<p>Reports on the demographic and socio-economic situation in the area of influence of the projects supported by the Thematic Programme</p>

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
human-induced impacts			countries	
	Increased recognition of the values of tropical forests and their environmental services	Increased public awareness	2 countries	Number of awareness campaigns at community/country level
		Existence of appropriate methodology to value Environmental Services and ability to apply	1 country	Report on appropriate valuation and methodology available
		Increased forest value and market opportunities for forest products and services	2 countries	National accounting reports
		Incorporation of the value of forest environmental services in national accounting	2 countries	Report on study on actual payments for environmental services
	Quantification of carbon stocks performed using reliable monitoring and assessment technologies and/or valuation techniques	National forest carbon assessment and monitoring systems	2 national forest carbon inventories supported by the programme	National forest carbon inventory reports National forest monitoring systems
	Value of biodiversity assessed and surveys conducted on land with potential for biodiversity PES schemes	National/regional studies conducted on assessment of value of biodiversity on land with potential for biodiversity PES schemes.	3 studies	Report of the national/regional studies
	Assessments are made in an attempt to 'bundle' environmental services, to maximize forest related revenues	Assessment of National forest finance strategies	1 country	Assessment reports
	Community initiatives taken to identify opportunities to increase productive capacity of forests, including by implementing SFM schemes	Increased area of community forest protected against fire, pest and disease	30 communities	Fire, pests and disease incident reports
		Improved silvicultural systems in community forests	3 countries	Project reports
Capacity building initiatives undertaken to implement policy reforms and/or clarify land/forest tenure arrangement	National policy reforms and clear forest and land tenure arrangements in place, integrating climate change mitigation/adaptation and other environmental services	3 countries	Evidence on policy and legislative reforms processes on forest and land tenure in at least three countries covered by the programme	
Information sharing and knowledge management systems operational	Learning network on forest landscape restoration focusing on benefits of environmental services	Establishment of one global network supported	Website and links to the network; information made available	

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
		Information on REDDES results available on ITTO website	Regularly updated website	
	PES incentive mechanisms assessed and established	PES incentive mechanisms developed or undergoing implementation	3 countries	Evidence on PES mechanisms developed or undergoing implementation
		Studies on the assessment of willingness to pay for environmental services	3 studies	Reports
	Countries with improved capacity to implement SFM, forest restoration and rehabilitation.	Forestry stakeholders trained in the implementation of restoration and rehabilitation activities, PES schemes and the implementation of policy reforms and/or land/forest tenure arrangements	300 forestry stakeholders in 3 countries (100 each)	Training Reports
		National criteria and indicators for SFM, forest restoration and rehabilitation developed	3 countries (one per region)	National C& I reports
	Demonstration areas established	Demonstration projects on community involvement in avoided deforestation and degradation, development of environmental services, SFM, restoration and rehabilitation of secondary and degraded forest areas.	3 demonstration projects	Project reports. Visit reports of demonstration projects.
	Operational practices for community involvement in development of environmental services	Communities trained and assisted in development and implementation of PES mechanisms	Communities in 3 countries trained	Report of the training workshops
		Communities directly involved in PES mechanisms developed and /or undergoing implementation with the support of the programme	Communities in 3 countries involved in PES mechanism	Activity Report
	Stakeholder consultations/dialogues undertaken for awareness raising and to encourage cooperation among interested parties	Participatory systematization of lessons learned	30 communities	Report of the multi-stakeholder partnerships
		(Sub-) National working groups	3 countries	
		Forest dependent communities sensitized on adaptation options to climate change.	3 countries	Workshop and training Reports

Specific Objective	Outputs	Output Indicator	Target Value	Means of Verification
	Information sharing mechanisms in place	<p>Issues of the TFU and number of hits on the ITTO website for the information sharing and knowledge management systems</p> <p>International seminar on REDDES to share experiences and lessons learned</p>	<p>3 issues of TFU (one per year) and more than 5,000 hits on the ITTO web page for REDDES information sharing</p> <p>1 international seminar</p>	<p>Report of the establishment of network and the operation of the website including usage matrix</p> <p>Proceedings of the international seminar on REDDES and PES.</p>



## CFME MONITORING PROTOCOL

### CFME General objective

The general objective of the Thematic Programme is to contribute to poverty reduction in tropical forest areas by:

- (i) strengthening the ability of forest communities and smallholders to sustainably manage their tropical forest resources; and
- (ii) assisting CFEs to add value to and market the products and services obtained from these resources.

Specific objective	Outputs	Output indicators	Target value	Means of verification
Strengthen community level capacity in SFM and adding value to the forest resource.	Improved operational practices for community forest management and enterprises Trained human resources in implementation of community forestry in the programme impact area	Number of communities involved in SFM implementation Training materials on community based SFM produced and activities implemented Community leaders and members trained and assisted in development and implementation of SFM	At least 9 communities in at least 3 countries (3/country)	Community internal records Training packages Training event reports
	Increased area of community lands under SFM; including both natural forests, and plantations for fuelwood, agroforestry and other purposes, as well as restored and rehabilitated forests.	Sustainably managed pilot and demonstration areas on SFM established in community forests	At least 3 areas established (at least 1/region)	FMPs, monitoring reports
	Enhanced conservation of biodiversity, soil, water, carbon storage and other natural resources in community forests	Sustainably managed pilot and demonstration areas on Environmental Services established in community forests	At least 3 areas established (at least 1/region)	FMPs, monitoring reports
	Improved consensus building, management systems and practices in community organizations	Training materials for awareness raising and improved management systems and practices of community organizations produced and training activities implemented	Training packages, Workshops, training courses in at least 3 countries	Training packages Workshop and course reports
	Associations, networking and alliances established and strengthened among forest communities, indigenous peoples and smallholders, and their enterprises	Associations, networks and/or alliances established and functional	Associations, networks and/or alliances in at least 3 countries	Reports of associations, networks and/or alliances MoUs
	Local communities empowered to advance sustainable forest management and forest based enterprises in their areas of influence	Pilot communities empowered at local level	At least 9 communities in at least 3 countries (3/country)	Community level records

Specific objective	Outputs	Output indicators	Target value	Means of verification
	Improved knowledge on technology and financing possibilities among forest communities, indigenous peoples, smallholders and service providers	Improved information availability on financing sources, and appropriate technologies among CFEs	promotional material at community level in at least 9 communities	Documentation produced Dissemination records
	Improved knowledge among the financial community and technology providers on the opportunities and needs of CFEs	Facilitate communications between financial community/technology providers and CFEs Promotional material produced	Information on the opportunities and needs of CFEs to at least 3 financial institutions/technology providers	Records on loans and service agreements extended to communities
	Improved mechanisms for financing and technology transfer for CFEs identified and piloted	Analytical studies on the design of financing mechanisms and technological improvements as well as dissemination activities Pilot projects implemented	3 studies 3 pilot projects	Study reports Project progress reports
	Improved technical and business management capability among CFEs	Technical and business management training activities on value added production Pilot and demonstration initiatives implemented in CFE development	3 training activities 3 pilot CFEs and/or business plans	Training Course reports Project progress reports Business Plan documents
	Improved marketing arrangements and facilitated access to markets by CFEs	Improved market information on the domestic and export markets for CFEs Pilot and demonstration initiatives implemented in marketing Increased production and exports by CFEs	3 market survey reports At least 3 pilot initiatives	Market studies and reports Project progress reports
	Expanded sales by CFEs	Commercial partnerships established between CFEs and private or public enterprises/investors Increased revenues of CFEs	Increased revenues in at least 3 CFEs	CFE records
	Improved family employment and income among communities directly involved in community forestry and enterprises	Increased employment opportunities and increased income	Employment and income increased in at least 9 CFEs	CFE records on labour force and payroll
Strengthen country capacity and enabling conditions for community forest management	Participatory processes established for promoting community forestry	Stakeholder consultations/dialogues undertaken for awareness raising and policy development for community forest management and enterprises Improved information on the status and	At least 3 countries	Reports on meetings and workshops, Survey reports on CFEs

Specific objective	Outputs	Output indicators	Target value	Means of verification
and enterprises		potential of community forest management and enterprises at sub-national and national levels		
	Strengthening of land tenure and resource rights of forest communities, indigenous peoples and smallholders	Analytical studies on constraints in land tenure and resource rights	At least 1 study	Study report
	Policy, legal and institutional reforms designed and initiated to promote community forest management and enterprises	Local communities tenure and access to forest resources clarified and facilitated Awareness raising events and dissemination Policy, institutional and legislative reforms initiated Policy revision plans produced	3 countries	Study reports Event reports Revision plans Reports on the progress of policy revision
	Integration of development of community forestry and enterprises in national forest programmes and similar planning frameworks	NFPs incorporating and promoting community-based forest management and enterprises	3 countries	NFP documentation
Strengthen knowledge management at all levels	Information sharing and knowledge management systems operational	Compilation, assessment, analysis and dissemination of lessons learned at local, national, regional and international levels. Events for sharing experience at local/national/regional and international levels ITTO web portal developed	Manuals and guidelines Synthesis reports on lessons Web portal	Manual and guideline documents Dissemination records Reports on lessons Records on web portal users
	Improved availability of traditional knowledge on community forest management	Compilation of traditional knowledge on community forest management	Compilation in at least 3 communities	Compendium reports

## TMT MONITORING PROTOCOL

### TMT General objective

The general objective of the Thematic Programme is to :

- (iii) Promote the trade of tropical timber products and NTFPs by increasing the capacity of producer member countries in market intelligence and marketing skills, and
- (iv) Improve market transparency through improved data and knowledge

Specific Objectives	Outputs	Output Indicators	Target Value	Means of verification
Strengthen information systems on markets and the forest sector	Countries with improved information systems on markets and forest sector	Information Systems on markets and forest sector improved	At least 3 countries with improved systems	Project progress reports Descriptions of information systems
	National strategies to strengthen information systems	National strategies to strengthen information systems developed or quality improved	At least 3 countries with national strategies	National strategy/plan documents
	Improved quality of data and analysis	Improved statistical information and analyses on trade and markets in producing countries	At least 3 countries with improved statistics and analyses	Statistical and analytical reports
	Trained decision-makers, staff and specialists	Training courses, workshops and other capacity building initiatives undertaken  Decision makers trained in development and use of information systems	At least 3 countries with trained decision makers, staff and specialists	Training packages Workshop/meeting/training reports
	Private sector organizations with improved systems and skills	Training and information-sharing working groups established and operational Number of organizations with improved system	Organizations with improved systems in at least 3 countries	Working group reports; System descriptions
	Networks between producers and users of information	Specialized networks on sector/market information established and operational	At least 3 countries with networks	Networks and reports
Fill gaps in the market transparency of tropical timber and timber products.	Identified gaps/weaknesses in existing trade statistics	Review and analyses of existing trade statistics	Review and analytical studies in at least 3 countries	Review and analytical reports
	Improved trade statistics	Improved Forest Sector Joint Questionnaire for data Collection Improved responses to JQ	Improved JQ  All member countries	JQ document  Timely, complete and accurate submission of JQ
	Appropriate HS codes for tropical timber and timber products	Improved trade codes and conversion factors	Proposals for HS code improvement	Proposal documentation Meeting reports

Specific Objectives	Outputs	Output Indicators	Target Value	Means of verification
	Specific information on production and use of tropical timber, demand and supply outlook, bioenergy, emerging markets	Updated information	At least 3 reports	Study reports
	Strengthened capacities to utilize market information for marketing strategies and improvement of policy, legal and institutional frameworks	Improved capacity of traders and policy makers to utilize market information	At least 3 countries	Workshop/seminar/conference reports Improved marketing strategies/policies/institutional frameworks
	Improved information on intra-regional trade	Updated information	At least one study	Study report (Asia, Africa and Latin America)
	Market information on Lesser Used Species (LUS) and new materials	Survey and study reports on markets for LUS and new materials	At least one study	Study reports
	Information on market outlook for individual plantation species	Survey and study reports on market trends for tropical timber plantation species	At least one study	Study reports
	Improved information on the structure of the value chain of tropical timber and timber products	Surveys and study reports on development of the value chain of tropical timber and timber products	At least one study	Study reports
Enhanced market access and trade promotion of tropical timber	Periodic systematic information on factors affecting markets (tariffs, non-tariff barriers, etc.)	Reports on trends and factors affecting tropical timber markets	At least one study	Study reports
	Monitoring and analysis of emerging market requirements for tropical timber and timber products	Reports on emerging market requirements of tropical timber and timber products trade and trends	At least one study	Study reports
	Periodic systematic information and research on the life cycle impacts of tropical timber vs. substitutes	Monitoring, research reports and awareness raising activities on life-cycle impacts of tropical timber vs. substitutes	At least one study	Study report
	Marketing strategies in pilot enterprises	Model companies with marketing strategies	At least 3 enterprises (1/region)	Project progress reports

Specific Objectives	Outputs	Output Indicators	Target Value	Means of verification
	Trained staff and specialists in market intelligence and marketing skills	Training course on market intelligence and marketing skills	At least one training course	Training course reports
	Policies and legal frameworks facilitating tropical timber trade in exporting countries	Improved policy and legal frameworks related to timber trade in exporting countries and dissemination activities	At least one exporting country	Approved policy documents, proposals for adjustment of legislation and regulations,
	Trade promotion strategies and action plans	Strategies and action plans formulated and under implementation	At least one country	Strategy/plan documents
	Improved access by buyers, users and producers on information on tropical timber species characteristics and uses	Web portal on timber species, trade and market information	1 web portal operational	Web portal and its species coverage Visitor records
	Promotional materials on SFM and tropical timber for generic marketing	Promotional documentation produced	1 promotional material package	Documentation/ITTO website Dissemination records
	Market promotion activities for tropical timber	Trade promotion activities implemented Advocacy and market promotion activities for legally and sustainably produced timber and timber products	1 campaign	Records on campaign
	Effective networking among trading partners	Information sharing networks operational	At least one network	ITTO website Network reports and surveys

**ANNEX 3 - Meeting Reports TPAC CFME (1-2 March 2010) and TMT (4-5 March 2010)**

**MEETING REPORT**

**ITTO THEMATIC PROGRAMME ADVISORY COMMITTEE (TPAC)  
COMMUNITY FOREST MANAGEMENT AND ENTERPRISES (CFME)**

**Yokohama, 1-2 March 2010**

**Introduction**

1. At its Forty-fourth Session held in November 2008, in Yokohama, Japan, the Council adopted Decision 9(XLIV) and 10(XLIV) on “Thematic Programmes on Pilot Basis: Operational Procedures and Guidelines” and “Thematic Programme Profiles” respectively (Annexes I and II).
2. The Executive Director, pursuant to Decision 9(XLIV), invited Member Countries to nominate Members for the Thematic Programme Advisory Committee (TPAC), to assist him with the implementation of the thematic programme, viz., to (i) select activities/pre-projects/projects for financing under the Thematic Programme; (ii) monitor and evaluate progress in implementing the Thematic Programme; and (iii) identify potential additional sources of voluntary financial contributions to the Thematic Programme.
3. Subsequently, members for the TPAC for CFME were selected. As a general rule, each Thematic Programme Advisory Committee will not exceed seven members, taking into account the need for balanced representation among members and will work and coordinate through electronic means and meet once a year. They will include:
  - a) Three producer member representatives with recognized expertise on the thematic programme;
  - b) At least one non-donor consumer member representative with recognized expertise on the Thematic Programme;
  - c) Expert representatives of interested donors and collaborating institutions; and
  - d) Executive Director or his designated representative.
4. The meeting of the TPAC for CFME was convened in Yokohama from 1 to 2 March 2010.
5. The meeting commenced with a brief opening statement by Mr. Emmanuel Ze Meka, Executive Director (and the Chairperson), who welcomed the members of the TPAC for CFME. He expressed his gratitude to the consultant Dr. Markku Simula (Terms of Reference for the Consultant are in Annex IV), for preparing an excellent draft Thematic Programme Document on CFME, in consultation with the prospective donors and interested Member Countries, for the review of the Committee. Members of the Secretariat including all Assistant Directors, Project Managers and the Planning, Monitoring and Evaluation Officer also participated in the meeting and assisted the work of the Committee.

**Adoption of the Agenda**

6. The Committee adopted its agenda as presented in Annex III and its Terms of Reference as provided for in the ITTC Decision 9(XLIV) Annex 3.

**Review of the Draft Thematic Programme**

7. The draft Thematic Programme Document (TPD) entitled ITTO Thematic Programme on “Community Forest Management and Enterprises (CFME)” prepared by the Consultant was presented. Comments received from donors, interested member countries and the Secretariat on the draft TPD circulated earlier had been incorporated in the latest draft to the extent practicable.
8. Dr. Markku Simula gave a presentation on the CFME draft Thematic Programme Document (TPD),

including background information on the Thematic Programme approach and the process of TPD development.

9. The Committee reviewed the draft TPD in detail and made a number of changes to the contents and editorial amendments. Following a second review, which also incorporated some donor comments not yet included in the latest draft, the TPD was duly finalized.
10. The Consultant subsequently revised the TPD taking into account all the comments made. The revised Thematic Programme Document is in Annex V.

### **Overview of the Management Aspects of the Thematic Programme**

11. The Secretariat made a presentation on the Management of the Thematic Programmes by ITTO. The presentation included an overview of the delivery mechanism of the TP, the TP cycle and an overview of proposal appraisal and project implementation and monitoring. It also referred to the Terms of Reference for Thematic Programme Advisory Committees – which had been circulated to the TPAC members before the meeting.

### **Strategic planning for the implementation of the Thematic Programme and identification of priority activities**

12. Considering the fact that the Thematic Programme is in a pilot phase and the current funding situation for CFME, the Committee reviewed again TPD Chapter 6, Activities and highlighted a number of activities that may be given priority under the first call(s) for proposals, including:
  - A 1 – Support capacity building of forest communities and community enterprises through pilot and demonstration projects which may include a variety of activities;
  - 2 a) - Establishment and strengthening of cooperative organizations to promote economic and social interests of forest communities, indigenous peoples and smallholders (awareness raising activities, promotion, workshops, elaboration of rules of operation, etc.);
  - 4 a) - Surveys and other analytical work on the current status of community forest management and enterprises to identify development opportunities and constraints, priorities and concerns of local communities, need for adjustment of the institutional and legal framework for community forestry (e.g. simplified regulations), clarification of tenure and resource rights in order to ensure management and usufruct rights to communities and smallholders.
  - 5 a) - Stakeholder dialogues and other awareness raising activities on the potential of community forest management and enterprises to contribute to poverty reduction and other national development goals among decision-makers and key stakeholder groups;
  - 5 b) - Adjustment of national policies, legislation and strategies for the development of community forest management and enterprises, particularly to secure forest tenure and provide legal recognition of forest management rights and responsibilities;
  - 5 c) - Support to forest land use planning and demarcation of forest lands in community forest areas to avoid tenure dispute;
  - 6 a) - Conduct analyses on market development of community forest enterprises in Africa, Latin America and Asia-Pacific
  - 7 a) - Organization of workshops, seminars, conferences on community forest management and enterprises

### **Consideration of the Future Work of the Advisory Committee**

13. Based on the terms of reference for the Thematic Programme Advisory Committees (as contained in the annex to Decision 9(XLIV)), the ITTO Executive Director highlighted the role of the TPAC at three levels including proposal review, TP fund raising and programme monitoring. The Committee raised the following issues:
  - ⇒ Although members agreed that the consultation process for proposal review will be through electronic means, it was proposed that ITTC should consider providing financial means to allow for a meeting of the TPAC once a year, this in particular during the TP pilot phase to have an opportunity to discuss (face-to-face) the basic elements of TP including development/adjustment of an effective implementation procedure, weaknesses to be addressed, fund raising, monitoring,



delivery process etc. One of such meetings should also involve members of other TPACs to share their experiences.

- ⇒ The committee emphasized the need for fund raising, including by the members, to ensure adequate implementation of the Programme.
- ⇒ The committee suggested that calls for proposals should only be launched when sufficient funding is available. Would the funding available for a specific TP fall below an identified threshold value, organization of a call for proposals could be counterproductive.
- ⇒ In view of the limited funds presently available for the TP implementation, the calls for proposals could include information on the budget range of different types of projects to avoid proposals for large projects which cannot be funded by the Programme.
- ⇒ A draft Monitoring Protocol for the TP will have to be developed in the near future for review by the committee.

### **Adoption of the Revised TP Document**

14. The revised TP document on the CFME (included as Annex V) was adopted subject to any further comments to be received by 15 March 2010.
15. The adopted Thematic Programme Document, together with the guidance for the call for proposals, will be circulated to all ITTO Member Countries.

### **PARTICIPANTS TO THE ADVISORY COMMITTEE**

#### TPAC Members:

#### PRODUCERS

- Mr. Ernesto Arends Rodriguez (Venezuela)
- Mr. Theodore Mbaro (Central African Republic)
- Mr. Juan Magboo Pulhin (Philippines)

#### CONSUMERS

- Dr. Pablo Manuel Martinez de Anguita (Spain) (Non-donor)
- Mr. Kazuyuki Morita (Japan) (Donor)

#### ITTO Secretariat

- Mr. Ze Meka Emmanuel (Executive Director, ITTO)

#### Members of the Secretariat:

Mr. Takeichi Ishikawa  
Mr. Amha Bin Buang  
Mr. Eduardo Mansur  
Dr. Steven Johnson  
Mr. Mahboob Hasan  
Dr. Gerhard Breulmann  
Mr. E. Collins Ahadome  
Mr. Hwan Ok Ma  
Mr. Polycarpe Masupa Kambale  
Dr. Tetra Yanuardi  
Mr. Ramon Carrillo Arellano

#### Consultant:

Dr. Markku Simula

2 March 2010

## MEETING REPORT

### ITTO THEMATIC PROGRAMME ADVISORY COMMITTEE (TPAC)

#### TRADE AND MARKET TRANSPARENCY (TMT)

Yokohama, 4-5 March 2010

#### Introduction

1. At its Forty-fourth Session held in November 2008, in Yokohama, Japan, the Council adopted Decision 9(XLIV) and 10(XLIV) on “Thematic Programmes on Pilot Basis: Operational Procedures and Guidelines” and “Thematic Programme Profiles” respectively (Annexes I and II).
2. The Executive Director, pursuant to Decision 9(XLIV), invited Member Countries to nominate Members for the Thematic Programme Advisory Committee (TPAC), to assist him with the implementation of the thematic programme, viz., to (i) select activities/pre-projects/projects for financing under the Thematic Programme; (ii) monitor and evaluate progress in implementing the Thematic Programme; and (iii) identify potential additional sources of voluntary financial contributions to the Thematic Programme.
3. Subsequently, members for the TPAC for TMT were selected. As a general rule, each Thematic Programme Advisory Committee will not exceed seven members, taking into account the need for balanced representation among members and will work and coordinate through electronic means and meet once a year. They will include:
  - e) Three producer member representatives with recognized expertise on the thematic programme;
  - f) At least one non-donor consumer member representative with recognized expertise on the Thematic Programme;
  - g) Expert representatives of interested donors and collaborating institutions; and
  - h) Executive Director or his designated representative.
4. The meeting of the TPAC for TMT was convened in Yokohama from 4 to 5 March 2010.
5. The meeting commenced with a brief opening statement by Mr. Emmanuel Ze Meka, Executive Director (and the Chairperson), who welcomed the members of the TPAC for TMT. He expressed his gratitude to the consultant Dr. Markku Simula (Terms of Reference for the Consultant are in Annex IV), for preparing an excellent draft Thematic Programme Document on TMT, in consultation with the prospective donors and interested Member Countries, for the review of the Committee. Members of the Secretariat including all Assistant Directors, Project Managers and the Planning, Monitoring and Evaluation Officer also participated in the meeting and assisted the work of the Committee.

#### Adoption of the Agenda

6. The Committee adopted its agenda as presented in Annex III and its Terms of Reference as provided for in the ITTC Decision 9(XLIV) Annex 3.

#### Review of the Draft Thematic Programme

7. The draft Thematic Programme Document (TPD) entitled ITTO Thematic Programme on “Trade and Market Transparency (TMT)” prepared by the Consultant was presented. Comments received from donors, interested member countries and the Secretariat on the draft TPD circulated earlier had been incorporated in the latest draft to the extent practicable.
8. Dr. Markku Simula gave a presentation on the TMT draft Thematic Programme Document (TPD), including background information on the Thematic Programme approach and the process of TPD development.
9. The Committee reviewed the draft TPD in detail and made a number of changes to the contents and

editorial amendments. Following a second review the TPD was duly finalized.

10. The Consultant subsequently revised the TPD taking into account all the comments made. The revised Thematic Programme Document is in Annex V.

### **Overview of the Management Aspects of the Thematic Programme**

11. The Secretariat made a presentation on the Management of the Thematic Programmes by ITTO. The presentation included an overview of the delivery mechanism of the TP, the TP cycle and an overview of proposal appraisal and project implementation and monitoring. It also referred to the Terms of Reference for Thematic Programme Advisory Committees – which had been circulated to the TPAC members before the meeting.

### **Strategic planning for the implementation of the Thematic Programme and identification of priority activities**

12. Considering the fact that the Thematic Programme is in a pilot phase and the current funding situation for TMT, the Committee reviewed again TPD Chapter 6, Activities and highlighted a number of activities that may be given priority under the first call for proposals, including:
  - 1) a, b, c, d
  - 2) a, b, c, d
  - 3) a, b, c
  - 4) a
  - 5) a
  - 6) b, f
13. The Committee took note that 1) and 2) are part of the Biennial Work Programme of the Organization and need therefore to be prioritized.
14. The Committee took note of the fact that several activities in the TPD are to be implemented by the Secretariat. A different balance between the country level activities and the regional and international level activities is needed in this Thematic Programme in comparison with the other TPs.
15. Appropriate guidance on the Programme priorities (special consideration of proposals for activities 1) and 2)) and the Secretariat implemented activities could be provided to potential proponents in the calls for proposals.

### **Consideration of the Future Work of the Advisory Committee**

16. Based on the terms of reference for the Thematic Programme Advisory Committees (as contained in the annex to Decision 9(XLIV)), the ITTO Executive Director highlighted the role of the TPAC at three levels including proposal review, TP fund raising and programme monitoring. The Committee raised the following issues:
  - ⇒ Although members agreed that the consultation process for proposal review will be through electronic means, it was proposed that ITTC should consider providing financial means to allow for a meeting of the TPAC once a year, this in particular during the TP pilot phase to have an opportunity to discuss (face-to-face) the basic elements of TP including development/adjustment of an effective implementation procedure, weaknesses to be addressed, fund raising, monitoring, delivery process etc. . One of such meetings should also involve members of other TPACs to share their experiences.
  - ⇒ The Committee noted that the indicative three-year budget of US\$ 5 million was likely not sufficient to achieve the expected programme results. Therefore, the Committee emphasized the need for fund raising, including by the members, to ensure adequate implementation of the Programme.
  - ⇒ The Committee suggested that calls for proposals should only be launched when sufficient funding is available. Would the funding available falls below a certain threshold value, organization of a call for proposals could raise unrealistic expectations.

- ⇒ In view of the limited funds presently available for the TP implementation, the calls for proposals could include information on the budget range of different types of projects to avoid proposals for large projects which cannot be funded by the Programme.
- ⇒ A draft Monitoring Protocol for the TP will have to be developed in the near future for review by the Committee.

### **Adoption of the Revised TP Document**

17. The revised TP document on the TMT (included as Annex V) was adopted subject to any further comments to be received by 15 March 2010.
18. The adopted Thematic Programme Document, together with the guidance for the call for proposals, will be circulated to all ITTO Member Countries.

### **PARTICIPANTS TO THE ADVISORY COMMITTEE**

#### TPAC Members:

##### PRODUCERS

- Ms. Pradeepa Bholanath (Guyana)
- Mr. Sim Wah Loke (Malaysia)
- Dr. Beatrice Darko Obiri (Ghana)

##### CONSUMERS

- Mr. Stefano Guidese (Switzerland) (donor)
- Dr. Rin Won Joo (Republic of Korea) (non-donor)

##### ITTO Secretariat

- Mr. Ze Meka Emmanuel (Executive Director, ITTO)

#### Members of the Secretariat (to provide technical advice and support to TPAC):

Mr. Takeichi Ishikawa  
Mr. Amha Bin Buang  
Mr. Mahboob Hasan  
Dr. Steven Johnson  
Mr. Eduardo Mansur  
Mr. E. Collins Ahadome  
Mr. Ramon Carrillo Arellano  
Dr. Gerhard Breulmann  
Mr. Hwan-Ok Ma  
Mr. Polycarpe Masupa Kambale  
Mr. Charas Mayura  
Mr. Li Qiang  
Dr. Tetra Yanuardi

#### Consultant:

Dr. Markku Simula

5 March 2010