



ITTO

Sustaining Tropical Forests

Annual Report 2010



INTERNATIONAL TROPICAL TIMBER ORGANIZATION

ITTO: Sustaining Tropical Forests

Annual Report 2010



INTERNATIONAL TROPICAL TIMBER ORGANIZATION

ITTO Annual Report 2010

The International Tropical Timber Organization (ITTO) is an intergovernmental organization promoting the conservation and sustainable management, use and trade of tropical forest resources. Its 60 members represent about 80% of the world's tropical forests and 90% of the global tropical timber trade. ITTO develops internationally agreed policy documents to promote sustainable forest management and forest conservation and assists tropical member countries to adapt such policies to local circumstances and to implement them in the field through projects. In addition, ITTO collects, analyses and disseminates data on the production and trade of tropical timber and funds projects and other actions aimed at developing industries at both community and industrial scales. All projects are funded by voluntary contributions, mostly from consumer member countries. Since it became operational in 1987, ITTO has funded more than 940 projects, pre-projects and activities valued at more than US\$340 million. The major donors are the governments of Japan, Switzerland, United States, Norway and the Netherlands.

© ITTO 2011

This work is copyright. Except for the ITTO logo, graphical and textual information in this publication may be reproduced in whole or in part provided that it is not sold or put to commercial use and its source is acknowledged.

ISBN 4-902045-84-2

Front Cover photo: John Leigh (ITTO Secretariat)




Table of Contents

| | |
|--|------------|
| Message from the Executive Director | iii |
| Acronyms..... | v |
| ITTO in Brief | 1 |
| Our Mission | 1 |
| Brief History | 1 |
| Headquarters..... | 1 |
| International Tropical Timber Council and Associated Committees | 2 |
| Policy Work..... | 7 |
| Developments in the UNFCCC regarding Forests and their Potential Implications for Tropical Forests and the World Tropical Timber Economy | 7 |
| Enhancing Cooperation between ITTO and CITES | 8 |
| Civil Society/Private Sector Partnerships for Sustainable Forest Management and Certification | 10 |
| Promoting Trade in Tropical Timber and Timber Products from Sustainably Managed and Legally Harvested Sources | 10 |
| Maintaining ITTO's Active Involvement in International Cooperation and Collaboration..... | 11 |
| Requirements of Legality and Procurement Policies for Timber Products | 11 |
| Market Access..... | 12 |
| Forest and Timber Certification..... | 13 |
| Strengthening the Capacity to Promote Efficient Wood Processing Technologies in Tropical Timber Producing Countries | 13 |
| Enhancing Cooperation between ITTO and CBD in the framework of the International Year of Biodiversity 2010 | 14 |
| ITTO at CBD COP 10, Nagoya, Japan, October 2010..... | 15 |
| Enhancing Cooperation between ITTO and UNFF..... | 16 |
| Strengthening Collaboration between ITTO and JICA..... | 16 |
| ITTO Sponsored/Co-Organized Events in 2010 | 19 |
| Sixth Business Round Tables of the Timber Industry | 19 |
| Side Event on Biodiversity Conservation in Tropical Forests, CBD COP 10 | 19 |
| Workshop on Forest Governance, Decentralization and REDD+ in Latin America and the Caribbean: A Country Led Initiative in Support of the UNFF by the Governments of Mexico and Switzerland | 19 |
| National Statistics Training workshop..... | 20 |
| Promoting the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests | 20 |
| ITTO/CBD Partners Event at the 23rd Session of the FAO Asia Pacific Forestry Commission: Sustaining Forest Biodiversity | 21 |
| International Conference on Biodiversity in Transboundary Tropical Forests..... | 21 |

| | |
|--|-----------|
| Demonstration and Application of Production and Utilization Technologies for Rattan Sustainable Development in the ASEAN Member Countries..... | 22 |
| ITTO at the XXIII IUFRO World Congress | 22 |
| Seventeenth Meeting between the Common Fund for Commodities and the International Commodity Bodies | 24 |
| Towards a Strategy to Promote the Forest Industry Development in the Congo Basin | 25 |
| Objectives..... | 25 |
| Second African Regional Workshop under ITTO CITES Capacity Building Programme | 25 |
| Sixth National Wood Convention of Peru | 26 |
| Second Asian Regional Workshop on ITTO-CITES Programme | 26 |
| National Workshop on Enforcement Compliance for Trade in Ramin (Gonystylus spp.) | 26 |
| Workshop on the Utilization of Small Diameter Logs from sustainable sources for Bio-composite Products | 27 |
| Financing Of Projects, Pre-Projects and Activities..... | 29 |
| Financing of ITTO Thematic Programmes | 33 |
| Fellowships | 39 |
| Trade and Civil Society Advisory Groups..... | 45 |
| Side-event in conjunction with the Forty-sixth Session of ITTC..... | 45 |
| ITTO Annual Market Discussion 2010 | 46 |
| Financial Highlights..... | 52 |
| Allocations/Pledges by Donors to the Special Account and the Bali Partnership Fund | 52 |
| Consolidated Balance Sheet As of December 31 | 54 |
| Statement of Revenues and Expenditures for the Years Ended December 31 | 55 |
| Appendix 1 Member States and Votes as at 31 December 2010 | 56 |
| Appendix 2 2010 ITTO Publications | 58 |
| Appendix 3 Summaries of Projects Financed in 2010 | 60 |

‘ It is my fervent hope that the new Agreement will come into force in 2011, during the International Year of Forests, which also marks the 25th Anniversary of the establishment of ITTO ’

Message from the Executive Director



2010 was an eventful year for ITTO, the highlights of which are captured in this Annual Report.

In addition to its regular programme of project and policy work highlighted in this Report, the pending entry into force of the ITTA, 2006 was a major preoccupation of the Organization in 2010. Although significant progress was made during the year, the slow pace towards the ratification of the new Agreement is of concern. Eleven countries completed their ratification processes in 2010 while two countries signed the new Agreement. By the end of 2010, there were 58 Signatories and 55 Parties to the new Agreement. It is my fervent hope that the new Agreement will come into force in 2011, during the International Year of Forests, which also marks the 25th Anniversary of the establishment of ITTO.

In 2010 the Organization continued its active involvement in the international debate on sustainable tropical forest management. ITTO actively participated in commemorating the International Year of Biodiversity culminating in the signing of a Memorandum of Understanding between ITTO and the CBD Secretariat for the two Organizations to join efforts in the implementation

of the CBD Programme of Work on Forest Biodiversity in ITTO producer member countries, and to facilitate information exchanges between the two Secretariats. ITTO received funding through the Government of Japan for the financing of a transboundary conservation area between Thailand and Cambodia as the first step of implementing the ITTO-CBD MoU. Also in 2010, ITTO hosted the International Conference on Biodiversity Conservation in Transboundary Tropical Forests in Quito, Ecuador, in cooperation with the Government of Ecuador, CBD Secretariat, IUCN, Fundación Natura, and Conservation International – Ecuador.

Other collaborative activities with international organizations during the year included:

- Hosting of the UNFF Meeting on Promoting North-South, South-South and Triangular Cooperation for Sustainable Forest Management in Yokohama;
- Co-sponsoring the Workshop on Forest Governance, Decentralization and REDD in Latin America in Oaxaca, Mexico; and
- Hosting of the 17th Meeting between the Common Fund for Commodities and the International Commodity Bodies in Yokohama.

ITTO also signed MoUs during 2010 to strengthen cooperation with JICA and the UNFF Secretariat, with discussions on similar MoUs underway with several other agencies and organizations. The Organization also improved cooperation with the private sector during the year, including pharmaceutical companies involved in the exploitation of forest species included in CITES appendices.

Financial pledges received during the 45th session of the ITTC enabled the launch of two additional pilot Thematic Programmes on “Community Forestry and Management” (CFME) and on “Trade and Market Transparency” (TMT) in 2010. Additional pledges to the thematic programme on Reducing Deforestation and Forest Degradation and Enhancing Environmental Services (REDDES), especially from the Government of Norway, enabled another call for proposals to be launched under that programme during 2010. The enthusiasm of Member Countries in submitting project proposals under the pilot phase of the Thematic Programmes has been tremendous but has unfortunately not yet been matched by the funding provided by donors.

We are now entering 2011, a year full of challenges and opportunities for ITTO. The ITTA, 2006 is expected to enter into force following its ratification by a few more producer members. The pilot phase of the Thematic

Programmes will be completed in 2011 and an evaluation of their effectiveness to date will therefore need to be carried out. 2011 has also been proclaimed by the United Nations as the International Year of Forests (IYF), with a year-long programme for its commemoration being coordinated by the UNFF Secretariat. It is a significant coincidence that the IYF is also the 25th Anniversary of the establishment of ITTO.

I commend this Annual Report to readers as a summary of ITTO's efforts during 2010 to support its member countries through policy work and field activities in promoting the conservation and sustainable management, use and trade of tropical forest resources. We are highly indebted to the many international, regional and national organizations and institutions which have collaborated with ITTO in 2010 and look forward to strengthening such collaboration in the future. The Organization is especially grateful to the many donors who have supported the activities of the Organization in 2010, particularly the Government of Japan and the City of Yokohama who continue to support the Organization in a myriad of ways.

Emmanuel Ze Meka
Executive Director

ACRONYMS

| | |
|------------|---|
| ACICAFOC | Coordinating Association of Indigenous and Community Agro-forestry in Central America |
| AIT | Asian Institute of Technology |
| ANCON | National Association of Nature Conservation |
| APAFRI | Asia Pacific Association of Forestry Research Institutions |
| AR-CDM | Afforestation and Reforestation component of the Clean Development Mechanism of the Kyoto Protocol |
| ASEAN | Association of South-East Asian Nations |
| ATIBT | International Technical Tropical Timber Association (Association Technique Internationale des Bois Tropicaux) |
| ATO | African Timber Organization |
| BWP | Biennial Work Programme |
| CBD | Convention on Biological Diversity |
| CDM | Clean Development Mechanism of the Kyoto Protocol |
| CEEAC | Economic Community of Central African States |
| CFE | Community Forest Enterprise |
| CFME | ITTO Thematic Programme on Community Forest Management and Enterprises |
| CIFOR | Center for International Forestry Research |
| CITES | Convention on International Trade in Endangered Species of Wild Fauna and Flora |
| C&I | Criteria and indicators for sustainable forest management |
| CLI | Country-Led Initiative |
| CNEARC | Centre National d'Etudes Agronomiques des Régions Chaudes |
| COFO | FAO Committee on Forestry |
| COMIFAC | Forestry Commission of Central Africa |
| COP | Conference of Parties |
| CPF | Collaborative Partnership on Forests |
| CRIWI | Research Institute of Wood Industry, Chinese Academy of Forestry |
| CSAG | Civil Society Advisory Group |
| ECOWAS | Economic Community of West African States |
| FAO | Food and Agriculture Organization of the United Nations |
| FCPF | Forest Carbon Partnership Facility |
| FGR | Forest Genetic Resources |
| FPCD | Foundation for People and Community Development Inc (PNG) |
| FPRDI-DOST | Forest Products Research and Development Institute-Department of Science and Technology |
| FRIM | Forest Research Institute Malaysia |
| FSC | Forest Stewardship Council |
| GFMC | Global Fire Monitoring Center |
| GLOMIS | Global Mangrove Information System |
| GTZ | Deutsche Gesellschaft für Technische Zusammenarbeit |
| HORT | Household-Oriented Reforestation Techniques |
| IDE | ITTO Thematic Programme on Industrial Development and Efficiency |
| IFFM | Integrated forest fire management |
| IISD | International Institute for Sustainable Development |
| INRENA | Peru National Institute for Natural Resources (Instituto Nacional de Recursos Naturales) |
| ITTA | International Tropical Timber Agreement |
| ITTC | International Tropical Timber Council |
| ITTO | International Tropical Timber Organization |

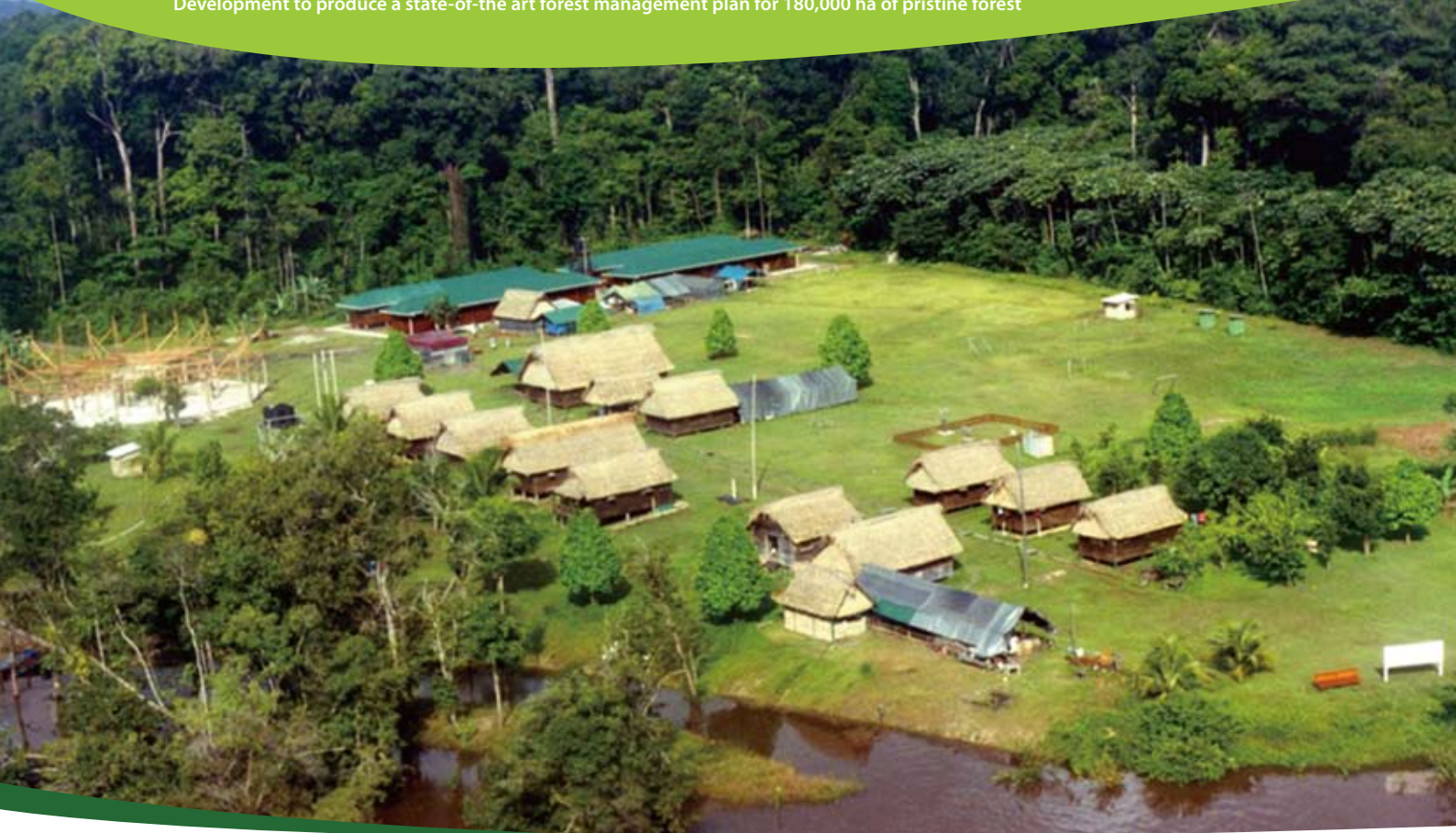
| | |
|----------|--|
| IUFRO | International Union of Forestry Research Organizations |
| IUCN | International Union for the Conservation of Nature- World Conservation Union |
| JICA | Japan International Cooperation Agency |
| LULUCF | Land Use, Land Use Change and Forestry |
| MBNP | Meru Betiri National Park |
| MDGs | Millennium Development Goals |
| MP | Monitoring Protocol |
| NGO | Non-Governmental Organization |
| NTFP | Non-Timber Forest Products |
| OLMS | ITTO Online Monitoring System |
| PEFC | Programme for the Endorsement of Forest Certification |
| RECOFTC | Regional Community Forestry Training Center |
| REDD | Reducing Emissions from Deforestation and Forest Degradation |
| REDDES | Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests |
| RFID | Radio Frequency Identification |
| SFM | Sustainable Forest Management |
| SODEFOR | Societe De Development Des Forets of Côte d'Ivoire |
| TAG | Trade Advisory Group |
| TFLET | Tropical Forest Law Enforcement 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 |
| UNCTAD | United Nations Conference on Trade and Development |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UNFF | United Nations Forum on Forests |
| UPLBCFNR | University of Philippines Los Baños-College of Forestry and Natural Resources |
| VPA | Voluntary Partnership Agreement |
| WCMC | World Conservation Monitoring Center |
| WFC | World Forestry Congress |
| WFW | World Forestry Week |





ITTO Project PD 349/05 aims at contributing to the conservation and sustainable use of mangrove forests in the Central Coastal Plains of Veracruz, Mexico

ITTO Project PD 010/97 assists the Iwokrama International Centre for Rain Forest Conservation and Development to produce a state-of-the-art forest management plan for 180,000 ha of pristine forest



ITTO IN BRIEF

Our Mission

To facilitate discussion, consultation and international cooperation on issues relating to the international trade and utilization of tropical timber and the sustainable management of its resource base.

Brief History

The International Tropical Timber Organization (ITTO) was established under the auspices of the United Nations in 1986 amid increasing worldwide concern about the fate of tropical forests. While almost everyone was alarmed at the rate of deforestation occurring in many tropical countries, there was also considerable agreement that the tropical timber trade was one of the keys to economic development in those same countries. The reconciliation of these two seemingly disparate phenomena is ITTO's story.

ITTO's origins can be traced back to 1976 when the long series of negotiations began at the fourth session of the as part of that organization's Programme for Commodities led to the first International Tropical Timber Agreement (ITTA).

As the first ITTA was being negotiated in the early 1980s, concern over the fate of tropical forests was

increasing and the international community was being asked to take action. By then, conservation had become at least as important a consideration in the negotiations as trade. This was reflected in the preamble to the Agreement, in which conservation and trade were accorded equal importance. The founding fathers of the Agreement believed that a flourishing trade in tropical timber, if based on a well-managed forest resource, could be a key to sustainable development, providing valuable foreign exchange and employment while protecting natural forests from destruction, degradation and excision. The eventual outcome of these negotiations was the ITTA, 1983, which was no conventional commodity agreement. It was, in reality, as much an agreement for forest conservation and development as for trade. In effect, it preceded the concerns which featured in the 1987 Brundtland Report and at the Earth Summit in 1992 and its trade components were as much instruments for tropical forest conservation as ends in themselves. The ITTA, 1983 governed the Organization's work until 31 December 1996, when it was succeeded by the . Negotiations for a successor to this agreement were concluded in 2006, again under the auspices of UNCTAD. The is expected to come into force in the near future.

The ITTA, 2006 builds on the foundations of the previous agreements, focusing on the world tropical timber economy and the sustainable management of the resource base, simultaneously encouraging the timber trade and the improved management of the forests. In addition, it contains provisions for information sharing, including non-tropical timber trade data, and allows for the consideration of non-tropical timber issues as they relate to tropical timber.

Headquarters

The Headquarters of ITTO is located in Yokohama, Japan. There are two (2) regional offices based in Libreville, Gabon for the African Region and Brasilia, Brazil for the Latin American and Caribbean Regions.

INTERNATIONAL TROPICAL TIMBER COUNCIL AND ASSOCIATED COMMITTEES

FORTY-SIXTH SESSION

13-18 DECEMBER 2010, YOKOHAMA, JAPAN.

The Forty-sixth Session of the International Tropical Timber Council and the Associated Sessions of the Committees was convened in Yokohama, Japan, from 13 to 18 December 2010. The Session was attended by delegates from forty-seven (47) ITTO Member Countries and the European Union. Also in attendance were thirty-six (36) Observers from Potential Member Countries, U. N. bodies and Specialized Agencies, Inter-governmental organizations, Non-governmental organizations and the Private Sector. The Session was opened by the Chairperson of the Council, Mr. Daniel Birchmeier (Switzerland) and was honoured with the attendance of H. E. Madam Fumiko Hayashi, Mayor of the City of Yokohama; H. E. Mr. Martin Mabala, Minister of Forests and Water of Gabon, Dr. Elvis Ngolle Ngolle, Minister of Forests and Wildlife of Cameroon, H. E. Mr. Henri Djombo, Minister of Sustainable Development, Forest Economy and Environment of Congo and Mr. Yoshitsugu Minagawa, Director General of the Forestry Agency of Japan who represented the Government of Japan at the Opening of the Session.



The Chairperson, Mr. Daniel Birchmeier referred to recent figures published by the United Nations Food and Agriculture Organization showing that about 13 million hectares of forests were converted to other uses or lost through natural causes each year between 2000 and 2010 compared to around 16 million hectares per year during the 1990s, and stated that while there were encouraging signs in some countries the rate of deforestation was still very high in many tropical countries and urged all member countries to re-double their efforts to curb forest destruction and degradation. He indicated that the time had come for a more effective and focused response to the problems confronting tropical forests to help reduce poverty, protect biodiversity, and mitigate the effects of climate change. He noted that the world was moving very fast and ITTO must not be left behind. He called for a modernized organization that would be responsive to the current global challenges and urged Member countries to strive to bring the ITTA, 2006 into force as soon as possible.

Mr. Yoshitsugu Minagawa, Director-General of the Forestry Agency of Japan, on behalf of the Government of Japan, underscored the important role of tropical forests in supporting the lives of local communities. He also noted the importance of tropical forests in achieving poverty reduction and sustainable development in developing countries. Mr. Minagawa echoed the growing concern over global environmental issues such as biodiversity and climate change and the importance of tropical forests in addressing those issues. He informed the Council about a revised strategic plan (Aichi Target) regarding conservation and sustainable use of biodiversity for the post-2010 period which was adopted during the 10th Meeting of the Conference of the Parties to the Convention on Biological Diversity in Nagoya, Japan, in October 2010.





In his address to the Council, **H.E. Dr. Elvis Ngolle Ngolle, Minister of Forests and Wildlife** of Cameroon, reaffirmed his government's commitment to the core objectives of ITTO. He briefed the Council about the vast forest resources of Cameroon and indicated that 12 million ha of forests had been identified as production or conservation forests out of which 4 million ha had already been reserved as state property. He also informed the Council that logging in Cameroon was strictly being carried out in the form of forestry concessions. He mentioned that 3 million ha of forests had already been certified through various certification systems and indicated that sustainable forest management was one of the pillars of the government's policy. The Honorable Minister also informed the Council that Cameroon had signed a voluntary partnership agreement with the European Union.

In her welcoming address, **H.E. Madam Fumiko Hayashi, Mayor of the City of Yokohama** underscored the importance of ITTO's work for the global environment. She outlined measures being undertaken by the City of Yokohama to protect forests and farmlands. She noted that Yokohama's strength is in the fact that there are valuable environmental resources such as the Satoyama initiative in the city. She, however, stated that the city was losing greenery through urbanization and that the local culture and social climate which had hitherto protected the environment were also changing. She pledged the City of Yokohama's continued cooperation with various entities including local businesses and international organizations, including ITTO.



H.E. Mr. Henri Djombo, Minister of Sustainable Development, Forest Economy and Environment of Congo, briefed the Council on the outcome of the 16th Conference of Parties to the UNFCCC convened in Cancun, Mexico. He noted that after the 10th Conference of the Parties to the Convention on Biodiversity convened in Nagoya, Japan, there had been a renewed confidence in the system of multilateral negotiations at the United Nations. He commended ITTO for its holistic approach to sustainable forest management, including ecological and environmental services. He called on ITTO to continue its partnership with other international organizations.

H.E. Mr. Martin Mabala, Minister of Forests and Water, of Gabon, informed the Council that for almost a decade ago, the Government of Gabon had adopted its legislation to govern forestry activities which recognized the involvement of local communities in the management of forests and the distribution of all forms of benefits flowing from the forests. He also briefed the Council about the progress achieved by his Government in sustainable forest ecosystem management. He mentioned that Gabon has 11 million ha of forests committed to sustainable forest management out of which 5.3 million ha were under management plans and 2.0 million ha certified by FSC. In terms of conservation the government has also created 13 national parks representing 11% of the national territory, with an ultimate goal of achieving 17% or 4.0 million ha of national territory as protected areas. The Honorable Minister stated that with an annual deforestation rate of approximately 1.0% Gabon's forest cover was one of the largest in the world.





Additional funding of US\$17.34 million was pledged towards the conservation and sustainable management, use and trade of tropical forest resources, including \$4.8 million for the implementation of ITTO pilot thematic programme on Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES) and US\$11.6 million for other thematic programmes, new projects and activities.

The funding pledged at the Session will support the implementation of 13 projects and 1 pre-project. New projects funded included one to promote integrated forest fire management in Guatemala and another to further develop a trans-boundary conservation corridor between Cameroon, Congo and Gabon. The Emerald Triangle area between Thailand and Cambodia also received significant funding for its conservation and management. Funds were also provided for projects to promote the sustainable use of non-timber forest products in Indonesia and to support community forest management in Amazonas State, Brazil. Project funding also included support to China to sustainably manage its mangrove forests, and additional funding to support the publication of the World Atlas of Mangroves in French and Spanish. The Common Fund for Commodities (CFC) continued its support to ITTO's work by funding projects on wood fuel in Cameroon and on further processing of timber in the Congo Basin.

Total pledges announced at the Forty-sixth Session for the implementation of four pilot thematic programmes amounted to US\$5.7 million, out of which almost US\$1 million was for ITTO's thematic programmes on tropical forest law enforcement; community forest management and enterprises; and trade and market transparency.

Funding totaling almost US\$ 3 million was also pledged to several activities under ITTO's 2010-2011 Biennial Work Programme. ITTO's work related to climate change and reporting on tropical forest management received support. Funding was provided through the Organization's Bali Partnership Fund (BPF) to allow continued publication of the quarterly Tropical Forest Update and bi-weekly Market Information Service. Additional funding was pledged for ITTO's on-going program to enhance members' ability to implement CITES listings of tropical timber species and also for ITTO's communications and outreach activities. The Freezailah Fellowship Fund also received funding to allow this valuable programme to continue offering awards to deserving candidates.

Donors at this session were the governments of Japan, Norway, Switzerland, the USA, Germany, China, Finland and the Republic of Korea. Funds were also provided by ITTO's BPF, the CFC, member government agencies, and private sector donors.

The Council adopted several important decisions during its Forty-sixth Session, including a decision on ITTO/CBD Collaborative Initiative to Conserve Tropical Forest Biodiversity as well as a decision to establish a Multi-donor Mechanism to facilitate Enhanced Cooperation between ITTO and CITES. The Council also adopted a decision which provided for a long-term solution to funding its sessions held away from ITTO's Yokohama headquarters. The ITTC announced, consistent with this decision, that its Forty-seventh Session in 2011 would be held in Guatemala City, Guatemala; its Forty-eighth Session in 2012 would be held in Yokohama; and its Forty-ninth Session in 2013 would be held in Libreville, Gabon.



Incoming Chair Mr. Joachim Bilé Allogho, Gabon (L), presented a framed gavel to outgoing Chair Mr. Daniel Birchmeier, Switzerland (Middle), for his service as Chair in 2010, in keeping with ITTO tradition. Looking on and applauding is the Executive Director, Mr. Emmanuel Ze Meka (R)

Other decisions adopted at the session included formalizing ITTO's relationships with CBD and CITES and establishing more flexible mechanisms for ITTO fundraising. Council also adopted a decision providing funding for ITTO's activities during the International Year of Forests in 2011, which coincides with the 25th anniversary of the establishment of ITTO.

The Executive Director of ITTO, Emmanuel Ze Meka, was appointed to a second term of office (2011-2015) by the Council during the Session.

OFFICERS OF THE INTERNATIONAL TROPICAL TIMBER COUNCIL AND ASSOCIATED COMMITTEES IN 2010

Council

Chairperson Mr. Daniel Birchmeier (Switzerland)
Vice-Chairperson Mr. Joachim Bilé Allogho (Gabon)

Economic Information and Market Intelligence

Chairperson Ms. Carla Boonstra (The Netherlands)
Vice-Chairperson Mr. Carlos E. Gonzalez Vincente (Mexico)

Reforestation and Forest Management

Chairperson Mr. Tabi Agyarko (Ghana)
Vice-Chairperson Mr. Patrick Hardcastle (United Kingdom)

Forestry Industry

Chairperson Dr. Im Eun Ho (Republic of Korea)
Vice-Chairperson Dr. Samuel Ebia Ndongo (Cameroon)

Finance and Administration

Chairperson Dr. David Brooks (USA)
Vice-Chairperson Dr. Agus Sarsito (Indonesia)

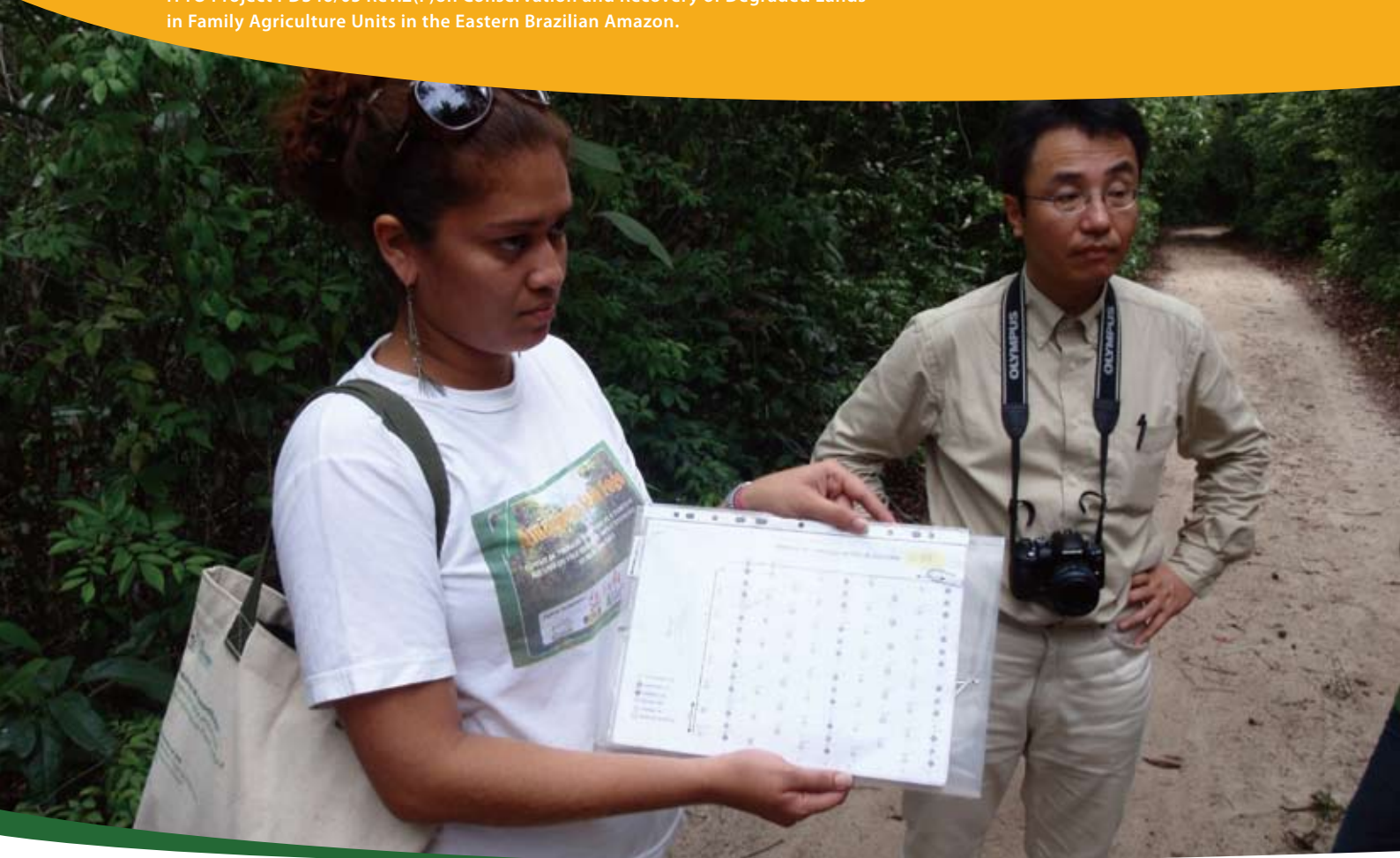
Spokespersons

Producers Mr. Alhassan Attah (Ghana)
Consumers Ms. Jennifer Conje (USA)



ITTO Project PD 319/04 Rev.2(F) encourages the adoption of good forest management practices by timber companies to expand the supply of legally and sustainably produced timber in the Centre-East of Para in the Brazilian Amazon

ITTO Project PD346/05 Rev.2(F) on Conservation and Recovery of Degraded Lands in Family Agriculture Units in the Eastern Brazilian Amazon.



POLICY WORK

Developments in the UNFCCC regarding Forests and their Potential Implications for Tropical Forests and the World Tropical Timber Economy

In 2010, the Council continued to monitor developments in the UNFCCC regarding forests and their potential implications for tropical forests and the world tropical timber economy.

At its Forty-sixth Session in Yokohama, Japan, a report on discussions in the UNFCCC regarding reducing emissions from deforestation and forest degradation and implications for tropical forests and tropical timber producers was presented by **Dr. Oliver Gadi (Consultant)**.

It was noted that three mitigation mechanisms were being discussed under the UNFCCC that were relevant for tropical forests and tropical timber economy. These were:

- Continuation of the land use, land-use change and forestry (LULUCF) for Annex 1 countries and the Clean Development Mechanism (CDM) under the Kyoto Protocol;
- Nationally Appropriate Mitigation Actions by Developing Countries (NAMAs) under the AWG-LCA-enhanced action on mitigation. These were voluntary actions by Non-Annex 1 countries that might or might not be supported by developed countries;
- Policy approaches and positive incentives or issues relating to reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+).



Under UNFCCC COP16 Decision 1/CP.16 Section 3C on REDD+, the Parties agreed that “Provided that adequate and predictable support was forthcoming, developing countries should aim to slow, halt and reverse forest cover and carbon loss”. In order to achieve this objective, developing countries should develop:

- A national strategy or action plan for REDD+;
- A national forest reference level or sub-national reference levels as an interim measure;
- A robust and transparent monitoring system; and
- A system for providing information on how safeguards were being addressed.

Accounting for REDD+ activities should be carried out at national level or if appropriate, at sub-national level as interim measure.

On the issue of governance, COP16 provided a long list of safeguards that should be promoted, inter alia:

- Consistency with national forest programmes, international conventions and agreements;
- Transparent governance structures;
- Respect for knowledge and rights of indigenous peoples and local communities;
- Full and effective participation of relevant stakeholders; and
- Conservation of natural forests and biological diversity.



Mr. Koji Hattori (Japan) indicated that it was important for Member Countries to share latest information on the relationship between forest and climate change and the role of forests. He underlined that through information sharing the role of ITTO could be identified and its activities promoted. On the issue of REDD+, he hoped that ITTO would be able to contribute actively by controlling deforestation and forest degradation using its experience and know-how.

Ms. Carolina Costellini (Brazil) stated that the UNFCCC should be the only forum to discuss issues related to climate change. She expressed concern about the proliferation of fora for climate change discussions. She also noted that a new period of commitment under the Kyoto Protocol was under negotiations focusing on:

- positive incentives and policies related to the reduction of deforestation and forest degradation in developing countries; and
- the role of forest conservation, sustainable management and increasing of forest carbon stocks.

She, however, stated that the monitoring of any proceedings under the UNFCCC by ITTO would be legitimate since it would be done in an objective and impartial way and strictly for information only.



Enhancing Cooperation between ITTO and CITES

In 2010, the ITTO CITES programme continued to build capacity in Member Countries to implement CITES commitments for tropical timber. Activities were underway in all range states covered by the programme (Cameroon, Congo, Democratic Republic of Congo, Indonesia, Malaysia, Bolivia, Brazil and Peru). The programme assisted countries to carry out the non-detriment findings and established export quotas for species listed in CITES Appendix II and provided training and other capacity building on wood identification, timber tracking, conversion factors, etc. ITTO was collaborating with CITES and the Chinese CITES Management Authority to produce a user-friendly identification manual for CITES listed species. ITTO was also in contact with IUCN regarding the inclusion of high volume timber species such as meranti and keruing in the recently updated IUCN Red List of Threatened Species.

A programme website, had also been developed and all reports posted on the website together with the quarterly programme newsletter. In March 2010

ITTO hosted a side-event on the CITES programme in Doha in conjunction with COP 15 of CITES. An external evaluation of the programme was completed in early 2010 and the Programme Advisory Committee met for the third time prior to the CITES COP15 meetings, and recommended that the programme should be extended to non-timber tree species listed in CITES and CITES Appendix III-listed tree species. In 2010, the programme benefited from private sector interest with two pharmaceutical firms (Solvay and Indena) providing approximately USD 400,000 to fund programme activities to promote sustainable management of *Prunus africana* in Cameroon and that negotiations were underway with three additional pharmaceutical firms to fund similar work in the Democratic Republic of Congo. The governments of Switzerland and Germany also provided additional funds to the programme in 2010 and negotiations were underway with Norway to obtain funding to support CITES listing for timber species in Madagascar.

Dr. Hadisusanto Pasaribu (Indonesia) stated that the CITES programme had proved very helpful in promoting the sustainable management of CITES listed timber species and looked forward to further promotion of the programme. He was, however, surprised that meranti and keruing had been placed on the IUCN Red List of Threatened Species.



Dr. David Brooks (USA) noted that the collaboration between ITTO and CITES was producing concrete benefits to all Members through capacity building and underscored the fact that the thematic approach had enabled the Organization to attract new sources of funding and also had enabled the Secretariat to organize its work by concentrating on particular areas and developing expertise that had become relevant and effective in assisting members in building relevant capacities.

Dr. Norini Haron (Malaysia) reported on efforts being continuously carried out by Malaysia to avoid species depletion of tropical timbers traded internationally and listed in the CITES Appendices, such as *Gonystylus* spp. (Ramin) and *Intsia* spp. (Merbau). Those measures had been executed through various means such as policy efforts and special planning, management and enforcement programmes. Ramin trees were being harvested using cautious quota system, taking into account current scientific information and stocking data such as silvicultural characteristic, growth, stand density and forest acreage. Malaysia would continue to improve the management practices based on scientific findings and prudent use of forest resources.



Malaysia commended ITTO and CITES for making it possible for the country to improve the management, conservation and regulation of CITES-listed timber species, particularly Ramin.



Mr. Garvoie Kardoh (Liberia) stated that the civil war in Liberia had resulted in loss of all forestry records and indicated that the last species inventory in Liberia was as far back as the 1970s and early 1980s which was carried out with the assistance of the GTZ. He indicated that there was no functioning herbarium in Liberia although there were on-going efforts to start some activities in species identification and cataloguing. He also called on the Council to broaden the scope of the collaboration. Mr. Kardoh also highlighted the issue of illegal trade across borders and called for the strengthening of mechanisms for legal exploitation of forest resources, especially NTFPs, including medicinal plants.

Civil Society/Private Sector Partnerships for Sustainable Forest Management and Certification

In the context of its continuing effort to promote further progress towards sustainable forest management, verifiable legality and certification in the tropics through civil society/private sector partnerships pursuant to ITTC Decision 5(XXXIII)/ (PP-A/43-193), ITTO considered presentations on the progress in the implementation of the following partnerships:

- Tropical Forest Foundation (TFF)/PT Suka Jaya Makmur (PTSJM) (Indonesia)
- The Foundation for People and Community Development (FPCD)/Innovision (PNG) Ltd. (Papua New Guinea)

The objective of the two partnerships was to progress towards SFM and certification through the application of FSC standards and the implementation of relevant activities including scoping, training, monitoring, and assessment. The implementation of the TFF/PTSJM partnership in Indonesia was expected to result in 171,340 hectares of tropical forests in the Ketapang District of West Kalimantan of Indonesia being certified as sustainably managed. Similarly the partnership in Papua New Guinea was guiding Innovision (PNG) Ltd. obtaining FSC certification for 300,000 hectares of Makata Timber area in Western Province, PNG. Both partnerships demonstrated that a clear understanding of goals, mutual trust, and close cooperation were essential for the achievement of the objective.



Mr. Yati Bun of the Foundation for People and Community Development (FPCD)/Innovision (PNG)

Promoting Trade in Tropical Timber and Timber Products from Sustainably Managed and Legally Harvested Sources

With a view to promoting trade in tropical timber and timber products from sustainably managed and legally harvested sources, the establishment of innovative timber tracking systems pursuant to activity 46(a) of the ITTO Biennial Work Programme for the Years 2010-2011 was noted in respect of the following forest companies:

- Innovative DNA Timber Tracking system implemented by PT Seng Fong Moulding Perkasa, Indonesia
- Pilot implementation of an inventory and timber tracking system by Green Gold Forestry Ltd., Peru

With the development and implementation of these systems, the companies are expected to contribute directly towards increased volume of tropical timber and timber products from sustainable and legal sources being produced and traded. The innovative DNA Timber Tracking System in Indonesia was a low-cost, fast and simple system to strengthen existing government documents and CoC systems involving the use of DNA 'fingerprinting' techniques to compare the genetic profile of wood samples taken at the concession and sawmill. The pilot implementation of the Inventory and Timber Tracking System in Peru involved 38,456 hectares of forests in the Loreto Region, Peru and comprised a forest management system as well as chain of custody in the forests and processing plant.



Mr. Art Klassen of the Tropical Forest Foundation (TFF) presenting the results of its partnership with PT Suka Jaya Makmur (Indonesia) to assist the company in moving towards certification under the Forest Stewardship Council (FSC)



Innovative DNA timber tracking system implemented by PT Seng Fong Moulding Perkasa, Indonesia

Maintaining ITTO's Active Involvement in International Cooperation and Collaboration

As a founding member, ITTO continued its active involvement in the Collaborative Partnership on Forests (CPF) by participating in its meetings and collaborating in selected CPF initiatives including CPF Working Group on common message on SFM, in which ITTO and CBD act as co-hosts. Meetings of this Working Group have been carried out in April and October 2010, and an internet-based common workspace has been established to facilitate inputs from all CPF members. Also, ITTO continues to actively participate in the CPF initiative on Forest Degradation, facilitated by FAO.

In the context of maintaining and strengthening cooperation with the United Nations Forum on Forests (UNFF) and in order to ensure that the perspective of



Mr. Alhasan Attah (middle) was seconded to the UNFF Secretariat by ITTO



ITTO-supported Timber Tracking System in Peru



ITTO-supported DNA Timber Tracking System in Indonesia

tropical forests and timber is adequately presented at UNFF, ITTO seconded a senior official, Mr. Alhasan Attah (Ghana), to the UNFF Secretariat with effect from 1 October 2009 to October 2010.

In addition, ITTO co-sponsored the Workshop on Forest Governance, Decentralization and REDD in Latin America, a country-led Initiative (CLI) in support of UNFF held in Oaxaca, Mexico from 31 August to 3 September 2010 by supporting the participation of 11 participants. ITTO also participated in the First Meeting of the Open-ended Intergovernmental Ad Hoc Expert Group (AHEG) on Forest Financing of the UNFF held at the UN Office in Nairobi, Kenya from 13 to 17 September 2010.

Requirements of Legality and Procurement Policies for Timber Products

As part of its policy work, ITTO gave in-depth consideration to the issue of Requirements of Legality and



Committee on Economic Information and Market Intelligence met in joint Session with the Committee on Forest Industry to address the issue of legality and procurement policies for timber products

Procurement Policies for Timber Products. Legality requirements and timber procurement policies were being introduced in many countries. These requirements and policies were principally aimed at addressing public concern over the legal and environmental credentials of products. Many purchasers were demanding that products should come from sustainable, or at least legal, sources and that this be verifiable, in order to maintain credibility in the market place. These requirements and policies had significant implications for tropical timber suppliers. As developments were occurring at a rapid rate, there was an urgent need for tropical wood product exporters to monitor these developments, assess their ability to meet these requirements if they are widely adopted, and to explore the market implications and opportunities arising from these developments.

Following intensive discussions and consultations, it was agreed that further work be undertaken by ITTO on this issue. To facilitate further consideration of the issue, it was also agreed that a background paper on requirements of legality and procurement policies for timber products be prepared based on the following terms of reference.

- Update the ITTO Study on “The Pros and Cons of Procurement”
- Comprehensively analyse the impacts of procurement

policies on markets, taking into consideration the effects on demand, supply, costs and prices as well as financial implications to exporter countries.

- Examine the challenges faced by producer and consumer members in complying with and implementing procurement requirements.
- Recommend further action by ITTO to promote trade in tropical timber in the context of procurement.

The background paper would be prepared in consultation with ITTO member countries, the Trade Advisory Group (TAG) and the Civil Society Advisory Group (CSAG) of ITTO and other relevant parties.

Market Access

In ITTO’s review of developments related to market access in 2010, it was noted that the global economic crisis had significantly affected the market access for tropical timber and timber products. ITTO producers and consumers faced deteriorating market access for primary and processed timber products. The recovery of the world economy in 2010 from the economic and financial crisis of 2008 might bring opportunities for improvement, but a number of challenges remained.

The uncertainty and imbalance of the recovery of the world economy and trade had weakened the potential

market demand for tropical timber products in the major markets. A number of unilateral and protectionist measures, including those on timber products, had been introduced in the aftermath of the crisis, with only a few having been removed, according to the World Trade Organization (WTO) which was still saddled with the continuing impasse in negotiations under the Doha Development Agenda.

The market access of tropical timber had also been affected by the proliferation of public procurement policies and certification instruments as well as similar regional and initiatives, such as the negotiations and signing of Voluntary Partnership Agreements (VPAs) between the EU and a number of ITTO producers under the EU FLEGT Action Plan, the revision and adoption of the EU Due Diligence Regulation (currently referred to as the Timber Regulation), and the implementation of Phase IV of the amendments to the US Lacey Act.

Forest and Timber Certification

On the status of forest certification in ITTO producing member countries in 2010, it was noted that five certification systems were being implemented as follows:

- Forest Stewardship Council (FSC): 15.8 million hectares, 1016 Chain of Custody Certificates (CoCs);
- Programme for the Endorsement of Forest Certification (PEFC): 6 million hectares, 189 CoCs including:
 - 1.2 million hectares, 23 CoCs under Programa Brasileiro de Certificação Florestal (CERFLOR), Brazil; and
 - 4.8 million hectares, 151 CoCs under Malaysian Timber Certification Scheme (MTCS);
- Malaysian Timber Certification Scheme (MTCS) outside of PEFC, 0.9 million hectares, 8 CoCs;
- Indonesian Ecolabelling Institute (LEI): 1.8 million



hectares, 6 CoCs.

The total area of certified forests in ITTO producing member countries was 24.5 million hectares, accounting for 6.4% of the world's total area of certified forests of some 370 million hectares. The number of CoCs in ITTO producing member countries were 1,219. Since 2007, the area of certified forests in ITTO producing member countries had expanded 55% while the number of CoC certificates had increased over three-fold.

Two-thirds of the world's certified forests were certified under PEFC and almost one-third was under FSC. However, FSC held the biggest share of certified forests in the tropics of 67%. In 2009, the first endorsements of certification systems in Asia (the Malaysian Timber Certification Scheme) and Africa (The Gabonese Forest Certification Scheme) under the PEFC were achieved. PEFC certification of tropical forests was expected to expand to other tropical countries based on the lessons learned in Malaysia and Gabon. For example, Cameroon was in the process of developing its national system to comply with PEFC.

Strengthening the Capacity to Promote Efficient Wood Processing Technologies in Tropical Timber Producing Countries

In 2010, in house training aimed at strengthening the capacity to promote efficient wood processing technologies was carried out by ITTO in:

- Papua New Guinea from 16 to 21 June 2010, covering three factories (1 wood working, 1 sawmill, and 1 plywood mill);
- Guyana from 19 to 25 July 2010, covering five factories (3 sawmills and 2 furniture/woodworking industries); and





In House training to strengthen the forest industry sector in Myanmar



In House training to strengthen the forest industry sector in Guyana

- Myanmar from 16 to 19 August 2010, covering three factories (1 plywood mill, 1 wood working/molding industry, and 1 furniture industry).

The scope of the in-house training included strengthening capacity in common problem areas in the Wood-based industries, namely

- Log handling at logyard;
- Sawmilling, log crane, log carriage, breakdown and pony sawing;
- Plymilling: veneer/wood slicing;
- Saw-doctoring: bandsaw blade and circular saw, knives (moulder, planer, rotary and wood slicing);
- Conditioning and air drying;
- Kiln-drying and boiling;
- Wood processing: cross cutting, grading and sorting, laminating, molding, planning, rip sawing, sanding, coating and painting, repairing and finishing;
- Packaging.
- Waste control
- Maintenance and arrangement
- Safety and mentality

Enhancing Cooperation between ITTO and CBD in the framework of the International Year of Biodiversity 2010

In the framework of the International Year of Biodiversity 2010, ITTO was active in promoting the conservation and sustainable use of biodiversity in tropical forests. In March 2010, ITTO signed a strategic Memorandum of Understanding with the United Nations Convention on Biological Diversity (CBD) to join efforts for the development and implementation of the CBD



In House training to strengthen the forest industry sector in PNG

Program of Work on Forest Biodiversity in ITTO producer member countries, and to facilitate exchange of information between the two Secretariats. The MOU spelled out some joint activities for the two Secretariats to pursue in the near future including:

- The development and implementation of joint activities in the context of the 2010 International Year of Biodiversity (IYB) and the 2011 International Year of Forests (IYF), including collaboration on the seamless bridging of the closing of the International Year of Biodiversity in 2010, and the launch in 2011 of the International Year of Forests;
- Organization of an International Conference on Biodiversity Conservation in Transboundary Tropical Forests (July 2010, Quito, Ecuador);
- Promoting the development, use and dissemination of publications of common interest, including the ITTO/IUCN Guidelines for the conservation and sustainable use of biodiversity in tropical timber produc-



Emmanuel Ze Meka offers to Ahmed Djoghla, Executive Secretary of CBD, a copy of the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests

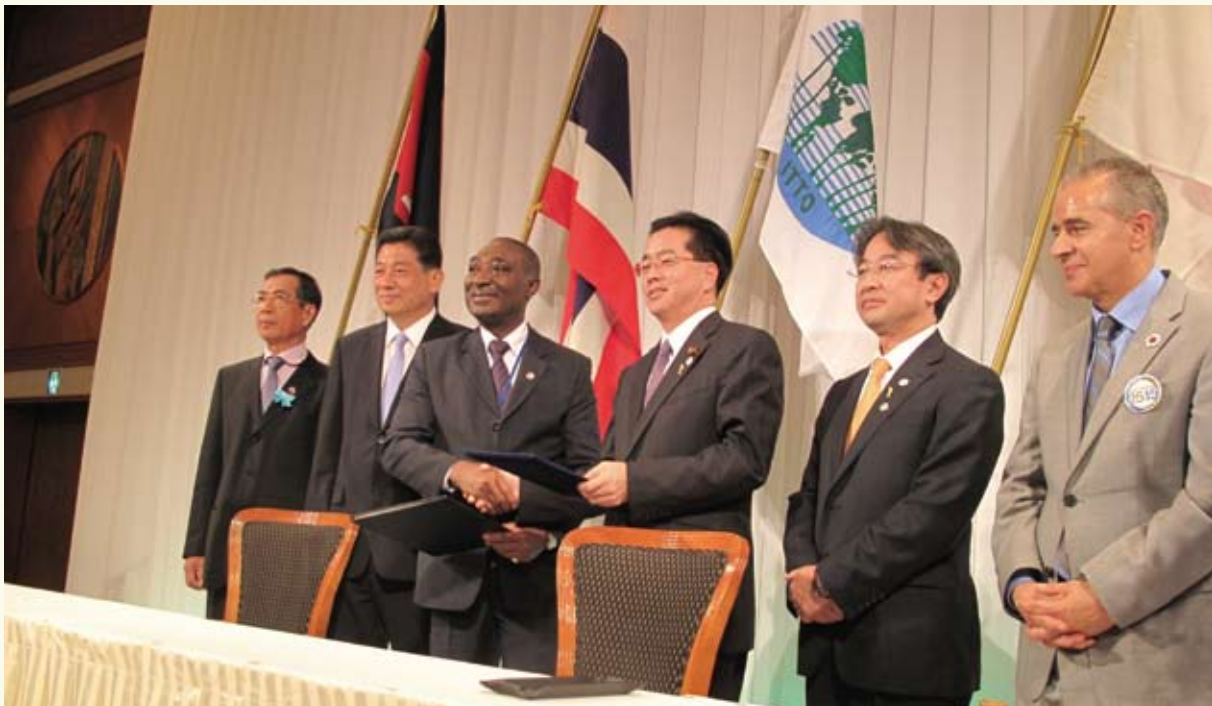
tion forests, and the CBD/IUCN Good Practice Guide on Sustainable Forest Management, Biodiversity and Livelihoods;

- Developing a support programme for the implementation of the CBD programme of work on forest biodiversity in ITTO producer member countries, similar to the ITTO-CITES programme on support to member countries for implementation of CITES Decisions related to tropical timber species.

ITTO at CBD COP 10, Nagoya, Japan, October 2010

Following the signing of the Memorandum of Understanding, the Secretariats of CBD and ITTO engaged in a series of events to promote tropical forest biodiversity. With particular reference to CBD COP 10 held in Nagoya, Japan, 18-29 October 2010, ITTO had a very dynamic participation, including:

- Approval by the CBD COP 10 of a Decision on Forest Biodiversity which “Welcomes and supports the Memorandum of Understanding between the Secretariat of the Convention on Biological Diversity and the Secretariat of the International Tropical Timber Organization (ITTO) as signed on 2 March 2010 aiming to strengthen implementation of the expanded programme of work on forest biodiversity of the Convention on Biological Diversity in tropical forests, and inviting Parties, other Governments, and relevant organizations to support joint activities under the Memorandum of Understanding”.
- Signing an Exchange of Notes with the Ministry of Foreign Affairs of Japan to fund project PD 577/10 Rev 1(F) Management of the Emerald Triangle Protected Forest Complex to Promote Cooperation for Transboundary Biodiversity Conservation between Thailand, Cambodia and Laos, for an ITTO contribu-



Signing ceremony of the Emerald Forest Transboundary Project. In this picture, from left to right: H.E. Dr. YIN Kimsean, Secretary of State of the Ministry of Environment of Cambodia; H.E. Mr. Suwit KHUNKITTI, Minister of Natural Resources and Environment of Thailand; Mr. Emmanuel Ze Meka, Executive Director of ITTO, H.E. Mr. Yutaka BANNO, State Secretary of Foreign Affairs of Japan; H.E. Mr. Shoichi KONDO, Senior Vice-Minister of the Environment of Japan; Mr. Ahmed Djoghla, Executive Secretary of CBD.



Jan McAlpine, Director of the UNFF, and Emmanuel Ze Meka, Executive Director of ITTO, signing a Memorandum of Understanding in Nagoya, Japan, in October 2010. Also in the picture is Takuo Sato, from the Ministry of Foreign Affairs of Japan.

tion of US\$ 2,051,039 of a total project budget of US\$ 2,619,441 over 3 years. The project is part of the CBD/ITTO Collaborative Initiative to promote the implementation of the CBD Programme of Work on Forest Biodiversity in ITTO producer member countries. The Collaborative Initiative is designed to attract other donors in addition to Japan, to reach out to the largest possible number of ITTO producer member countries that express interest to participate.

Enhancing Cooperation between ITTO and UNFF

- During CBD COP 10 Side Event on 26 October titled “A 360 degree View of Forests: People, Biodiversity, Carbon and More”, organized by ITTO in partnership with the CBD and the UNFF Secretariats, with the participation of the Ministry of Foreign Affairs of Japan, a Memorandum of Understanding between ITTO and the UNFF was signed, to strengthen the collaboration between the two Secretariats with special reference to the International Year of Forests 2011, and the promotion of community forestry.

Strengthening Collaboration between ITTO and JICA

In 2010, the Japan International Cooperation Agency (JICA) and ITTO established a Memorandum of Under-

standing, to enhance collaboration between the two institutions. The key purposes of the Agreement were to:

- Identify, develop and implement targeted joint activities on the sustainable use and conservation of tropical forests in support of the overall sustainable development of ITTO developing member countries assisted by JICA and in accordance with their national development policies; and
- Promote capacity building in ITTO developing member countries and facilitate information exchange between the Parties and interested countries, to advance the implementation of sustainable forest management in the tropics

Several areas for cooperation are identified in the agreement, including:

- Joint project development and financing at sub-national, national and regional levels;
- Provision of services by ITTO for JICA project implementation in countries where ITTO has comparative advantage due to extended field experience;
- Joint activities in dissemination of information and sharing of experiences in the field of sustainable forest management in the tropics;
- Opportunities for the dissemination of Japanese technology and know how for the sustainable use and conservation of forest resources, the sustainable

development of forest industry; and the promotion of trade and marketing of sustainably produced and legally harvested forest products;

- Promotion of markets and market-based approaches to increase the value of tropical forests through the payment of environmental services, including carbon sequestration and carbon stocking;
- Forest fire prevention and management, and development of regional early warning and detection systems; and
- Forest management for mitigation and adaptation to climate change including REDD+ .

In this framework, JICA and ITTO published a bilingual booklet (English and Japanese) in 2010, titled: REDD-plus: Forest Conservation in Developing Countries

JICA and ITTO co-organized a side event held in Cancun, Mexico, during the UNFCCC COP 16 in December 2010, on the role of private sector participation in REDD+ implementation.

The two organizations are liaising closely to raise funds for more joint activities in the near future.

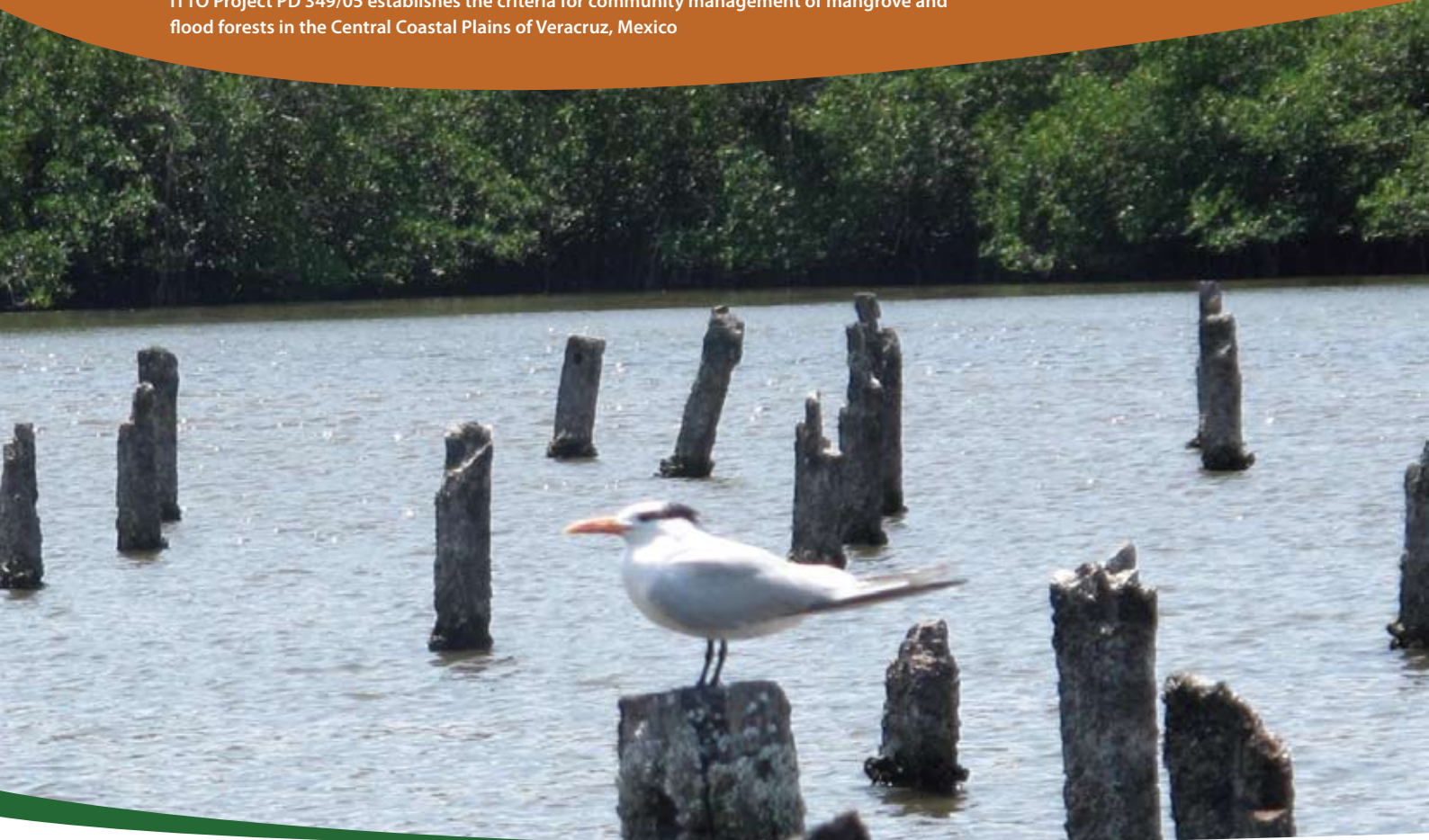


Kenzo Oshima of JICA, and Emmanuel Ze Meka of ITTO, signing a Memorandum of Understanding between the two organizations, in September 2010 at ITTO Headquarters in Yokohama.



(L to R) H.E. Ambassador of Japan to Peru, Shuichiro Megata; The mayor of Bagua, Ferry Torres Huamán; and Peruvian Minister of Environment, Antonio Brack Egg visiting ITTO Project PD 428/06 Rev.2 (F) "Promoting the Rehabilitation, Management and Sustainable Use of Tropical Bamboo Forests in the North-Western Region of Peru."

ITTO Project PD 349/05 establishes the criteria for community management of mangrove and flood forests in the Central Coastal Plains of Veracruz, Mexico



ITTO SPONSORED/ CO-ORGANIZED EVENTS IN 2010

Sixth Business Round Tables of the Timber Industry

25 – 26 March 2010, Santa Cruz de la Sierra, Bolivia,

ITTO co-sponsored this event which promotes the development of business and trade relations among forest communities, small and medium size forest enterprises (SMEs), and big forest conglomerates. It's an event where suppliers and buyers of timber and timber products meet to make businesses, in total 164 companies participated with representation of buyers from 15 countries, which resulted in business proposals with a value of US\$39.8 million.

Side Event on Biodiversity Conservation in Tropical Forests, CBD COP 10

22 October, Nagoya, Japan

- This side-event promoted a wide debate on: (i) the implementation of the ITTO/IUCN Guidelines for the conservation and sustainable use of biodiversity in tropical timber production forests by Indonesian private sector companies Sinar Mas and Alas Kusuma, (ii) the importance of sustainable forest plantations by WWF International, (iii) the results of the ITTO/CITES collaborative initiative to support ITTO producer member countries in the implementation of CITES Decisions related to tropical timber species, and (iv) presentation of the results of the International Conference on Biodiversity Conservation in Transboundary Tropical Forests held in Quito, Ecuador, in July 2010.



Tarsicio Granizo, Vice-Minister of Natural Heritage, Ecuador, and Hwan Ok Ma, of the ITTO Secretariat, presenting the results of the Transboundary Conference during a side event organized by ITTO at CBD COP 10, Nagoya, Japan, October 2010.

Workshop on Forest Governance, Decentralization and REDD+ in Latin America and the Caribbean: A Country-Led Initiative in Support of the UNFF by the Governments of Mexico and Switzerland

31 August – 3 September 2010, Oaxaca, Mexico

ITTO participated in and sponsored the participation of 11 representatives from ITTO member countries in Latin America and Caribbean in the workshop held in Oaxaca, Mexico from 31 August to 3 September 2010. The main output of the workshop was a document addressed to the UNFF-9 "Forest and People", which contains 6 main topics:

- Governance and REDD + implementation;
- Landscape finance;
- Synergy opportunities between mitigation and adaptation;
- Forest finance and finance for REDD;
- REDD+ rights and communities;
- Indigenous people and REDD = safeguards;

The main recommendations of above topics are:

- Strengthen capacity building in SFM and REDD in particular at local level;
- Built institutional mechanism for risk management for REDD+;
- Coordination at local level among agencies that deal with SFM and those which deal with REDD+;



Community Forest Enterprise for processing resin, Oaxaca, Mexico

- Implement fiscal policy reforms related to forest and create financial mechanisms to support REDD+;
- Strengthen the role of local communities (including indigenous people) in the decision making processes regarding SFM and REDD+;

National Statistics Training workshop 20 – 23 April, Mexico

ITTO continued to provide assistance to member countries to strengthen and enhance their statistics collection and reporting. A national statistics training workshop was conducted in Mexico from 20 to 23 April 2010 in collaboration with CONAFOR, SEMARNAT and FAO.

Promoting the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests

15 June 2010

In June 2010, ITTO in cooperation with IUCN and JICA organized a one-day conference on Biodiversity Conservation in Human Influenced Areas in Yokohama, Japan, focusing on the promotion of the ITTO/IUCN Guidelines for the conservation and sustainable use of biodiversity in tropical timber production forests (ITTO Policy Development Series no. 17, 2009). The event benefited from

wide participation of government agency representatives and NGO's based in Japan interested in the con-





servation of tropical forest resources. The event, which was co-facilitated by IUCN and ITTO, received keynote presentations from Dr. Jeff Sayer of University of Cairns, Australia, and Ms. Christy Nozawa, Asian Director of Birdlife International.

ITTO/CBD Partners Event at the 23rd Session of the FAO Asia Pacific Forestry Commission: Sustaining Forest Biodiversity

11 June 2010, Thimphu, Bhutan

This event was a partner event co-hosted by ITTO and CBD during the 23rd session of the Asia Pacific Forest Commission in Thimphu, Bhutan. The event led off with a presentation of CBD's "Biodiversity is Life" video, followed by presentations by CBD (on opportunities for forests in the International Year of Biodiversity) and ITTO (on its work to conserve biodiversity in tropical forests). The event also included a detailed presentation of a trans-boundary conservation project funded by ITTO in the Emerald Triangle area of Thailand and Cambodia. The event was attended by over 50 participants who engaged in a lively discussion following the above presentations

International Conference on Biodiversity in Transboundary Tropical Forests

21 – 24 July 2010, Quito, Ecuador

ITTO, in cooperation with the Ministry of Environment of Ecuador, CBD Secretariat, IUCN, Fundación Natura and Conservation International-Ecuador organized an International Conference on Biodiversity Conservation in Transboundary Tropical Forests. About 200 participants from ITTO member countries in the tropics, transboundary conservation experts and policy makers attended the event. A message from participants was developed for CBD COP 10 in Nagoya, summarizing the outcome of the conference and its recommendations, inviting all stakeholders to support the CBD COP 10 Decision on transboundary conservation areas (TBCA), and to Governments and international organizations, including ITTO and CBD constituencies to support the estab-



Osamu Imai, Ambassador of Japan in Ecuador, speaking at the opening of the the ITTO/CBD International Conference on Biodiversity Conservation in Transboundary Tropical Forests, Quito, July 2010



Marcela Aguiñaga Vallejos, Minister of Environment of Ecuador, speaking at the opening of the ITTO/CBD International Conference on Biodiversity Conservation in Transboundary Tropical Forests, Quito, July 2010



Panelists at the ITTO/CBD International Conference on Biodiversity Conservation in Transboundary Tropical Forests

lishment and effective management of transboundary conservation areas by providing financial, technical and policy support. The conference compiled lessons learned on TBCA in the three tropical regions, and a special issue of the ITTO's quarterly "Tropical Forest Update" was launched to summarize and disseminate the Conference's findings and results (TFU -20/2 available in English, French and Spanish, online at [www.itto.int](#) and in hard copies from the ITTO Secretariat.

Demonstration and Application of Production and Utilization Technologies for Rattan Sustainable Development in the ASEAN Member Countries

29 August – 01 September 2010, Makati city, Philippines

The conference was an additional and culminating activity of the ITTO project PD 334/05 Rev.2 (I) being implemented by Ecosystems Research and Development Bureau (ERDB) of the Philippines in collaboration with eight ASEAN member countries, namely: Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Thailand, and Vietnam.

The conference served as the venue for sharing the successful strategies and experiences involving communities in the establishment and management of rattan plantations. It also highlighted the research results on priority areas related to the improvement of rattan production and utilization. The topics of the conference were:

- Rattan diversity and taxonomy;
- Experience in the establishment of pilot demonstration in South East Asia; and
- Research and development direction for rattan in the next decade.

During the conference, the on-line database of rattans found in Southeast Asia was launched featuring scientific and local names of rattan species in the country, distinguishing character, brief description on habitat, elevation, distribution, characteristics of stem, leaves, inflorescence, fruits and seeds, uses, illustrations and pictures.

Two more project publications were launched during the conference, *A Field Guide to Philippine Rattans* by Dr. Aida B. Lapis, and *The ASEAN Rattans*, which compiles the research work on all the participant countries of the project.

ITTO at the XXIII IUFRO World Congress 23 – 28 August 2010, Seoul, Korea

ITTO actively participated in the XXIII IUFRO World Congress which was convened in Seoul, Republic of Korea on 23 -28 August 2010 under the theme "Forests for the Future: Sustaining Society and the Environment," Approximately 2,800 forest scientists from 93 countries participated in the Congress

During the Congress the Executive Director participated in the IUFRO President's Discussion which was held on 25 August 2010. He made a presentation on "International Forest-Related Agreements-what students should learn." The panel was composed of distinguished persons representing the scientific community, forestry students, business and industry, NGOs, and international forest policy to offer their views on how forest education can be made more effective and attractive in the future. Other Speakers on the panel included Hosny El-Lakany (University of British Columbia), Yoon Soo Kim (Chonnam National University), Florent Kaiser (International Forestry Students Association), Hideki Nose (Sumitomo Forestry Co. Ltd.), and Gerald Steindlegger (WWF International).



Regional Rattan Conference Proceedings

Dusit Thani Hotel, Ayala Centre
Makati City, Philippines

August 29 - September 1, 2010

The Executive Director also participated in the CPF Sub-plenary Session organized on 23 August 2010 and presented a paper on “Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES) - Research Priorities”

ITTO organized a Side-event in conjunction with the 23rd IUFRO World Congress on 25 August 2010 under

the theme “Children’s Environmental Education Programme on Tropical Forests”

Presenters at the Side-event were: E. Collins Ahadome (ITTO Secretariat); Hwan Ok Ma (ITTO Secretariat); Bernadette Joeman, Rainforest Discovery Centre, Sabah, Malaysia; Chamniern Verratntchaiphan, Thailand Environmental Institute and Dr. Cho Kyu-Sung, Green Ranger, Republic of Korea



Mr. Emmanuel Ze Meka, Executive Director making a presentation at the IUFRO CPF Sub-Plenary during the XXIII IUFRO World Congress, Seoul, Republic of Korea



Children Environmental Education Programme at the Plants Discovery Garden in Sabah, Malaysia
Photo Credit: Ms. Bernadette Joeman



Green Ranger School Tree Planting Activity in Korea
Photo Credit: Dr. Cho Kyu-Sung

Seventeenth Meeting between the Common Fund for Commodities and the International Commodity Bodies

31 August – 1 September 2010, ITTO

Headquarters, Yokohama, Japan

The 17th meeting between the Common Fund for Commodities (CFC) and the International Commodity Bodies (ICBs) was hosted by the International Tropical Timber Organization in Yokohama, Japan on 31 August 2010. In his Opening remarks, the Executive Director of ITTO, Mr. Emmanuel Ze Meka noted that the amount of funds mobilized by ITTO in relation to the enormity of the task of assisting its member countries in addressing the pressing problems and challenges confronting tropical forests was very modest. He also stressed the relevance and potency of the partnership between CFC, the ICBs and the FAO intergovernmental commodity groups in

advancing commodity sector development as the key strategy towards improving economies and livelihoods in developing countries.

The Managing Director of the Common Fund for Commodities, Ambassador Ali Mchumo also noted that the annual meetings offered an excellent opportunity for the CFC and the ICBs to reflect on their common goal of commodity development. The meeting reviewed the impact of the financial and economic crisis on commodities; preparations for the Fourth United Nations Conference on the Least Developed Countries (LDC IV) to be convened in Istanbul, Turkey, in 2011; the European Union commodity policies and the role of CFC and ICBs; the future role and mandate of the Common Fund for Commodities; progress report on the implementation of the Third Five-Year Action Plan of CFC; and a Joint



Field visit by participants to Kee-Tech Factory in Chiba near Tokyo

ICB/CFC communication strategy. Commodity Bodies represented at the meeting included the International Network for Bamboo and Rattan; International Coffee Organization; International Copper, Nickel and Lead and Zinc Study Groups; International Jute Study Group; International Olive Council; International Rubber Study Group; International Cotton Advisory Council; International Sugar Organization; and ITTO. Other participants were from CFC, FAO, UNCTAD and the European Union.

Towards a Strategy to Promote the Forest Industry Development in the Congo Basin

21 – 22 September 2010, Yaoundé, Cameroon

Over the last decades, logs had been the most important commodity in the Congo Basin international forest products trade. In recent years, national legislation in most countries of this region has more or less gradually introduced log exports bans, aiming at the promotion of local investments in wood processing.

For multiple reasons the level of investment in new manufacturing facilities or expansion of existing ones, has been very limited. The majority of export products remained traditionally sawn timber, veneer and plywood directed towards European markets and increasingly to new regions, such as China.

While the European markets are slowly recovering from the economic downturn, there is a need to develop stronger market opportunities within the African regions or sub regions, including fostering national wood product markets. In order to be in a position to serve these markets, it is a prerequisite to create an enabling environment to invest in local further processing facilities.

There are various good initiatives in Congo Basin countries promoting different aspects related to the development of the forest industries, most of them lacking a strategic national framework for their activities.

As a follow up to the “Accra Action Plan” resulting from the International Conference on the “Promotion of Intra-African Trade in Timber and Timber Products”, held in Ghana from 30 June to 2 July 2009, organized by the International Tropical Timber Organization; ITTO, Interafrican Forest Industries Association (IFIA) and the

FAO National Forest Programme Facility (NFP) joined forces to promote the formulation and implementation of national forest industry development strategies. This was also in line with the fifth strategic axis of the “Plan de Convergence” of the COMIFAC, which is about the sustainable valuation of the forests resource.

A strategy to promote the development of the forest industry is an important instrument to create a favourable environment for investment and to facilitate and strengthen local and sub regional markets. Some of the issues identified in a strategy could be implemented within a short period of time; while others can become part of long term processes.

Objectives

The meeting focused on the following objectives:

- Identification of priorities for the formulation of national strategies in selected countries of the Congo Basin for the development of forest industries, from the resource base to the markets.
- Development of a road map for the formulation and implementation of national strategies, with focus on short and medium term results.

Second African Regional Workshop under ITTO CITES Capacity Building Programme

29 September – 02 October 2010, Hotel Seme Beach, Limbé, Cameroon

The 2nd African regional workshop under the ITTO CITES program was held in Limbé (Cameroon) between 29 September and 2 October 2010 focusing on the sustainable trade of *Pericopsis elata* (afroformosa or assamela) timber and *Prunus africana* (African cherry or pygeum) bark, hosted by the Government of Cameroon through its Ministry of Forestry and Wildlife. The overall goal of this workshop was to make a mid-term evaluation of program activities under implementation in the range countries, to share experiences among CITES authorities in carrying out non-detriment finding requirements, and to develop a new participatory Action Plan for afroformosa for 2011 – 2013. The portion of the workshop to discuss steps required to allow trade in pygeum to recommence included several representatives of the European pharmaceutical industry that imports the bark of this species for its medicinal properties. A report on the 2nd Regional Workshop is available on www.itto.int.



Representatives of ITTO and CITES together with Cameroon's Minister of Forestry and Wildlife Dr. Elvis Ngolle Ngolle speaking to the press after opening the workshop"
Photo Credit: ANAFOR

2nd African regional workshop under ITTO CITES capacity building program

Sixth National Wood Convention of Peru

21 October 2010, Lima, Peru

The aim of the convention, co-sponsored by ITTO was to disseminate the latest trends and opportunities in the international timber markets, and promote technological improvements for Peruvian timber products.

The convention was attended by more than 200 participants, mainly from the private sector.

Second Asian Regional Workshop on ITTO-CITES Programme

1 – 4 December 2010, Kuantan, Pahang, Malaysia

The Government of Malaysia successfully hosted a four-day regional workshop where a total of 61 participants attended. The objective of the workshop was to share results and experiences from the activities implemented under the ITTO-CITES Programme in Indonesia and Malaysia, including identifying and adapting relevant findings from the Indonesian activities by Malaysia and vice versa.

National Workshop on Enforcement Compliance for Trade in Ramin (Gonystylus spp.)

8 – 10 December 2010, Kuala Lumpur, Malaysia

The national workshop was hosted by the Government of Malaysia and attended by 42 participants. The main objective of the workshop was for various enforcement departments and agencies in Malaysia to gain insight on the Convention of the International Trade for Endangered Species of Wild Fauna and Flora (CITES) its mechanism and implementation. Through the workshop a task force would be established to provide effective information sharing on enforcement related activities. The workshop also provided better understanding on trade issues and regulations pertaining to ramin and other timber species listed under the Malaysian Act 686.



Participants of the ITTO-CITES Regional Workshop, Kuantang, Pahang, Malaysia



Small diameter teak log yard in Indonesia, involved in research activities of PD 040/00 Rev. 4 (I)
 Photo Credit: Faculty of Forestry, Bogor Agricultural University, Indonesia

Workshop on the Utilization of Small Diameter Logs from sustainable sources for Bio-composite Products

9 – 10 December 2010, Bogor, Indonesia

The aim of the workshop sponsored by CFC and ITTO as part of the activities of the project PD 40/00 Rev.4 (I), was to present the research results on the technology for the utilization of Small Diameter Logs -SDL- (logs which genetically and environmentally never reach 50 cm diameter) for bio-composite products such as cement board, plywood, LVL, particle board, MDF, etc from species such as Sungkai (*Peronema canescens*), Meranti (*Shorea leprosula*), Jabon (*Anthocephalus cadamba*), Sengon (*Paraserianthes falcataria*), Pulai (*Alstonia scholaris*), Manii (*Maesopsis eminii*) Rubberwood

(*Hevea brasiliensis*), Acaccia (*Acacia mangium*), Gmelina (*Gmelina arborea*), Mindi (*Melia azedarach*), Tisung (*Hibiscus macrophyllus*), Polysias Nodosa, *Alstonia macrophylla* G. Don, Oil Palm (*Elaeis guinensis*), and Eucalyptus urophylla. Main topics included:

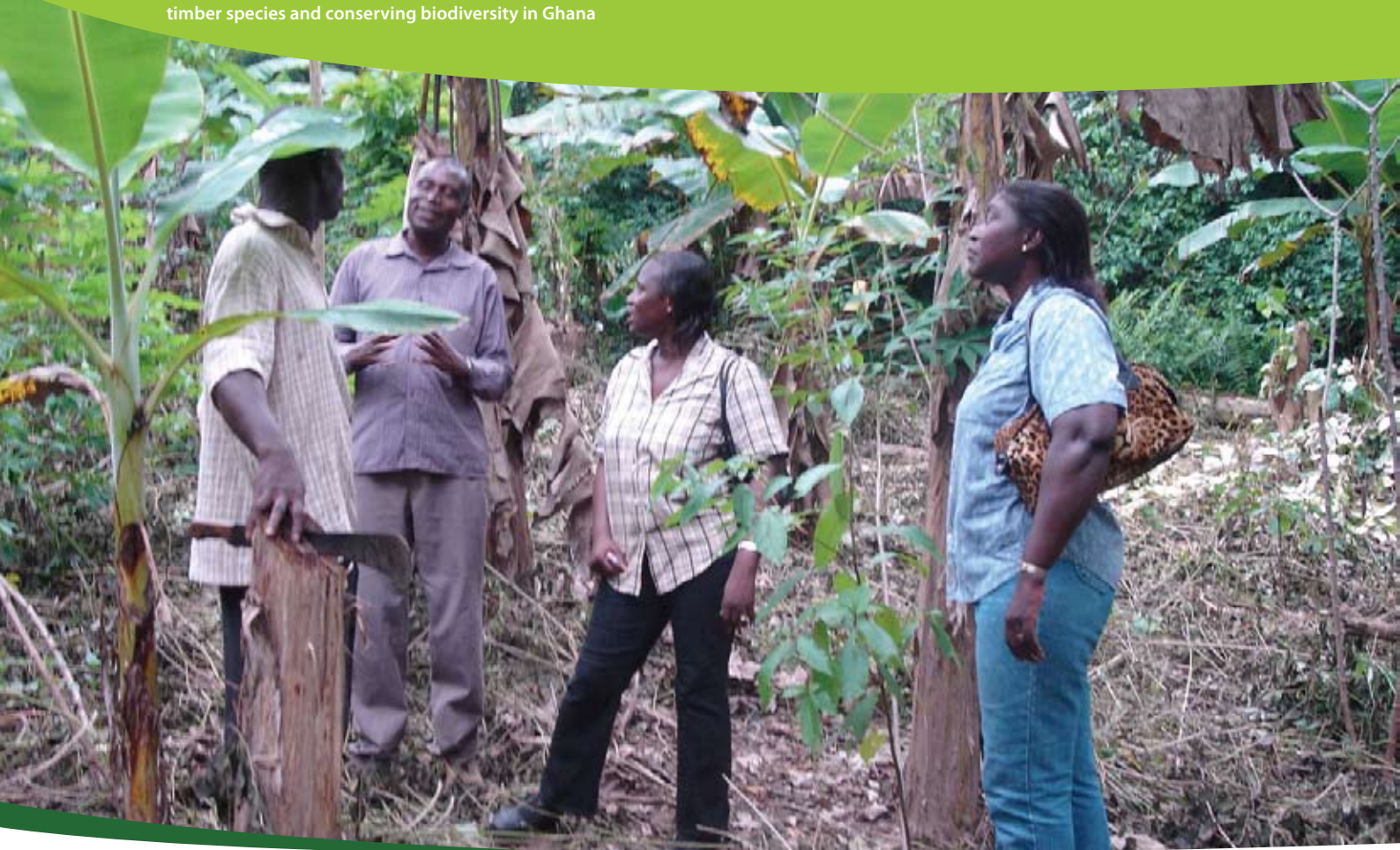
- Trends and policies of raw materials for the wood industry in Indonesia;
- Performance of bio-composite products from SDL;
- Use of SDL from Lesser Used Species for bio-composites; and
- Machinery modifications of the use of SDL.

The workshop was attended by 93 representatives of the wood industry, researchers and policy makers from Indonesia, Philippines, and Malaysia.



Monitoring Mission to ITTO Project PD310/04 Rev.2(F) Biodiversity Management and Conservation in Forest Concessions Adjacent to totally Protected Area (Nouable-Ndoki National Park) Northern Republic of Congo

ITTO Project PD256/03 Rev.1(F) aims at promoting sustainable production of native tropical timber species and conserving biodiversity in Ghana



FINANCING OF PROJECTS, PRE- PROJECTS AND ACTIVITIES

ITTO's uniqueness is its strength in the field through project works in member countries. The total amount allocated for financing projects, pre-projects and activities during the year 2010, amount to US\$17,337,640.56 including US\$5,729,111.38 for the ITTO Thematic Programmes. Allocations of funds were made by Japan (\$5,702,925.06), Norway (\$4,362,942.38), Switzerland (\$1,718,160.00), the United States of America (\$1,247,456.00), Germany (US\$120,393.36), China (US\$100,000.00), Finland (\$50,000.00), Republic of Korea (\$40,000.00), Common Fund for Commodities (US\$2,044,895.00), Private-Japan and Europe (US\$620,868.76) and a total amount of US\$1,330,000.00 was allocated from the Bali Partnership Fund, Sub-Account B and the Programme Support Fund in the Special Account.

Voluntary Contributions (US\$)

Funds received in 2010 into the Special Account and the Bali Partnership Fund

| | |
|-----------------------------|----------------|
| Government of Japan | \$4,021,725.30 |
| Government of Switzerland | \$1,500,000.00 |
| Government of U.S.A. | \$1,115,956.00 |
| Government of U.K. | \$462,600.00 |
| Government of Germany | \$120,393.36 |
| Government of Norway | \$102,940.00 |
| Government of Finland | \$48,329.68 |
| European Commission | \$1,262,272.70 |
| Common Fund for Commodities | \$55,549.00 |
| Private | \$503,220.76 |
| | <hr/> |
| | \$9,192,986.80 |

Table 1. Summary of Projects, Pre-projects and Approved Activities Funding pledged in Year 2010

| | New | | | | | Additional Funding for Ongoing Proj./ Activities | Total | |
|--|--------------------|--------------|-------------------|------------|-------------------|--|-----------|------------------------|
| | Projects | Pre-Projects | | Activities | | | | |
| | ITTO Funding US\$ | No. | ITTO Funding US\$ | No. | ITTO Funding US\$ | ITTO Funding US\$ | No. | ITTO Funding US\$ |
| Economic Information and Market Intelligence | | | | | | 900,000 | 0 | 900,000 |
| Reforestation and Forest Management | 4,473,382 | 1 | 99,279 | | | 1,218,160 | 8 | 5,790,821 |
| Forest Industry | 2,812,602 | | | | | 235,297 | 4 | 3,047,899 |
| Thematic Programmes Council | | | | | | 5,729,111 1,869,809 | 0 | 5,729,111 1,869,809 |
| TOTAL | \$7,285,984 | 1 | \$99,279 | 0 | \$0 | \$9,952,378 | 12 | \$17,337,641 |

Thematic Programmes (additional funding)

| | |
|---|--------------------|
| Forest Law Enforcement, Governance and Trade (TFLET) | 635,327 |
| Reducing Deforestation and Forest Degradation and Enhancing Environmentment Services in Tropical Forests (REDDES) | 4,793,784 |
| Community Forest Mnagement and Enterprises (CFME) | 100,000 |
| Trade and market Tranperancies (TMT) | 200,000 |
| Industry Development and Efficiency (IDE) | nil |
| Total (included above): | \$5,729,111 |

**Table 2. Projects, Pre-Projects and other Approved Activities Funded by the Organization.
1987 - 2010 [ITTC (II) - ITTC (XLVI)]**

| WORK | STATUS | No. | ITTO Funding (US\$) |
|-------------------------------|------------------|-----|---------------------|
| Projects | Completed | 399 | 204,518,283.00 |
| | Operational | 121 | 65,316,986.00 |
| | Pending Contract | 12 | 8,469,734.00 |
| | Sub-total: | 532 | 278,305,003.00 |
| Pre-Projects | Completed | 192 | 17,344,114.00 |
| | Operational | 14 | 890,274.00 |
| | Pending Contract | 3 | 265,864.00 |
| | Sub-total: | 209 | 18,500,252.00 |
| Approved Activities (Note) | Completed | 204 | 34,419,129.37 |
| | Operational | 47 | 33,978,947.41 |
| | Sub-total: | 251 | 68,398,076.78 |
| TOTAL | | 992 | 365,203,331.78 |

Note:

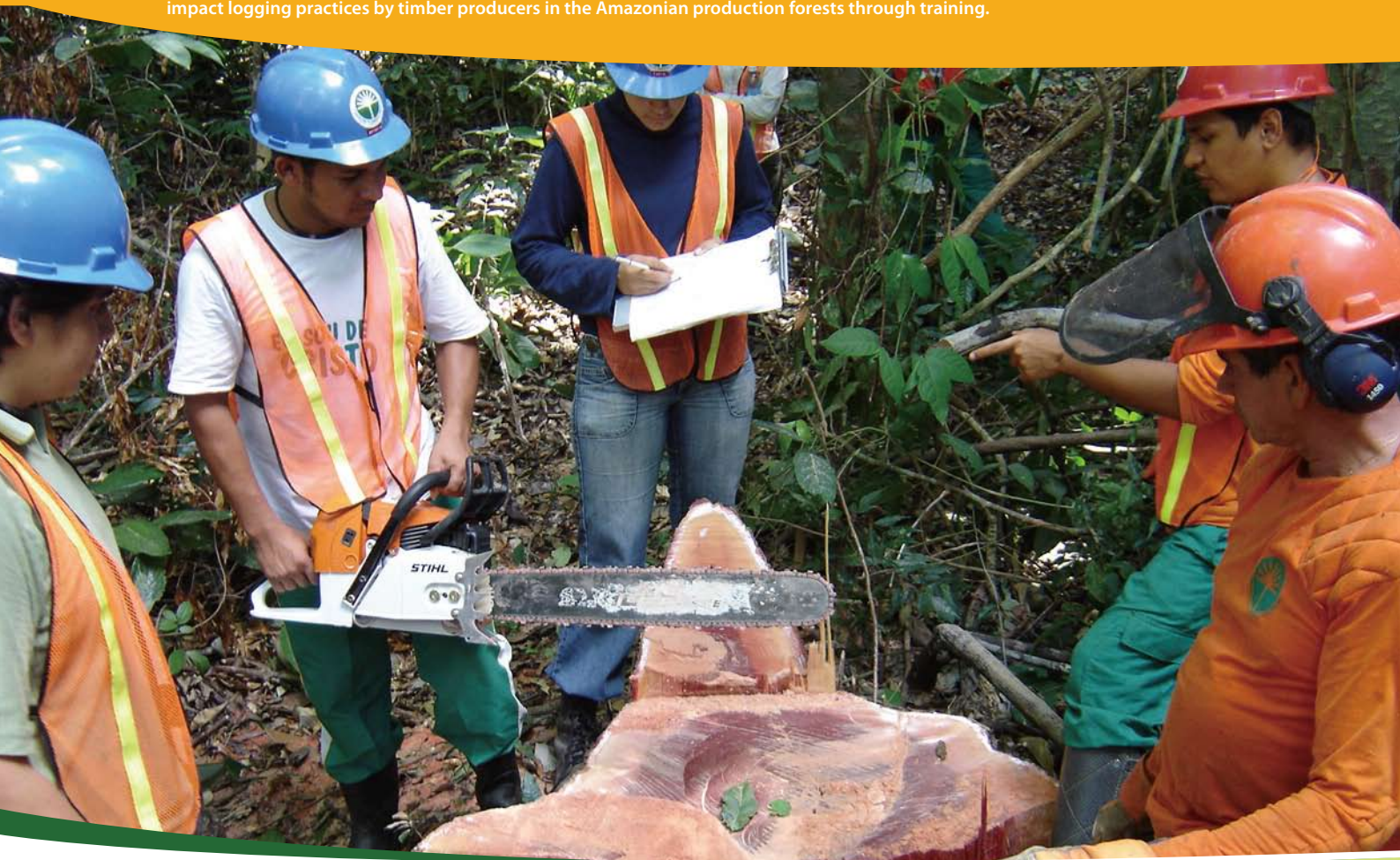
The approved activities include ITTO Thematic Programmes, the status of which were as follows, as of December 2010.

| | Budget (US\$) | Pledges (US\$) |
|---|---------------------|---------------------|
| Forest Law Enforcement, Governance and Trade (TFLET) | 15,000,000 | 6,481,711 |
| Reducing Deforestation and Forest Degradation and Enhancing Environment Services in Tropical Forests (REDDES) | 18,000,000 | 9,232,742 |
| Community Forest Management and Enterprises (CFME) | 10,000,000 | 1,100,000 |
| Trade and market Transperancies (TMT) | 5,000,000 | 1,200,000 |
| Industry Development and Efficiency (IDE) | 10,000,000 | |
| | \$58,000,000 | \$18,014,453 |



ITTO Project PD 349/05 establishes the criteria for community management of mangrove and flood forests in the Central Coastal Plains of Veracruz, Mexico

ITTO Project 206/03 Rev.1(F) aims at increasing the adoption of forest management and reduced impact logging practices by timber producers in the Amazonian production forests through training.



FINANCING OF ITTO THEMATIC PROGRAMMES

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 45th 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 |
| 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 |
| 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 adopted TPDs, together with guidance for preparation

and submission of proposals were circulated to all ITTO Member Countries in April 2010 and the TP section of the ITTO website was updated to reflect the developments.

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 MPs are available at http://www.itto.int/thematic_programme_general/

TP Calls for Proposals in 2010

The final resources available for the Thematic Programmes allowed the launch of only one call for proposals in 2010 under CFME, TFLET and TMT. The 'Spring Cycle 2010' was launched on 16 April 2010 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:

TFLET Spring Cycle 2010 approved projects

| Project ID | Submitted by | Title | ITTO Funding | Project Total |
|--|--------------|--|--------------|---------------|
| 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 | |

CFME Spring Cycle 2010 approved projects

| Project ID | Submitted by | Title | ITTO Funding | Project Total |
|---|--------------|--|--------------|---------------|
| 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 | |
| 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 | \$53,904 |
| 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 | \$156,040 |
| 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 | \$290,079 |
| CFME Spring Cycle 2010 Allocation Total | | | \$ 967,524 | |

TMT Spring Cycle 2010 approved projects

| 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.

Thematic Programme Financing

In 2010, new pledges totaling US\$ 5,729,111.38 were received for the Thematic Programmes. Categorised by programme and donors, the pledges were as follows:

REDDES:

| | | |
|---------------------------|-------------|---------------------|
| Government of Norway | US\$ | 4,260,002.38 |
| Government of Japan | US\$ | 283,782.00 |
| Government of Switzerland | US\$ | 100,000.00 |
| Government of USA | US\$ | 150,000.00 |
| Total 2010 | US\$ | 4,793,784.38 |

TFLET:

| | | |
|---------------------------|-------------|-------------------|
| Government of Switzerland | US\$ | 300,000.00 |
| Government of USA | US\$ | 247,456.00 |
| Government of Germany | US\$ | 87,871.00 |
| Total 2010 | US\$ | 635,327.00 |

TMT:

| | | |
|---------------------------|-------------|-------------------|
| Government of Switzerland | US\$ | 200,000.00 |
| Total 2010 | US\$ | 200,000.00 |

CFME:

| | | |
|-------------------|-------------|-------------------|
| Government of USA | US\$ | 100,000.00 |
| Total 2010 | US\$ | 100,000.00 |

The funding status of the ITTO Thematic Programmes is as follows:

| TP | Indicative budget | Funding pledged | Remaining Balance | Donors |
|-------------------|--------------------------------|-----------------------------------|-----------------------------------|--|
| TFLET | \$ 15,000,000 (100%) | \$ 6,481,711 (43,21%) | \$ 8,518,289 (56,79%) | Netherlands, Japan, UK (DFID), USA, Switzerland, Germany, Australia, New Zealand, Finland, Norway, Republic of Korea. Japan Lumber Importers Association |
| REDDES | \$ 18,000,000 (100%) | \$ 9,232,742 (51.29%) | \$ 8,767,258 (48.71%) | Norway, Japan, Switzerland, USA |
| CFME | \$ 10,000,000 (100%) | \$ 1,100,000 (11,00%) | \$ 8,900,000 (89,00%) | Japan, USA, Switzerland, Norway, Sweden |
| TMT | \$ 5,000,000 (100%) | \$ 1,200,000 (24,00%) | \$ 3,800,000 (76,00%) | Switzerland, USA, Japan, Finland |
| IDE | \$ 10,000,000 (100%) | | \$ 10,000,000 (100%) | |
| TP Overall | \$58,000,000 (100%) | \$ 18,014,453 (31,06%) | \$ 39,985,547 (68,94%) | |





ITTO Fellow, Mr. Roy Rabindra (Nepal) receiving a national award from the first President of Nepal for his achievement in completing his Ph.D programme at AIT, Thailand. His research focused on “Indigenous People’s Knowledge and Biodiversity Conservation.”

ITTO Fellow Ms. Susanti Rina (Indonesia) undertaking an M.Sc research on “Traditional Ecological Knowledge and Biodiversity Conservation: Medicinal Plants of Dayak Krayan People in Kayan” at the University of Dresden, Germany



FELLOWSHIPS

Objective:

ITTO offers fellowships through the Freezailah Fellowship Fund to promote human resource development and to strengthen professional expertise in member countries in tropical forestry and related disciplines.

Current Status:

As of December 2010, the Programme, which began in 1989, has enabled more than 1100 young and mid-career people from over 40 countries working for government, universities, research institution, civil society and the private sector to pursue their professional development and improve their career prospects. The fellowships are mainly awarded to nationals of ITTO producer member countries. Thirty percents of the fellowships have been awarded to people from Africa, 31% to people from Asia/Pacific and 24% to people from Caribbean/Latin America. On the other hand, 12% of the fellowships have been awarded to people from developing consumer countries, such as China and Nepal, and 3% to people from developed consumer countries. Seventy percents of the fellowships awarded were in the field of Reforestation and Forest Management, 21% in Forest Industry and 9% in Economic Information and Market Intelligence.

The total value of fellowships awarded to date amounts to about US\$6.4 million. Funding has been provided through the generous voluntary contributions from Japan (75%), U.S.A (13%), the Netherlands (7%), Austra-

lia (4%) and others (1%) including Sweden, U.K. and Bali Partnership Fund-B. The programme supports mainly short-term activities, such as participation in international conferences, training courses and study tours. In addition, it also helps people to prepare manuals and monographs and provides small grants for post-graduate study.

ITTO Fellowship Programme encourages capacity development of women foresters, and has supported 298 women to undertake fellowship activities, which accounts for 27 % of the total number of fellowships.

Impact Assessment of the Fellowship Programme

An impact assessment of the Fellowship Programme was conducted in spring of 2010 by the Secretariat. Two hundred and six fellows from 34 countries, who completed their fellowship activities between 2000 and 2009, responded to the survey questionnaire. Almost all of the respondents indicated that they have been contributing to promoting sustainable forest management in their home countries. About 85% of the respondents indicated that they have improved their productivity and performance of their home institution by developing new programs or innovative ways of working. Majority of respondents (83%) indicated that the knowledge and skills acquired through the Fellowship program has helped them to influence national forestry and environmental policy in their home countries. About fifty percent (50%) of respondents indicated that they are currently working on international forestry issues,



ITTO Fellow Ms. Danielle Camargo Celentano Augusto (Brazil) undertaking a Masters Research Programme on "Litterfall Dynamics and Nutrients Inputs Under Different Tropical Forest Restoration Strategies" at CATIE

particularly on climate change and REDD.

Eighty five percent of the respondents currently hold either Ph.D. (39%) or Masters Degree (46%) in forestry and related disciplines, and about a half of the fellows received these degrees through the activities supported by the Fellowship Programme. More than half of the respondents (59%) achieved a relevant job position or job promotion immediately after completion of their fellowships, and 83% replied that their job promotion was related to the skills and knowledge that they gained from their fellowship activities.

The Programme has, therefore, made significant contribution to human capacity development in ITTO producer member countries. A summary of the survey results will be reported in a special issue of the TFU dedicated to the Fellowship Programme.

Fellowships awarded in 2010

In 2010, two Fellowship Selection Panels were convened under an electronic procedure to evaluate and recommend fellowship applications to the Council. In the Spring session, 29 fellowships were approved and awarded at the total cost of US\$144,975. In the Autumn session, 20 fellowships were approved and awarded at the total cost of US\$127,350.

The Tables 1 and 2 show the fellowships awarded in spring and autumn sessions of 2010 respectively.

Table 1: Fellowships awarded in spring 2010

| Name of Fellow | Country | Activity |
|----------------------------------|---------------|--|
| Mr. Abo Eyafa'a, Henri-Christian | Cameroon | Undertaking a Program of Engineer of Forestry and Water Management at Institut Polytechnique Rural de Formation et de Recherche Appliquée in Katibougou, Mali |
| Mr. Agbogon, Akouèthè | Togo | Carrying out a Ph.D Thesis on "Contribution to the Recovery of <i>Sclerocarya birrea</i> (A. Rich) Hochst, <i>Lannea microcarpa</i> Engl. & K. Krause and <i>Hematostaphis barteri</i> Hook.f. three spontaneous food timber of Savannah region in Togo" at the University of Lome, Togo |
| Mr. Ameyaw, Lord | Ghana | Carrying out Masters Research on "Farm Forestry: A Viable Option to Poverty Alleviation and Climate Change Amelioration in Ghana" at the Kwame Nkrumah University of Science and Technology in Kumasi, Ghana. |
| Mr. Arthur, Augustine | Ghana | Undertaking Short Training Courses in "Database Developer & Database Administrator" and "Web Developer" at KOENIG in New Delhi, India |
| Dr. Budi Leksono, | Indonesia | Participating in the XXIII IUFRO World Congress 2010 in Seoul, Korea |
| Dr. Dibi, N'Da Hyppolite | Côte d'Ivoire | Preparing a Technical Document on "Contribution of remote sensing and GIS to study climate change and their interaction on the forest dynamics in Côte d'Ivoire" |
| Mr. Effa Meka, Aimé | Cameroon | Undertaking a Masters Program in Cartography, Remote Sensing, Geographic Information Systems applied to the Sustainable Land Management at the University of Yaoundé in Yaoundé, Cameroon |
| Dr. Gafur, Abdul | Indonesia | Participating in the 9th International Mycological Congress (IMC9) in Edinburgh, U.K. |
| Ing. Guzmán Bustán, Patricio | Ecuador | Undertaking an International Course in Extension Methodologies for Sustainable Rural Development at CATIE in Turrialba, Costa Rica |
| Dr. Isikhuemen, Ekeoba Matthew | Nigeria | Participating in the XXIII IUFRO World Congress 2010 in Seoul, Korea |
| Mr. Mbelli, Humphrey Menyong | Cameroon | Carrying out Ph.D. Research on "A Study of the Diversity and Population Dynamics of Mammals in relation to Anthropogenic Disturbances in Forest Management Unites of South Cameroon" at University of Yaoundé I in Yaoundé, Cameroon |

| | | |
|---------------------------------------|-----------|--|
| Ms. Mindawati, Nina | Indonesia | Carrying out Ph.D. Research on "Study on Site Quality of Eucalyptus urograndis Industrial Plantation Forest as Raw Material of Pulp in Sustainable Forest Management" at Bogor Agricultural University in Bogor, Indonesia |
| Dr. Nadiagara Rudrappa, Gangadharappa | India | Participating in the 18th Commonwealth Forestry Conference in Edinburgh, Scotland, U. K. |
| Dr. Nair, Shadananan Krishnapillai | India | Participating in the International Conference on "Forest Landscapes and Global Change: New Frontiers in Management, Conservation and Restoration" in Bragança, Portugal |
| Mr. Ndeloa, Columbus Njualem | Cameroon | Participating in the XXIII IUFRO World Congress 2010 in Seoul, Korea |
| Ms. Neupane, Laxmi Kumari | Nepal | Carrying out Masters Research on "Distribution Pattern and Economic Importance of Dabergia Latifolia and Its Associated Species on Rural Livelihood in Nepal" at Tribhuvan University, Institute of Forestry in Pokhara, Nepal |
| Mr. Nganda, Brice | Gabon | Undertaking a Masters Program in Development and Integrated Management of Territories at National Museum of Natural History with Institut AgroParis Tech and University of Montpellier 2 in Montpellier, France |
| Mr. Nugroho, Naresworo | Indonesia | Participating in the 11th World Conference on Timber Engineering 2010 in Trentino, Italy |
| Ms. Ogundolapo, Deborah Oluwaseyi | Nigeria | Attending a Short Course in "Spatial Ecology, Geospatial Analysis and Remote Sensing for Conservation" at Center for Conservation Education and Sustainability of Smithsonian Institution, Virginia, U.S.A. |
| Ing. Ojeda Luna, Tatiana Lizbeth | Ecuador | Participating in the 5th International Global Observation Research Initiative in Alpine Environments Meeting and the Global Change and the World's Mountains Conference in Perth, Scotland, U.K. |
| Mr. Ojo, Adedeji Robert | Nigeria | Undertaking PhD Research on "Characterization of the Wood Properties of Borassus aethiopum (Mart) From Different Ecological Zones in Nigeria" at the University of Ibadan in Ibadan, Nigeria |
| Mr. Rodríguez Plazas, Calros Andrés | Colombia | Publishing a Technical Document on "Study of Timber Markets in the Caribbean Region of Colombia for Forest Species: Bombacopsis quinata, Eucalyptus tereticornis, Tectona grandis and Gmelina arborea" |
| Ing. Rodríguez Santos, Nathaly | Colombia | Participating in the XXIII IUFRO World Congress 2010 in Seoul, Korea |
| Ing. Sagui Gómez, Nestor Javier | Guatemala | Undertaking the XXII International Intensive Course in Diversified Management of Tropical Natural Forests at CATIE, Turrialba, Costa Rica |
| Mr. Seidu, Mustapha Kaluwe | Ghana | Undertaking the Darwin Scholarship Programme :Monitoring and Communicating Biodiversity Course at Field Study Council in Shrewbury,U.K. |
| Dr. Tewari, Vindhya Prasad | India | Participating in the XXIII IUFRO World Congress 2010 in Seoul, Korea |
| Ms. Than, Wai Wai | Myanmar | Participating in the XXIII IUFRO World Congress 2010 in Seoul, Korea |
| Dr. Thaug Naing Oo | Myanmar | Preparing a Technical Document entitled "Assessment on Community Forestry Management and Its Development with Special Reference to Three Critical Areas of Myanmar" |
| Ms. Torres Muñoz, Patricia Pamela | Peru | Undertaking the XXII International Intensive Course in Diversified Management of Tropical Natural Forests at CATIE, Turrialba, Costa Rica |

Table 2: Fellowships awarded in autumn 2011

| Name of Fellow | Country | Activity |
|--|---------------|--|
| Ms. Bernal Toro, Francia Helena | Colombia | Participating in the 5th International Wildland Fire Conference - Wildfire 2011 in Johannesburg, South Africa |
| Mr. Borokini, Temitope Israel | Nigeria | Undertaking 2011 Effective Conservation Leadership Course at Smithsonian Conservation Biology Institute, in Front Royal, USA |
| Ms. Espiritu Tello, Estela Marjorie | Peru | Undertaking a Masters Program in "Management and Conservation of Tropical Forests and Biodiversity" at CATIE in Turrialba, Costa Rica. |
| Ms. Forbu, Ntengang Innocentia | Cameroon | Undertaking a Training Internship Program in Conservation Science and Policy at the International Center for the Study and Conservation of Nature in Johannesburg, South Africa |
| Mr. George, Ratu Vuki | Fiji | Carrying out Ph.D. Research on "Developing a Wood Biomass Model Arising from Forest Residues and Energy Wood Plantations: A Fiji Case Study" at University of Canterbury, Christchurch, New Zealand |
| Mr. Jiofack Tafokou, René Bernadin | Cameroon | Preparing a Technical Report on "Evaluation of Potential for Domestication and Management of Populations of <i>Allanblackia floribunda</i> (Guttiferae) and <i>Tetracarpidium conophorum</i> (Euphorbiaceae): Two Species Providing NWFPs in Cameroon" |
| Ms. Lamichhane, Sabina | Nepal | Undertaking a Masters Program on Natural Resource Management and Rural Development at Tribhuvan University, Institute of Forestry in Pokhara, Nepal |
| Ms. Low, Shook Ling | Malaysia | Undertaking a Microscopy Training at Palynology Laboratory in Vienna, Austria and Participating in the International Congress of Systematic Evolutionary Biology and the 12th Annual Meeting of the Society of Biology Systematic and Biosystematics Conference in Berlin, Germany |
| Mr. Martana, Kadim | Indonesia | Undertaking a Ph.D. Program in Forestry at the University of Canterbury in Christchurch, New Zealand |
| Mr. Migolet, Pierre | Gabon | Undertaking a Short Training Course on "Radar Image Processing and Programming" at Matlab Laboratory of Electronics and Signal Processing (LETS), at the Ecole Nationale Supérieure Polytechnique, University of Yaounde I in Cameroon |
| Dr. Mounquengui, Wenceslas Steeve | Gabon | Undertaking a Short Training Internship on "Degradation Capacity of Three Wood Decay Fungi Isolated in The Lumberyards of Gabon" at Laboratoire d'Etude et de Recherche sur le Matériau Bois (LERMaB) in Nancy, France |
| Ms. Nyarko-Duah, Nana Yaa | Ghana | Carrying out Masters Research on "Effect of Mixture Stands on <i>Hypsipyla robusta</i> attacks and the Growth of the African Mahogany" at Kwame Nkrumah University of Science and Technology in Kumasi, Ghana |
| Dr. Ouattara, Adama | Côte d'Ivoire | Carrying out Research on "Mapping the Savannah-Forests of Northeastern Cote d'Ivoire Using Digital Satellite Imagery: Their Spatial Extent and Timber Resources Content in Cote d'Ivoire" |
| Ms. Padakale, Essotebemime | Togo | Carrying out PhD Research on "The Parks of <i>Parkia biglobosa</i> in Togo: Distribution, Structure, Productivity and Socio-Economic" at the University of Lomé in Lomé, Togo |
| Mr. Roopsind, Anand Ramotar | Guyana | Undertaking a Short Training Course on "Competing Claims on Natural Resources-Professional Qualities for Managing Conflicts in Natural Resource Management towards Sustainable Development" at Wageningen UR Centre for Development Innovation in Wageningen, the Netherlands |
| Ing Ruiz Osorio, Eugenia Catalina | Colombia | Undertaking a Masters Program in "Management and Conservation of Tropical Forests and Biodiversity" at CATIE in Turrialba, Costa Rica. |
| Mr. Shrestha, Pratap Sundar | Nepal | Undertaking a Masters Program in Forestry at Tribhuvan University, Institute of Forestry in Pokhara, Nepal |

| | | |
|------------------------------|--------|---|
| Dr. Singh, Sanjay | India | Participating in the International Forestry Conference on Planted Teak Forest: A Globally Emerging Forest Resource at Guanacaste, Cost Rica. |
| Mr. Tekpetey, Stephen Lartey | Ghana | Publishing a "Handbook of Bamboo Resources in Ghana" |
| Mr. Vargas Oro, Carlos Juan | Panama | Carrying out Masters Research on "Assessment of the Current Situation of the Mangrove Ecosystem Forest Cover through the Interpretation of Land Use Changes in the District of David , Chiriqui , Panama " at the International Maritime University of Panama, Panama |



ITTO Fellow Ms. Ulak Sunita (Nepal) undertaking a Masters Research Programme on "Assessment of the Effects of Invasive and Alien Plant Species on Growth and Development of tropical timber species " at Tribhuvan University, Institute of Forestry, Pokhara, Nepal



Biodiversity assessment at FRIM, Malaysia under ITTO Project PD 165/02(F)

ITTO Project PD 288/04 Rev. 2(F) "Development of lanjak Entimau Wildlife Sanctuary as a totally protected Area" for biodiversity conservation and sustainable management of genetic resources for forestry, socio-economic advancement and research.



TRADE AND CIVIL SOCIETY ADVISORY GROUPS

Side-event in conjunction with the Forty-sixth Session of ITTC

The Civil Society Advisory Group organized a side-event in conjunction with the Forty-sixth Session of the International Tropical Timber Council to present the results and follow up actions of the Yaoundé Conference on “Gender and Community-based Forest Management: Forest Tenure and Enterprises Linkages.”



Cecile Ndjebet, President of African Women’s Network for Community Management of Forests, noted that in the context of forest management in Central and West Africa

- **African women’s land ownership is very low and discriminatory** although they represent more than 50% of the population (women in the world own only 2% of land, FAO data);
- African women have **no decision making power and control over forest resources**
- African women’s **forest rights is limited to usage** rights over non timber forest products (NTFPs)
- African **land grabs** reinforces the precarious situation and overall vulnerability of African women
- **REDD** can worsen the situation of women’s land and forest tenure, hinder gendered economic development if women do not have effective tenure rights

Mr. Francis K. Colee, Green Advocate and CSAG focal point for Africa stated that

- With forests at the center of the global climate change debates, forest-dependent women lack awareness on the role of their community-based forests in the ongoing discussions on climate change mitigation, adaptation, REDD, REDD++, etc.; He also noted that Logging, palm Oil, mining, rubber and woodchips concessions are also affecting forest women:
- These are climate change drivers, they contribute to loss of biodiversity, loss of livelihood sources, destruction of native cultures and loss of other ecosystem services such as ecotourism, etc.;



Side-event on “Gender and Community-based Forest Management: Forest Tenure and Enterprise Linkages” organized by CSAG.

The current forest concessions granted by the Government of Liberia have failed to fully recognize the economic, social and cultural rights of indigenous forest communities;

- Across some concessions (mainly logging concessions in the South East, River Cess, Grand Gedeh, etc.), there's restriction on access to fertile lands, Non-Timber Forest Products (NTFP) and protein sources such as fish, meat;
- Woodchip suppliers to international markets are increasing and targeting "old rubber trees" equally used, by forest women, to produce charcoal which is currently responsible for over 90% of the domestic energy supply;
- Without control measures including improved recovery methods, this would trigger domestic energy crisis as well as exacerbate and not reduce poverty among forest women who are also actively in the charcoal industry.

Ms. Christine Wulandari, CSAG focal point for Asia stated that there is a **need to legislate policy that is sensitive to Gender issue on Community Forestry in Indonesia** and that the current policy did not give special attention to women. She stated that **patrilineal system** is dominant in Indonesia, therefore, the **newly emerging customary land tenure institutions**, by allowing for inheritance consistent with **comparative advantage and work effort**, seem to have built-in incentives for men and women. Gender inequality was also evident in **access to education**, particularly among the poor and in rural areas and indicated that **the institutional framework for gender mainstreaming need to be strengthened in Indonesia**.

ITTO Annual Market Discussion 2010

The Trade Advisory Group organized the ITTO Annual Market Discussion 2010. The market discussion was held in a joint session of the Committees during the Forty-sixth Session of the Council under the theme "Innovations and Technologies in Wood-based Industries". Presentations were made by four speakers covering the perspectives of Wood-based Industries. The overall focus of the four presentations was on the global challenges for forest products industries and the strong competition facing tropical timber on many fronts.

- The presentations provided valuable insights on the implications for tropical timber of innovations and technologies in wood-based industries, including not only wood modification technologies and adoption of technical innovation but also the markets for modified wood products and challenges and opportunities for forest products industries. The ensuing discussions revolved on how best tropical timber might respond to the threat, challenges and opportunities

arising from the innovations and technologies in wood-based industries. It was pointed out that while all woods, softwoods and hardwoods were affected by competition from substitutes and alternatives, the impact on tropical hardwood markets appeared to be the most severe. There had been major investment in innovation and promotion in other sectors but the tropical timber industry has been relatively slow in responding to this.

- A suggested solution for regaining market share was for tropical timber producers to move rapidly to trading in certified wood and to address the concerns that consumers had on social issues confronting the tropical timber sector. In facing competition from modified softwood products, Prof. Hill suggested that tropical countries could generate a resource of low density, fast growing and low cost timbers with uniform characteristics suitable for modification processes and with low capital costs.



Dr. Ivan Tomaselli, Founder and Director of STCP Engenharia de Projetos Ltda Brazil, noted that the Latin American and the broader global timber industry were undergoing a structural change involving a shift from the use of large to smaller diameter trees and constant emergence of new products and technological processes. He mentioned that industrial innovations were focused on market competitiveness and involved both innovative and well established technologies and that this trend was applicable to all materials and products.

Dr. Antje Wahl of Markets and Economics Group, FPInnovations Vancouver, Canada, highlighted that market interest in modified wood products began to grow in the US following concern by consumers about the effects on the environment of preservative treated wood products and the extent of illegal logging in tropical forests. She emphasized that tropical timbers were facing growing competition from modified wood products.



Prof. Callum Hill, Forest Products Research Institute, Edinburgh Napier University, pointed out that technologies for wood modification had been known for a long time, but that market interest had grown only recently as consumers had become more concerned about the environmental and sustainability credentials of wood. He provided an overview of each of the wood modification technologies within the three broad groups: chemical modification, impregnation modification and thermal modification.

Prof. Gary Waugh from University of Melbourne spoke on “Threats or Opportunities for the Tropical Timber Sector”. He emphasized that the biggest return to industry could come from investment in operator training and that it was important to exhaust all possibilities for productivity gains with existing plants before considering investment in new technologies.





ITTO Project PD57/99 Rev.2(F) encourages the adoption of good forest management practices by timber enterprises in the Brazilian Amazon

ITTO Executive Director, Emmanuel Ze Meka visits Juruá Florestal Ltda, Brazilian company participating in an ITTO project aimed at encouraging the adoption of good forest management practices by timber enterprises in the Brazilian Amazon.



Annual Review and Assessment of the World Timber Situation 2010

The first half of 2010 saw the continuation of economic stimulus measures in most ITTO member countries. The markets for tropical timber were badly hit by the financial crisis; in addition, the markets for tropical timber in consumer countries were also affected by new bans and restrictions on log exports that were likely to have a long term impact.

Production of tropical logs continued to decline in 2010, despite indications that a recovery in the global economy was underway and wood processing curtailments in ITTO member countries were beginning to ease. The decline could be attributed to: a continuation of depressed housing and construction markets in the EU and the USA; constraints in tropical log availability; significant progress towards SFM in many producer countries; and slow progress in achieving plantation targets to relieve pressures on natural forests.

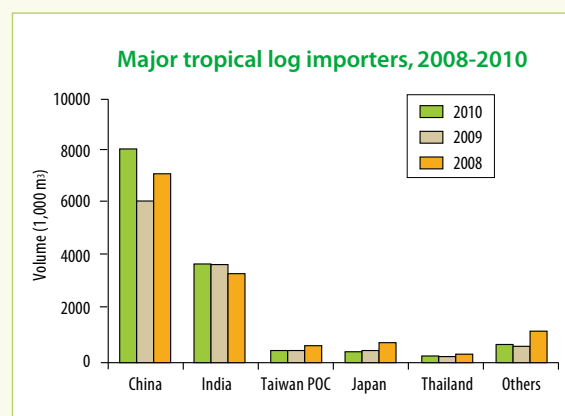
In the African region, many of the major producers relaxed their log export restrictions during the economic crisis to assist their forestry sectors to improve their profitability (particularly Gabon, Cameroon and the Republic of Congo) but in 2010, many countries had re-imposed log export restrictions to assist their sawmilling and other wood processing industries to recover.

A log export ban by Gabon came into effect in May. As a result, the availability of okoume logs was substantially reduced. This annual loss of over 500,000 cubic metres of okoume logs was set to have a long term impact on plywood manufacturers in Europe, China, North Africa and elsewhere. The ban triggered frenetic log buying from neighbouring countries, but the situation eased quickly due to the subdued consumption in importing countries.

The Indonesian government had also announced a 2-year moratorium on new permits to convert natural forests to oil palm or other crops beginning in 2011 that also impacted on the availability of raw material supply to the timber processing industry.

Trends in imports of tropical hardwood logs by all ITTO members showed the impact of the global economic crisis on global wood products demand in 2008 and 2009, with year-on-year declines in aggregate tropical log imports of 14% and 13% respectively. Imports showed signs of recovery in 2010, increasing by 17% to 13.6 million m³. China and India continued to dominate tropical log imports in 2009 and 2010; with China's imports returning to pre-crisis levels in 2010 following a recovery in China's housing sector as well as a recovery in export demand for China's secondary processed wood products.

In contrast to all other major tropical log importers, India's tropical log imports grew during the period of the global economic downturn, reaching 3.7 million m³ in 2009 and growing slightly in 2010, with demand being stimulated by high economic growth and incentives for the building industry.



Source: ITTO, 2011.

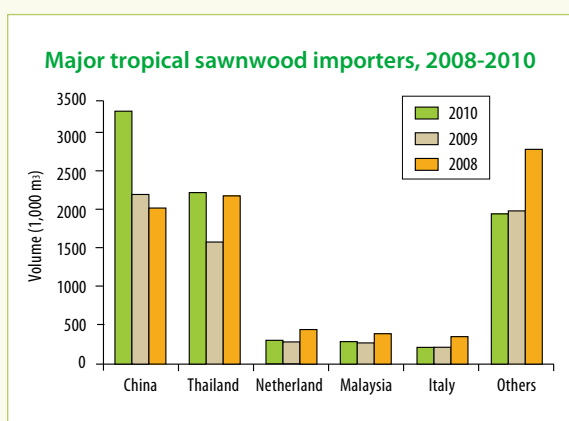
China overtook Thailand as the major tropical sawnwood importer in 2009, with China's domestic demand more than compensating for the depressed demand in China's export-oriented wood remanufacturing industries during the period of the global financial and economic crisis (2008-2009) and imports were expected to soar in 2010 as a result of a significant recovery in wooden furniture and flooring export markets.

All the major importing countries in the EU region reported significant reductions in imports of tropical sawnwood in 2009 and imports were expected to remain at relatively low levels in 2010, with many EU member countries facing government austerity measures, sluggish construction activity, a continuing tendency for importers to maintain low stocks and signs of declining market share for tropical sawnwood in some

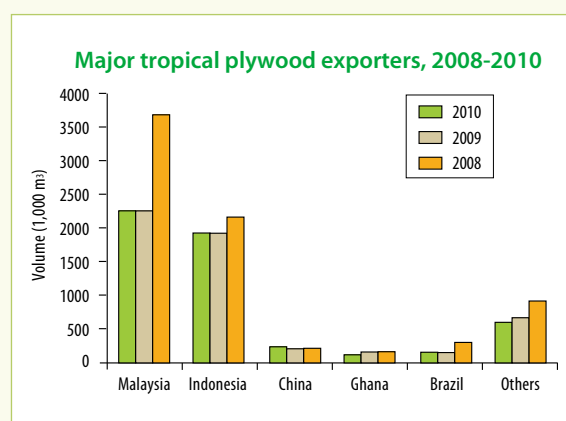
sectors. In June, the European Union reached agreement on legislation against illegally harvested timber which set new conditions for European importers.

Tropical plywood exports from ITTO producer countries fell by 28% in 2009 to 4.7 million m³, the lowest level in ITTO's statistical records. Malaysia remained the largest tropical plywood exporter at 2.2 million m³ in 2009, although exports had plunged 38% in 2009. In addition to a continuation of depressed global markets, Malaysian tropical plywood production had been restricted by limited availability of raw material (peeler log) input to the plywood mills.

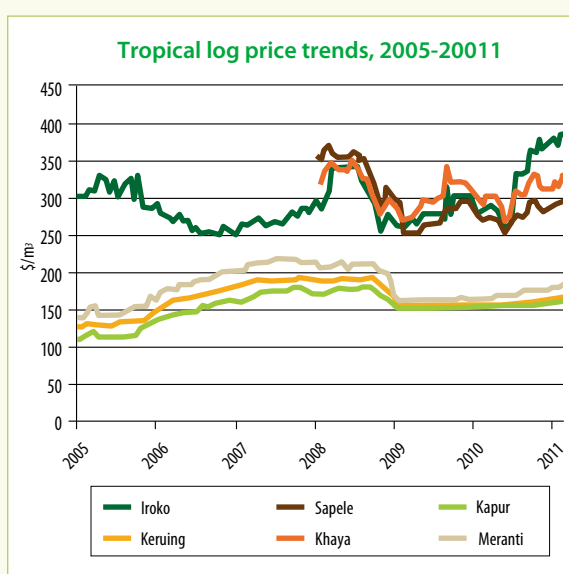
In EU markets, tropical hardwood sawnwood faced some mounting competition from modified wood products such as heat-treated softwoods and temper-



Source: ITTO, 2011.

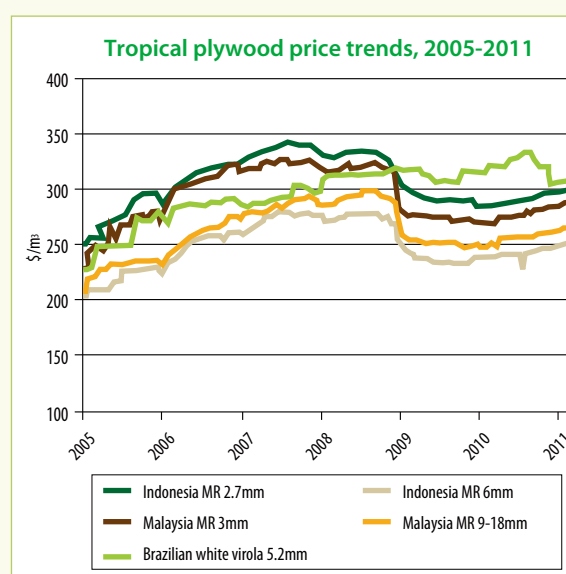


Source: ITTO, 2011.



Note: Prices in constant 1990 \$ per cubic metre (deflated by the IMF Consumer Price Index for industrial countries).

Source: ITTO Market Information Service, 2005-2011.



Note: Prices in constant 1990 \$ per cubic metre (deflated by the IMF Consumer Price Index for industrial countries).

Source: ITTO Market Information Service, 2005-2011.

ate hardwoods which were being marketed as alternatives to tropical hardwoods in the external joinery and furniture sectors.

Demand for certified tropical wood products in the EU is expected to pick up strongly during 2011-2012 as the EU moves towards full implementation of the Illegal Timber Law (ITL), although there are concerns regarding the availability of certified tropical wood products.

Price trends of some of the important traded species of tropical primary wood products showed a return to relative price stability in 2009 and 2010. Although demand for tropical primary wood products remained subdued in the EU, from mid-2010, prices generally moved upwards due to low purchasing activity and limited stocks, growing demand in India and China, in addition to disruptions to log supplies from unseasonal weather conditions in Malaysia, log export restrictions in Gabon and political unrest in Côte d'Ivoire.

In the aftermath of Japan's devastating earthquake and tsunami in early 2011, government officials are still working on plans for reconstruction of infrastructure and housing. An expected increase in spending on reconstruction in the affected areas is likely to result in a surge in demand for building materials including tropical wood products, and significant upward price pressure, in the latter part of 2011.

In its 2010 report, the IMF predicted that global output will experience growth of around 4%, a full percentage point more than foreseen at the end of 2009. Other forecasts were slightly more optimistic, predicting global growth of 4.5% in 2010 – close to the average pace of the boom years prior to the recession. The largest emerging economies, namely China, India and Brazil, experienced the fastest growth, close to, or exceeding double-digit rates.

Production and trade of primary tropical timber products, ITTO total, 2007-2010 (million m³)

| | 2007 | 2008 | 2009 | 2010 | % Change 2009-2010 |
|-----------------|-------|-------|-------|-------|-----------------------|
| Logs | | | | | |
| Production | 141.8 | 145.6 | 141.7 | 138.4 | -2.3 |
| Imports | 15.3 | 13.2 | 11.5 | 13.6 | 18.3 |
| Exports | 13.6 | 12.9 | 10.9 | 12 | 10.1 |
| Sawnwood | | | | | |
| Production | 43.4 | 43.5 | 42.4 | 43.2 | 1.9 |
| Imports | 8.8 | 8.1 | 6.6 | 8.3 | 25.8 |
| Exports | 11 | 8.9 | 8 | 9.1 | 13.8 |
| Plywood | | | | | |
| Production | 20 | 17.8 | 18.2 | 18.3 | 0.5 |
| Imports | 8.1 | 6.5 | 5.4 | 5.1 | -5.6 |
| Exports | 8.9 | 7.3 | 5.3 | 5.2 | -1.9 |

Notes: Total of producer and consumer countries. ITTO categorizes its 60 member countries into 33 producers and 27 consumers (non-tropical) which together constitute 95% of all tropical timber trade and over 80% of tropical forest area. A full list of members is available at .

Source: ITTO Annual Review and Assessment of the World Timber Situation, 2011.

FINANCIAL HIGHLIGHTS

ALLOCATIONS/PLEDGES BY DONORS TO THE SPECIAL ACCOUNT AND THE BALI PARTNERSHIP FUND (Pledges on Thematic Programmes are shown separately)

(in United States Dollars)

| | 2010 | 2009 | 2008 | 2007 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| PRE-PROJECT SUB-ACCOUNT: | | | | |
| AUSTRALIA | | | | \$17,500.00 |
| FINLAND | \$50,000.00 | \$30,000.00 | \$95,198.57 | \$20,000.00 |
| FRANCE | | \$69,400.00 | | |
| JAPAN | \$468,241.06 | \$428,533.00 | \$770,927.00 | \$340,947.00 |
| NEW ZEALAND | | | \$56,295.00 | |
| NORWAY | \$102,940.00 | \$10,000.00 | | \$56,538.00 |
| REP. OF KOREA | \$20,000.00 | | \$20,000.00 | |
| SWITZERLAND | \$300,000.00 | \$500,000.00 | \$420,000.00 | \$320,000.00 |
| U.S.A. | \$349,813.00 | \$35,000.00 | \$380,098.00 | \$100,000.00 |
| GERMANY | \$32,522.36 | | | |
| Unearmarked fund: BPF-B, Special Account & WCA | \$330,000.00 | \$230,000.00 | \$1,160,000.00 | \$3,077,500.00 |
| Private/Government Agencies | | \$385,571.76 | | |
| TOTAL: | \$2,019,088.18 | \$1,322,933.00 | \$2,882,518.57 | \$3,952,485.00 |

PROJECT SUB-ACCOUNT

| | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| AUSTRALIA | \$10,000.00 | | | |
| BELGIUM | \$118,000.00 | | | |
| FINLAND | \$10,000.00 | | | |
| FRANCE | \$65,000.00 | | | |
| JAPAN | \$4,950,902.00 | \$4,454,740.00 | \$4,419,448.00 | \$6,482,755.00 |
| REPOF KOREA | \$40,000.00 | \$30,000.00 | \$30,000.00 | \$30,000.00 |
| NORWAY | \$82,000.00 | | | |
| SWITZERLAND | \$818,160.00 | \$106,700.00 | \$706,040.00 | \$1,338,800.00 |
| U.S.A. | \$400,187.00 | \$507,520.00 | \$632,004.00 | \$650,000.00 |
| CHINA | \$100,000.00 | | | |
| C.F.C. | \$2,044,895.00 | | | \$480,511.00 |
| Unearmarked fund: BPF-B, Special Account & WCA | \$1,000,000.00 | \$1,000,000.00 | \$850,000.00 | \$850,000.00 |
| 7&l Holdings | \$814,590.00 | | | |
| Marubeni | \$235,297.00 | | | |
| TOTAL: | \$9,589,441.00 | \$6,913,550.00 | \$6,755,492.00 | \$9,999,066.00 |

THEMATIC PROGRAMMES SUB-ACCOUNT:

| <i>(refer to the box below)</i> | Total Pledges | | | | |
|---------------------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| NORWAY | \$8,228,960.02 | \$4,260,002.38 | \$90,000.00 | \$3,863,957.64 | \$15,000.00 |
| THE NETHERLANDS | \$3,000,000.00 | | | | \$3,000,000.00 |
| JAPAN | \$2,275,953.00 | \$283,782.00 | \$1,000,936.00 | \$391,195.00 | \$600,040.00 |
| SWITZERLAND | \$1,883,040.00 | \$600,000.00 | \$900,000.00 | \$383,040.00 | |
| U.S.A. | \$1,312,456.00 | \$497,456.00 | \$525,000.00 | \$265,000.00 | \$25,000.00 |
| U.K. | \$949,380.00 | | \$949,380.00 | | |
| GERMANY | \$87,871.00 | \$87,871.00 | | | |
| AUSTRALIA | \$85,000.00 | | | \$35,000.00 | \$50,000.00 |
| FINLAND | \$69,263.00 | | \$34,064.00 | \$20,000.00 | \$15,199.00 |
| NEW ZEALAND | \$37,530.00 | | | | \$37,530.00 |
| SWEDEN | \$25,000.00 | | \$25,000.00 | | |
| REPOF KOREA | \$10,000.00 | | | \$10,000.00 | |
| JLIA | \$50,000.00 | | | | \$50,000.00 |
| TOTAL: | \$18,014,453.02 | \$5,729,111.38 | \$3,524,380.00 | \$4,968,192.64 | \$3,792,769.00 |

BALI PARTNERSHIP FUND: Unearmarked Income

| | | | | | |
|-------------------|--|---------------------|---------------------|---------------------|-----------------------|
| Interest Receipts | | \$105,551.13 | \$413,005.32 | \$675,428.76 | \$1,157,038.92 |
| TOTAL: | | \$105,551.13 | \$413,005.32 | \$675,428.76 | \$1,157,038.92 |

ITTO THEMATIC PROGRAMMES

| | | Budget | Total Pledges | | | |
|-------|------------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| TFLET | \$15,000,000.00 | \$6,481,711.00 | \$635,327.00 | \$949,380.00 | \$1,104,235.00 | \$3,792,769.00 |
| REDES | \$18,000,000.00 | \$9,232,742.02 | \$4,793,784.38 | \$575,000.00 | \$3,863,957.64 | |
| CFME | \$10,000,000.00 | \$1,100,000.00 | \$100,000.00 | \$1,000,000.00 | | |
| TMT | \$5,000,000.00 | \$1,200,000.00 | \$200,000.00 | \$1,000,000.00 | | |
| IDE | \$10,000,000.00 | \$0.00 | | | | |
| | \$58,000,000.00 | \$18,014,453.02 | \$5,729,111.38 | \$3,524,380.00 | \$4,968,192.64 | \$3,792,769.00 |

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31

| | December 31, | |
|--|---------------------|---------------------|
| | 2010 | 2009 |
| | (U.S. dollars) | |
| Assets | | |
| Cash and time deposits | \$41,704,111 | \$49,781,971 |
| Held to maturity securities | 1,988,743 | – |
| Arrears in contributions | 9,621,365 | 5,925,281 |
| Accounts receivable from Japan | 350,878 | 393,433 |
| Prepaid expenses | 31,026 | 10,913 |
| Advances to and receivable from staff members and others | 289,721 | 220,702 |
| Accrued interest on time deposits | 24,445 | 44,193 |
| | \$54,010,289 | \$56,376,493 |
| Liabilities and contributions | | |
| Accounts payable to staff members and others | \$9,553 | \$14,544 |
| Accrued liabilities | 462,444 | 336,317 |
| Membership contributions received in advance | 167,093 | 225,023 |
| Unappropriated fund | 4,806,803 | 10,150,232 |
| Reserve for programme support | 3,356,034 | 4,291,692 |
| | 8,801,927 | 15,017,808 |
| Members' funds | | |
| Administrative Account: | | |
| Special reserve | 1,500,000 | 1,500,000 |
| Reserve provided by interest income | 2,194,600 | 2,274,484 |
| Surplus of revenues over expenditures | 7,584,730 | 7,393,237 |
| Project accounts: | | |
| Appropriated for specified projects | 37,903,789 | 34,335,409 |
| Unappropriated funds | (5,087,042) | (4,961,468) |
| Surplus from completed projects | 1,112,286 | 817,023 |
| | 45,208,363 | 41,358,685 |
| | \$54,010,289 | \$56,376,493 |

STATEMENT OF REVENUES AND EXPENDITURES FOR THE YEARS ENDED DECEMBER 31

| | Year ended December 31, | |
|---|-------------------------|----------------------|
| | 2010 | 2009 |
| | (U.S. dollars) | |
| Revenues: | | |
| Contributions from member countries | \$6,165,025 | \$5,576,616 |
| Reimbursement by Japan | 914,012 | 897,354 |
| Voluntary contributions | 18,942,901 | 8,198,563 |
| Reversal of time delay in settling fellowship and other advance payments | 63,522 | – |
| Correction to prior year's budget | – | (603,040) |
| Interest income | 217,304 | 870,011 |
| Exchange gain | – | 371 |
| Other item – recovery of advance | 2,582 | – |
| Other income | 2,584 | – |
| | 26,307,930 | 14,939,875 |
| Expenditures: | | |
| Administrative accounts: | | |
| Salaries and benefits | 4,830,745 | 4,649,691 |
| Installation costs | – | 35,618 |
| Official travel | 157,046 | 192,634 |
| Social security | 775,522 | 752,496 |
| Special activities | 61,344 | 107,297 |
| Data processing | 194,040 | 194,853 |
| Other costs | 316,723 | 330,691 |
| Council meetings | 627,250 | 750,914 |
| Write-off of arrears in contributions | 62,954 | – |
| Write-off of advance payment | – | 12,628 |
| Correction to prior year's expenditure | 46,264 | – |
| Exchange loss | 53,816 | 56,457 |
| Time delay (reversal of time delay) in settling fellowship and other advance | (112,370) | (186,053) |
| | 7,013,333 | 6,897,225 |
| Project accounts: | | |
| Project cost | 14,403,138 | 13,994,222 |
| | 21,416,471 | 20,891,448 |
| Excess of revenues over expenditures/ (Excess of expenditures over revenues) | \$4,891,459 | \$(5,951,573) |

APPENDIX 1

Member States and Votes as at 31 December 2010

PRODUCING MEMBERS

No. of Votes


Africa

| | |
|--|----|
|  Cameroon | 27 |
|  Central African Republic | 27 |
|  Congo | 27 |
|  Côte d'Ivoire | 27 |
|  Democratic Republic of the Congo | 28 |
|  Gabon | 28 |
|  Ghana | 27 |
|  Liberia | 27 |
|  Nigeria | 27 |
|  Togo | 27 |

Asia & Pacific

| | |
|--|-----|
|  Cambodia | 16 |
|  Fiji | 14 |
|  India | 28 |
|  Indonesia | 88 |
|  Malaysia | 112 |
|  Myanmar | 45 |
|  Papua New Guinea | 27 |
|  Philippines | 15 |
|  Thailand | 16 |
|  Vanuatu | 13 |


Latin America/Caribbean

| | |
|---|-----|
|  Bolivia | 25 |
|  Brazil | 142 |
|  Colombia | 24 |
|  Ecuador | 15 |
|  Guatemala | 11 |
|  Guyana | 15 |
|  Honduras | 11 |
|  Mexico | 24 |
|  Panama | 12 |
|  Peru | 30 |
|  Suriname | 14 |
|  Trinidad and Tobago | 10 |
|  Venezuela | 21 |


Total: 1,000

CONSUMING MEMBERS

No. of Votes

| | |
|---|-----|
|  Australia | 16 |
|  Canada | 16 |
|  China | 246 |
|  Egypt | 17 |

European Union

| | |
|--|----|
|  Austria | 11 |
|  Belgium /  Luxembourg | 19 |
|  Denmark | 13 |
|  Finland | 10 |
|  France | 38 |
|  Germany | 21 |
|  Greece | 12 |
|  Ireland | 15 |
|  Italy | 33 |
|  The Netherlands | 36 |
|  Poland | 12 |
|  Portugal | 17 |
|  Spain | 28 |
|  Sweden | 11 |
|  United Kingdom | 31 |

| | |
|--|-----|
|  Japan | 184 |
|  Nepal | 10 |
|  New Zealand | 11 |
|  Norway | 11 |
|  Republic of Korea | 78 |
|  Switzerland | 11 |
|  United States of America | 93 |

Total: 1,000

APPENDIX 2

2010 ITTO Publications

General Information

- GI – 6 Annual Report 2009
- GI – 7 Annual Review 2009

Project Publications

- | | |
|--------------------------------|--|
| PD 65/01 Rev.2(I) | Training in Reduced Impact Logging in Cambodia <ol style="list-style-type: none">1. Completion Report2. Technical Report |
| PD 156/02 Rev.3(F) Phase II | Conservación y Repoblación de las Areas Amenazadas del Bosque De Manglar del Pacífico Panameño |
| PD 68/03 Rev.2(I) | Study on Utilization of Plantation Teak <ol style="list-style-type: none">1. Completion Report2. Handbook on Properties of Plantation in Myanmar3. Workshop Papers and Reports |
| PD 237/03 Rev.4(F) | Binational Conservation and Peace in the Condor Range Region, Ecuador- Peru (Peruvian Component) Phase II <ul style="list-style-type: none">• Propuesta Técnica para el Mejoramiento de los Sistemas Productivos radicales en las Comunidades Nativas de la Zona de Amortiguamiento del Parque Nacional Ichigkat Muja – Cordillera del Cóndor• Manual para la Producción de cacao Orgánico en las Comunidades Nativas de la Cordillera del Cóndor• Propuesta Metodológica para la Restauración de Ecosistemas Degradados en el Ambito de la Cordillera del Cóndor |
| PD 251/03 Rev.3(F) | Evaluation of Commercial Stocks and Strategy for the Sustainable Management of Mahogany (Swietenia Macrophylla) in Peru |
| PD 289/04 Rev.1(F) | <ol style="list-style-type: none">1) GIS Consultant Technical Report2) Wildlife Consultant Technical Report3) Ecology Consultant Technical Report4) Botanical Consultant Technical Report5) Participatory Community Development and Tourism Consultant Technical Report6) Management Plan 2010-2014: Preah Vihear Protected Forest for Plant and Wildlife Genetic Resources Conservation7) Completion Report |
| PD 318/04 Rev.2(I) | Quality control and Standardization of Ghanian Wood Products <ol style="list-style-type: none">1. Completion Report, December 20092. Project Technical Report (Composite)3. Furniture - Specifications for TABLES4. Furniture - Specifications for SEATINGS |

| | |
|---------------------|--|
| | <ol style="list-style-type: none"> 5. Furniture - Specifications for BEDSTEADS 6. Furniture - Specifications for FURNITURE COMPONENTS 7. Semi-Furniture - Specifications for PLANED TIMBER AND MOULDINGS 8. CD |
| PD 337/05 Rev.3(F) | An International Workshop on Clean Development Mechanism –Opportunities and Challenges for the Forest Industry Sector in Sub-Saharan Tropical Africa (Ghana) |
| PD 334/05 Rev.2(I) | Demonstration and Application of Production and Utilization Technologies for Rattan Sustainable Development in the ASEAN Member Countries (Philippines) |
| PD 386/05 Rev.1 (F) | <p>Seed Collection and Handling:</p> <ol style="list-style-type: none"> 1. Putat planchonia valida (Blume) Blume 2. Bentawas wrightia pubescence R.Br. 3. Panggal Buaya Zanthozylum rhesta (Roxb.) 4. Sawo Kecil Manilkara kauki (L.) Dubard 5. Majegau Dysoxylum densiflorum (Blume) Miq 6. Development of the Projects Monitoring and Evaluation System 7. Proceedings Workshop on Agroforestry Model 8. Report for 1.1, 1.2.2, 1.2.3, 1.3, 1.4, 2.1, 2.2.1, 4.1, 6.2, 6.3, 6.4, 7.4.3 & 7.4.4 9. Brochure: Bali Indigenous Forest Tree-based Agroforestry Model 10. Brochure: Technological Development for the Production of Planting Materials to Support Sustainable Plantation of Bali Indigenous Species Through Community Participation 11. A set of CD-Roms related to the above publications 12. A set of posters related to the project 13. Map of Sites of Planting by Farmer Groups |
| PD 421/06 Rev.2(F) | “ Strengthening of the Product Chain for Timber from Forest Concessions and other Forests under Management” |
| PPD 133/07 Rev.1(I) | <p>“Training Needs. Analysis for the Builders’ Woodworks Industry in the Philippines”</p> <ol style="list-style-type: none"> 1. Final Technical Report 2. Completion Report |

ITTO Technical Series

| | |
|---------|--|
| TS – 25 | Updated version (E-files only) Guidebook for the formulation of Afforestation, Reforestation and Bioenergy Projects in regulatory Carbon Market |
| TS – 34 | The Pros and cons of Procurement |
| TS – 35 | Good Neighbors |

Mission Reports

| | |
|---------|---|
| MR – 25 | Achieving the ITTO Objective 2000 and Sustainable Forest Management, Cameroon |
|---------|---|

Others

| | |
|---------|---|
| OP – 20 | World Mangrove Atlas |
| OP – 21 | JICA/ITTO Joint Publication: REDD-Plus Pamphlet |
| OP – 22 | Leading Tropical Transboundary Conservation |

APPENDIX 3

Summaries of Projects Financed in 2010

A. REGULAR PROJECT CYCLE

| | | | |
|--------------------|---|------|---------|
| Project Title: | PROMOTION OF SUSTAINABLE MANAGEMENT OF AFRICAN FORESTS | | |
| Project Number: | PD 124/01 Rev.2 (M) Phase III Stage 1 | | |
| Budget: | Total: | US\$ | 400,000 |
| | ITTO Contribution: | US\$ | 400,000 |
| Submitted by: | ATO/ITTO | | |
| Executing Agency: | AFRICAN TIMBER ORGANIZATION (ATO) and ITTO | | |
| Sessions Financed: | ITTO 46th Council Session, 2010 | | |

Summary

ITTC Decision 4(XXIX) called for the formulation of this project in order to develop a framework of cooperation between ITTO and ATO for the promotion and application of ATO/ITTO principles, criteria and indicators (PCI) for the sustainable management of African forests, which could eventually lead to credible assessment and certification systems. The specific objectives of the project are to:

- (i) Establish key elements of the adequate capacity to implement ATO/ITTO PCI at national level in the African Member countries of ITTO.
- (ii) Establish key elements of adequate capacity for effective regional-level cooperation through the ATO to support individual Member countries to implement the ATO/ITTO PCI.

The project will finalize the draft ATO/ITTO PCI for endorsement of both organizations. The project will train at least 60 relevant forestry staff in each country in their implementation. It will also develop an auditing framework for African forests and train at least 60 trainers to conduct audits based on the ATO/ITTO PCI at the FMU level. The project will also promote periodic reporting by countries on the basis of national PCI, contributing to ITTO's information sharing objective.

| | | | |
|-------------------|--|------|-----------|
| Project Title: | The Development, Application and Evaluation of Biomass Energy through Briquetting, Gasification and Combustion of (Wood and Agricultural) Residues (Cameroon) | | |
| Project Number: | PD 39/93 Rev.4 (I) Phase II | | |
| Budget: | Total: | US\$ | 1,129,550 |
| | ITTO Contribution: | US\$ | 791,550 |
| | Donors: | | |
| | CFC: | US\$ | 791,550 |
| | Government of Cameroon: | US\$ | 338,000 |
| Submitted by: | Government of Cameroon | | |
| Executing Agency: | Wood Promotion Center [Centre de Promotion du Bois (CPB)], Ministry of Forestry and Wildlife, Government of Cameroon | | |

Summary

This project is aimed to promote research and improve the use of biomass to generate motive power and process heat thus contributing to sustainable management of tropical forest and resources in developing countries. The revision of the project document results from a thorough assessment of the current implementation status of the project activities and taking into account of the development needs of the wood based bioenergy sector in Cameroon.

| | | | |
|-------------------|--|------|-----------|
| Project Title: | Operational Supportive System for Promoting the Further Processing of Timber in Five Countries of the Congo Basin (Gabon) | | |
| Project Number: | PD 457/07 Rev.5 (I) | | |
| Budget: | Total: | US\$ | 1,887,714 |
| | ITTO Contribution: | US\$ | 1,253,345 |
| | Donors: | | |
| | CFC: | US\$ | 1,253,345 |
| | Economic Community of Central African States (ECCAS): | US\$ | 634,369 |
| Submitted by: | Government of Gabon | | |
| Executing Agency: | Economic Community of Central African States (ECCAS) | | |

Summary

The objective of the project is to contribute to the promotion and development of the further processing of timber in COMIFAC and ITTO member countries (Central African Republic, Cameroon, Gabon, Congo, and Democratic Republic of the Congo). It will steer the implementation with the direct participation of the public and private sectors of a support mechanism for the stakeholders’ of the further processing of timber. It will focus on (i) the preparation of a baseline study on timber processing in the craft, semi-industrial and industrial sectors, (ii) the identification of the needs of stakeholders operating in the trade and industry and the measures to address these needs in order to boost the potential of the industries in immediate further processing of timber, (iii) the establishment and entry in operation of a support system for stakeholders with the aim of enabling an appropriate environment for the further processing of the timber.

At the end of the project, the sector of further timber processing will be well identified (by the number of processing plants, operational procedures, stakeholder needs, potential for forest industry sector growth); its economic weight will be assessed and from the identification of various stakeholders’ needs, the missions of the supporting structures will be defined and made operational.

Three countries of the region will have organizational units supporting the further processing of timber and dissemination, sharing experience, and piloting activities will be organize in the other two countries.

| | | | |
|-------------------|---|------|---------|
| Project Title: | articipatory Forest Management for Sustainable Utilization of Non Timber Forest Products (NTFP) Surrounding the Protected Area of Rinjani and Mutis Timau Mt, Nusa Tenggara, Indonesia (Indonesia) | | |
| Project Number: | PD 521/08 Rev.3 (I) | | |
| Budget: | Total: | US\$ | 617,574 |
| | ITTO Contribution: | US\$ | 490,374 |
| | Donors: | | |
| | Switzerland: | US\$ | 400,000 |
| | Japan: | US\$ | 45,187 |
| | U.S.A: | US\$ | 45,187 |
| | DG of Land Rehabilitation and Social Forestry: | | 31,200 |
| | WWF and Forestry Service of West Nusa Tenggara Province: | | 96,000 |
| Submitted by: | Government of Indonesia | | |
| Executing Agency: | Directorate General of Land Rehabilitation and Social Forestry, Ministry of Forestry in collaboration with WWF Indonesia Program Nusa Tenggara and Forestry Service of West Nusa Tenggara Province | | |

Summary

The aim of the project is to improve participation of local communities on sustainable utilization of NTFPs for conservation benefit of the Rinjani and Mutis Timau Mountains Protected Area (PA). The result of the project will contribute to sustainable management of the protected area in Nusa Tenggara Indonesia.

The development objective is to promote sustainable utilization of Non Timber Forest Products (NTFPs) in the protected area, Nusa Tenggara Indonesia. The specific objective is to improve participation of local communities in promoting sustainable utilization of NTFP's for the conservation benefit of Mt Rinjani and Mutis Timau Protected Area (PA). After project completion, it is expected that participatory forest management for sustainable utilization of NTFP resources and conservation of protected areas will be implemented.

| | | | |
|-------------------|--|------|---------|
| Project Title: | Achieving Sustainable Management of Mangrove Forests in China through Local Capacity Building and Community Development (China) | | |
| Project Number: | PD 460/07 Rev.2 (F) – Phase I | | |
| Budget: | Total: | US\$ | 393,399 |
| | ITTO Contribution: | US\$ | 277,333 |
| | Donors: | | |
| | Japan: | US\$ | 277,333 |
| | Government of China: | US\$ | 116,066 |
| Submitted by: | Government of China | | |
| Executing Agency: | Beijing Forestry University in collaboration with Fujian Zhangjiakou Mangrove Nature Reserve | | |

Summary

This project proposal is the output of the Pre-project PPD 114/05 Rev.1 (F) "Demonstration of Integrated Models for Sustainable Management of Mangrove in China" that has recently been completed. The pre-project documented the problems facing mangrove resource management in China including high dependency of local communities on mangrove as a source of income, insufficient protection and conservation measures put in place and the lack of institutional as well as human resource capacity to manage mangrove sustainably which have put mangrove resources in the tropical China under serious threat.

This project aims to contribute to the sustainable management of mangroves in China through local capacity building and community development. Its specific objectives are: i) to enhance capacity of the local forestry institutions in mangrove management; and ii) to reduce community reliance on mangrove resources as a source of income by introducing suitable income generating activities. The expected outputs of the project are:

- Mangrove management plans for the model forest formulated and adopted;
- Managers and staffs of the forestry institutions and government authorities trained in mangrove management skills;
- Effective mangrove management policy formulated and adopted and a decision support system developed and operational;
- Suitable income generating activities identified and promoted; and
- Public awareness raised on the importance of mangrove ecosystem.

| | | | | |
|-------------------|--|------|---------|---------|
| Project Title: | Capacity Building for CDM Forestry in the Framework of SFM Emphasizing Community Forests and Poverty Alleviation in Ghana | | | |
| Project Number: | PD 450/07 Rev.2 (F,I) | | | |
| Budget: | Total: | US\$ | 666,255 | |
| | ITTO Contribution: | US\$ | 402,516 | |
| | Donors: | | | |
| | Japan: | US\$ | 402,516 | |
| | Government of Ghana: | US\$ | 110,039 | In kind |
| | Michigan Technological University: | US\$ | 94,500 | |
| | SAMARTEX: | US\$ | 59,200 | In kind |
| Submitted by: | Government of Ghana | | | |
| Executing Agency: | Forestry Research Institute of Ghana (FORIG) | | | |

Summary

The potential of forestry-related Clean Development Mechanism (CDM-Forestry) in western Africa is very significant as large areas of the region’s forests have been degraded via over-aggressive, non-sustainable logging practices, slash-and-burn agricultural practices, and conversion of forests to alternative crops such as cocoa, and therefore, eligible for CDM reforestation projects with a strong poverty-alleviation component.

The project intends to develop the capacity for CDM-Forestry in Ghana via a community rehabilitation of Ghana’s degraded forests targeted at poverty alleviation in conjunction with sustainable forest management (SFM), and by involving the private sector and native communities. The specific objective of the project is to improve capacity for CDM-Forestry in Ghana via a community forest targeted at poverty alleviation in conjunction with SFM.

Expected outputs are:

- Carbon stocks of the current OCAP 450 ha project will be determined using GPS-supported comprehensive and complete measurement of all trees in the project;
- Mass spectrophotometric analysis will be done on wood samples from up to 5 trees each of the 19 tree species planted;
- A degraded forest (450 ha) will be reforested with the OCAP model using highly productive timber species;
- Comprehensive socioeconomic studies will be conducted in the communities involved in the project;
- Capacity to conduct CDM forestry will be built with post graduate training of Ghanaian students; and
- Community-based CDM forestry methodology will be developed for the OCAP project.

| | | | |
|-------------------|---|------|---------|
| Project Title: | Community Forest Management: A Sustainable Alternative for the Maués State Forest, Amazonas State (Brazil) | | |
| Project Number: | PD 454/07 Rev.3 (F) | | |
| Budget: | Total: | US\$ | 650,332 |
| | ITTO Contribution: | US\$ | 513,527 |
| | Donors: | | |
| | Japan: | US\$ | 463,527 |
| | USA: | US\$ | 50,000 |
| | IBENS: | US\$ | 136,805 |
| Submitted by: | Government of Brazil | | |
| Executing Agency: | IBENS - Instituto Brasileiro de Educação em Negócios Sustentáveis | | |

Summary

This project envisages supporting the implementation of community forest management in the Maués State Forest, in Amazonas State, to the benefit of 17 traditional communities over a total area of 438,440 hectares. It is expected that, once this project is implemented, current pressure on forest resources will be replaced by sustainable community forest management. The main reason behind environmental degradation in the Maués region is the lack of alternative sources of income for the local population. This project thus presents the possibility of a sustainable business that could become the foundation for sustainable economic development in that region.

Overall, the project aims at contributing towards the sustainable development of the Brazilian Amazon forest through the strengthening of community forestry as means to promote the sustainable development of communities of the Maués State Forest. More specifically, it proposes to implement a series of activities aimed at strengthening community organization, developing and implementing Community Forest Management Plans and enabling working groups to carry out an efficient administration of community enterprises. These series of activities include training in forest management, community exchanges, workshops on the importance of environmental management and joint collaboration among community groups, and capacity building on how to run a community sustainable timber enterprise. With respect to market dynamics, the project will update the Market Study for Tropical Woods from Maués region carried out by IBENS in 2002 and the Business Plan prepared in 2005. Major outputs, among others, include: community organization strengthened to carry out a Community Forestry Project; Community Forest Management Plans prepared and approved; and working group prepared for an efficient administration of the community forest enterprise.

| | | | |
|-------------------|---|------|---------|
| Project Title: | Small-Scale Private Mixed Plantations Development plus Nutrition Promotion: The Case of Six Rural Community Women's Groups in the Eastern and Ashanti Regions of Ghana: Phase II | | |
| Project Number: | PD 534/08 Rev.1 (F) | | |
| Budget: | Total: | US\$ | 639,349 |
| | ITTO Contribution: | US\$ | 424,837 |
| | Donors: | | |
| | Japan: | US\$ | 369,837 |
| | USA: | US\$ | 55,000 |
| | Pitris Consult / Government of Ghana: | US\$ | 214,512 |
| Submitted by: | Government of Ghana | | |
| Executing Agency: | Pitris Consult | | |

Summary

This three-year project is the second phase aiming at consolidating the outcomes of the project PD 393/06 Rev.1 (F) “Village-level Reforestation Plus Nutrition Promotion by Self-motivated Community Women’s Groups”, which is targeting women groups operating in the Ashanti and Eastern Regions of Ghana.

The project objective is to provide attractive incomes and revenue for local sales and exports on a sustainable basis through locally tested and fast-growing commercial timber base, while promoting and consolidating gains from a highly nutritive non-timber forest product, *Moringa oleifera*, successfully introduced by rural women beneficiaries during the Project Pilot Phase, thus providing handy, qualitative, and affordable household nutrition on a sustainable basis. It specifically intends to significantly increase the availability of highly regenerative cultivable inputs of precious fast-growing forest timber species like Wawa and Ofram in mixed stands, as well as Teak, along with widespread rural household use of nutritive forest plant resources (specifically, *Moringa oleifera*).

The project expected outputs are as follows:

- Established and thriving individual women mixed plantations of popular, indigenous, and commercial trees of Wawa and Ofram professionally nurtured, and totaling 150 acres in the aggregate in the six target rural communities (together), owned and managed by the respective village women members;
- Established and thriving individual women plantations of commercial Teak (in single stands) with each of such plantations boarded by a minimum of two rows of mixed Wawa and Ofram trees professionally nurtured, and totaling 150 acres in the aggregate in the six target rural communities (together), owned and managed by the respective village women members; and
- Established and thriving small-scale *Moringa* products processing income earning business that significantly augments the current pre-project average yearly income per member, professionally managed by the respective village women members.

| | | | |
|-------------------|--|------|-----------|
| Project Title: | Management of the Emerald Triangle Protected Forests Complex to Promote Cooperation for Transboundary Biodiversity Conservation between Thailand, Cambodia and Laos (Phase III) | | |
| Project Number: | PD 577/10 Rev.1 (F) | | |
| Budget: | Total: | US\$ | 2,619,441 |
| | ITTO Contribution: | US\$ | 2,051,039 |
| | Donors: | | |
| | Japan: | US\$ | 2,051,039 |
| | Government of Thailand: | US\$ | 339,552 |
| | Government of Cambodia: | US\$ | 228,850 |
| Submitted by: | Governments of Thailand and Cambodia | | |
| Executing Agency: | Royal Forest Department of Thailand & Forestry Administration of Cambodia | | |

Summary

The protected areas of the Emerald Triangle comprise habitats of a diversity of wildlife species. Large species, such as the wild elephant, banteng and tiger, are observed along the national borders and seasonally migrate across the tri-national boundaries. The Emerald Triangle has some of the most extensive unfragmented natural forests in Southeast Asia containing large numbers of globally threatened species as a last refuge for sixteen “critically Endangered” and “Endangered” species from the IUCN Red List.

The development objective of the III phase project is to conserve trans-boundary biodiversity in the Emerald Triangle Protected Forests Complex situated between Thailand, Cambodia and Lao PDR in a framework of the trans-boundary biodiversity conservation area (TBCA). The specific objective of Phase III is to strengthen the protection of trans-bound-

ary habitats of the protected wide-ranging wildlife species in the Emerald Triangle. Phase III will apply lessons learned in Phase II, as well as in Phase I, of the project and will address in a comprehensive manner those remaining limitations that impact the sustainability of biodiversity conservation and alternative livelihood impacts of project activities. The project will 1) establish and implement management plans incorporating research results on wide-ranging species and ecological security, 2) strengthen the capacity of multi-stakeholders in biodiversity conservation and monitoring, and 3) empower local communities to implement activities linking livelihoods improvement to reduce dependence on protected areas.

| | | | |
|-------------------|--|------|---------|
| Project Title: | Restoring Sub-Humid Ecosystems in Southern Peru through Reforestation with <i>Caesalpinea spinosa</i> | | |
| Project Number: | PD 583/10 Rev.1 (F) | | |
| Budget: | Total: | US\$ | 308,711 |
| | ITTO Contribution: | US\$ | 149,796 |
| | Donors: | | |
| | Japan: | US\$ | 149,796 |
| | APAIC: | US\$ | 158,915 |
| Submitted by: | Government of Peru | | |
| Executing Agency: | APAIC – Asociacion Pro Desarrollo Agroindustrial de Camana | | |

Summary

This project involves a demonstration activity that is consistent with the concept and principles of the rehabilitation of degraded forest lands and sustainable forest management for the production of non-timber forest products as it relates to climate change issues and the rehabilitation of forest landscapes in a micro-region of the Department of Arequipa, Province of Camana, Southern Peru, which, given its ecological, environmental and socioeconomic conditions, is a highly representative area of great significance for the semi-arid and arid tropical regions of Peru.

The main problems and concerns affecting the Peruvian coastal region include climate change and increased deforestation, which over the last few decades have led to total degradation or even the disappearance of special ecosystems that were previously important sources of biodiversity and goods and services for the local population in areas where extreme climate and soil conditions make restoration difficult through conventional methods. Arid and degraded ecosystems in general are less likely to be rehabilitated. However, Peru's high biodiversity and its capacity to adapt to adverse and extreme conditions represent an untapped potential as extreme environmental conditions combined with a high flora diversity capacity can lead to highly positive environmental, economic and social outcomes through the use of modern farming and irrigation techniques. This will in turn contribute to mitigating climate change, enhancing carbon sequestration and improving the living standards of the rural communities.

| | | | |
|-------------------|---|------|---------|
| Project Title: | Operational Strategies for the Conservation of Tengkwang Genetic Diversity and for Sustainable Livelihood of Indigenous People in Kalimantan (Indonesia) | | |
| Project Number: | PD 586/10 Rev.1 (F) | | |
| Budget: | Total: | US\$ | 513,356 |
| | ITTO Contribution: | US\$ | 414,104 |
| | Donors: | | |
| | Japan: | US\$ | 344,104 |
| | USA: | US\$ | 50,000 |
| | Republic of Korea: | US\$ | 20,000 |
| | Government of Indonesia: | US\$ | 99,252 |
| Submitted by: | Government of Indonesia | | |
| Executing Agency: | Dipterocarps Research Centre, FORDA, Ministry of Forestry of Indonesia | | |

Summary

Tengkawang seed is one of the living sources of local people around the forest. Trees cutting and other harvesting activities lead to declining natural tengkawang population. Loss of individual trees in the wild population corresponds to the deteriorating of genetic diversity. According to IUCN Red list several species of tengkawang are categorized as critically endangered, endangered and vulnerable. Tengkawang are protected species of Indonesia as stated by Government regulation No. 7/1999. Ministerial decree No.692/Kpts-II/1998 also stated that tengkawang trees are prohibited to cut down because of rareness and are used by local communities. Considering the important value of tengkawang, genetic conservation of the already endangered tengkawang species for biodiversity conservation and sustainable livelihood of indigenous people are required.

The development objective of the project is to contribute to biodiversity conservation of dipterocarps especially tengkawang species that are already in endangered status. The specific objective is to initiate effective measures for tengkawang species genetic diversity conservation. The expected outputs of the project are: (1) Measures for protection of tengkawang species strengthened, (2) Genetic conservation program of Tengkawang species enhanced and (3) Harvest of tengkawang seed sustainable.

| | | | |
|-------------------|--|------|---------|
| Project Title: | Integrated Fire Management in Rural Communities of Guatemala: Establishment of Pilot Sites for the Implementation of Sustainable Integrated Fire Management Practices | | |
| Project Number: | PD 590/10 Rev.1 (F) | | |
| Budget: | Total: | US\$ | 799,332 |
| | ITTO Contribution: | US\$ | 517,563 |
| | Donors: | | |
| | Japan: | US\$ | 497,563 |
| | Rep. of Korea: | US\$ | 20,000 |
| | AVM: | US\$ | 174,169 |
| | INAB: | US\$ | 107,600 |
| Submitted by: | Government of Guatemala | | |
| Executing Agency: | Asociacion Vivamos Mejor – AVM | | |

Summary

Through the implementation of courses and workshops using a community participatory approach, this project will seek to define appropriate strategies for the protection of tropical moist, cloud broadleaved and pine forests against catastrophic fires caused by agricultural and other activities, such as the use of fire for tropical pine forest restoration, regeneration and improvement. IFM planning and implementation processes will be coordinated with the extensive participation of rural communities in four pilot sites, based on the principles of Integrated Fire Management (IFM) (Myers, 2006), integrating ecological, socio-economic, policy and technical factors to address the issues of forest fires and the use of fire in Guatemala. The results obtained will be applied to similar communities and ecosystems in tropical areas. The project will be focused on IFM for tropical broadleaved and pine forests to ensure forest protection and appropriate use of fire in forest management and improvement processes. The project will serve as a link between government agencies responsible for forest fire and fire management issues and the communities living within and around selected pilot sites.

| | | | |
|-------------------|--|------|---------|
| Project Title: | Zoning and Sustainable Development of the Minkebe Protected Area towards the Protection of Transboundary Conservation Corridors between Gabon, Cameroon and the Congo | | |
| Project Number: | PPD 147/10 Rev.1 (F) | | |
| Budget: | Total: | US\$ | 139,279 |
| | ITTO Contribution: | US\$ | 99,279 |
| | Donors: | | |
| | Japan: | US\$ | 99,279 |
| | Government of Gabon: | US\$ | 10,000 |
| | Executing Agency: | US\$ | 30,000 |
| Submitted by: | Government of Gabon | | |
| Executing Agency: | International Union for the Conservation of Nature (IUCN) | | |

Summary

Since the Summit of Heads of State of Yaounde in 1999, countries have been committed to, among other things, accelerate the process of creation of transboundary protected areas between Central African countries and invite neighbours to join in this process while strengthening the sustainable management of existing protected areas. This commitment was heard by the ITTO, which has funded a seminal project in Cameroon in 2001 for the protection of the Mengamé Gorilla Sanctuary. Motivated by this interest, Gabon has also submitted a similar project proposal to ITTO for the adjacent area of Minkebe. This proposal was discussed at its 23rd session and a number of recommendations were made to improve the project proposal. Unfortunately, the country has suffered from a lack of support to finalize the project. Seven years later, it is necessary to re-engage stakeholders in the process of updating the data and especially review the project proposal on the basis of expert recommendations issued by the ITTO. The need is even greater now that Cameroon has made sufficient progress in its own project while plans and initiatives carried out in Cameroon could be compromised by the absence of similar initiatives in Gabon.

The pre-project intends to contribute to the effort to coordinate management operations in the conservation areas of the large forest included in the TRIDOM area. The specific objective is to finalise the full project proposal taking into consideration new developments and newly-developed conservation and sustainable forest resources management initiatives in the sub-region.

The two outputs expected from this pre-project are as following:

- An update review of the issue of natural resource management in the TRIDOM area in Gabon exists; and
- The full project proposal finalized with updated elements of the baseline situation and validated by the main stakeholders is available.

B. PROJECTS FINANCED UNDER THE THEMATIC PROGRAMMES

| | | | |
|--------------------|---|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 505,036 |
| | ITTO Contribution: | US\$ | 322,056 |
| | Implementing Agency: | US\$ | 182,980 |
| Submitted by: | Government of China | | |
| Executing Agency: | The Institute of Forestry Policy and Information, Chinese Academy of Forestry (CAF) | | |
| Sessions Financed: | 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. China's imports of tropical logs accounts for around half the global trade in tropical logs. The SMFEs account for around 90% of the total output value of China's timber enterprises. The majority of the tropical wood processing SMFEs in China do not understand the issues of procurement of timber from legal and sustainably managed tropical forests.; they do not appreciate the international market requirements for verified legal and sustainable sourcing, chain of custody or the importance of contributing to the demands of their overseas buyers in respect of transparent corporate social responsibility. China's response to sustainability in tropical forestry, production and trade or the success of FLEGT is largely influenced by the actions of SMFEs.

This project will provide the means for SMFEs to become equipped for procurement of timber from legal and sustainably managed tropical forests. SMFEs 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 platform for better communication between SMFEs, government and other stakeholders will be established.

| | | | |
|--------------------|--|------|---------|
| Project Title: | Developing Collaborative Management in the Cibodas Biosphere Reserve, West Java Indonesia | | |
| Project Number: | TFL-PD 019/09 Rev.2 (M) | | |
| Budget: | Total: | US\$ | 591,278 |
| | ITTO Contribution: | US\$ | 496,670 |
| | Implementing Agency: | US\$ | 94,608 |
| Submitted by: | Government of Indonesia | | |
| Executing Agency: | Balai Besar Taman Nasional Gunung Gede Pangrango Mountain Gede Pangrango National Park, Directorate General Forest Protection and Natural Conservation, Ministry Of Forestry | | |
| Sessions Financed: | Spring Cycle 2010 | | |

Summary

Mount Gede Pangrango National Park (MGPNP) is one of the Indonesian protected areas and functions as a core zones of Cibodas Biosphere Reserves (CBR). Protected Areas have contributed significantly to the reduction of poverty and sustainable development. Thus, integration of protected areas management within the framework of biosphere reserves will be highly important for the sustainable development of the areas.

However in the meantime the protected area is under significant pressure caused by forest encroachment and lack of good governance practises, so if the Cibodas Biosphere Reserve is not properly managed in accordance with the current guidelines of Man & Biosphere coupled with the low commitment of stakeholders to support conservation of the protected areas, encroachment of the forests will continue. These encroachment activities will lead to forest degradation which contributes to flooding, soil erosion, irregular water supplies and continued poverty. If there are no serious planned actions to be taken, negative impact can be expected particularly in terms of flood disaster in some part West Java including Jakarta.

In light of the importance in tackling the issues, the project will promote the conservation and sustainable use of biodiversity and environmental services based on a collaborative management system. The specific objective of the project is to strengthen forest law enforcement and governance in the conservation and sustainable use of biodiversity and environmental services rendered by the Cibodas Biosphere Reserve.

The expected outputs of the project are: 1) stakeholders commitment for the effective Cibodas biosphere reserve management increased; 2) Integrated Management plan of Cibodas biosphere reserve developed; 3) Community awareness in the conservation and sustainable use of biodiversity and environmental services to the enhancement of Forest Law Enforcement and Governance enhanced. They will be achieved by among others; strengthening communication and coordination among stakeholders, strengthening Coordination Forum and establishing series training and extension, identifying of BCR zonation border and Conducting extensions and training to the communities in the conservation and sustainable use of biodiversity and environmental service. Dissemination of policy and regulation of protected area to the enhancement of forest law enforcement and governance. A long term effect of the project intervention will result in an increase in that forest dependent communities' welfare increased and a decrease in rampant encroachment and illegal operation of protected area in West Java decreased.

| | | | |
|--------------------|--|------|---------|
| Project Title: | Institutional Capacity-Building to Improve Forest Law Enforcement and Governance in Guatemala | | |
| Project Number: | TFL-PD 024/10 Rev.2 (M) | | |
| Budget: | Total: | US\$ | 804,419 |
| | ITTO Contribution: | US\$ | 563,339 |
| | Implementing Agency: | US\$ | 241,080 |
| Submitted by: | Government of Guatemala | | |
| Executing Agency: | NATIONAL FOREST INSTITUTE -INAB | | |
| Sessions Financed: | Spring Cycle 2010 | | |

Summary

Guatemala is committed to strengthening the capacity and means to promote forest governance by improving instruments that will encourage sustainable forest management and by strengthening community participation and inter-institutional coordination. In this context, the development objective of this project is to improve forest governance in Guatemala, while its specific objective is to strengthen INAB's institutional capacity to monitor forest law enforcement in the country. In order to achieve this specific objective, the project will upgrade the forest law enforcement monitoring system, will contribute to the improvement of inter-institutional coordination for forest law enforcement and to increased stakeholder involvement, and will strengthen the management of information systems on illegal forest activities.

| | | | |
|--------------------|---|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 150,000 |
| | ITTO Contribution: | US\$ | 150,000 |
| Submitted by: | ITTO Secretariat | | |
| Executing Agency: | ITTO Secretariat | | |
| Sessions Financed: | Spring Cycle 2010 | | |

Summary

The tropical timber sector has been severely impacted by the global financial and economic crisis which stemmed from the US subprime mortgage crisis in 2007. The adverse effects include a sudden plunge in housing starts and consumer demand for tropical wood products in traditional markets, depressed prices and severe adjustments of the tropical wood processing industries in ITTO producer and consumer member countries. This 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.

The lack of resilience of the tropical forestry sector to the impacts of the recent global financial and economic crisis was raised and highlighted at the Forty-fifth Session of the International Tropical Timber Council held in Yokohama from 9 to 14 November 2009. This proposal by the Secretariat is a response towards addressing the problem, particularly 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.

| | | | |
|--------------------|--|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 156,040 |
| | ITTO Contribution: | US\$ | 122,040 |
| | Implementing Agency: | US\$ | 34,000 |
| Submitted by: | Government of PNG | | |
| Executing Agency: | PNG Forest Authority | | |
| Sessions Financed: | CFME Spring Cycle 2010 | | |

Summary:

The Pre-Project 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.

| | | | |
|--------------------|---|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 198,242 |
| | ITTO Contribution: | US\$ | 175,742 |
| | Implementing Agency: | US\$ | 22,500 |
| Submitted by: | Government of Germany | | |
| Executing Agency: | Johann Heinrich von Thünen Institute (vTI), Federal Research Institute for Rural Areas, Forestry and Fisheries | | |
| Sessions Financed: | 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.

| | | | |
|--------------------|---|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 553,711 |
| | ITTO Contribution: | US\$ | 465,151 |
| | Implementing Agency: | US\$ | 88,560 |
| Submitted by: | Government of Indonesia | | |
| Executing Agency: | Directorate of Plantation Forest Development, Directorate General of Production Forest Development | | |
| Sessions Financed: | 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 (CBPF) is offered as a priority program in Indonesia to achieve SFM mission. CBPF was launched in 2007. Constraints to the development of CBPF 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; and 3) Improved market access for forest products from CBPF and other plantation business.

| | | | |
|--------------------|---|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 290,079 |
| | ITTO Contribution: | US\$ | 149,229 |
| | Government of Ghana: | US\$ | 140,850 |
| Submitted by: | Government of Ghana | | |
| Executing Agency: | Rural Development and Youth Association (RUDEYA) | | |
| Sessions Financed: | 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.

| | | | |
|--------------------|---|------|---------|
| Project Title: | 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) | | |
| Budget: | Total: | US\$ | 200,000 |
| | ITTO Contribution: | US\$ | 200,000 |
| | Implementing Agency: | US\$ | 200,000 |
| Submitted by: | ITTO Secretariat | | |
| Executing Agency: | ITTO Secretariat | | |
| Sessions Financed: | CFME Spring Cycle 2010 | | |

Summary:

The proposed Activity focuses on Activities 32 and 47 of the ITTO Biennial Work Programme 2010-2011; which were approved by the 45th 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 be held on 11-15 July 2011 in Lombok, Indonesia with the aim of promoting an in-depth assessment of the relationship between forest land tenure, SFM and income generating activities in Asian countries. It will complete a series of similar conferences organized by ITTO and partners with previous focus in Latin America (Brazil, 2007) and Africa (Cameroon, 2009).



Sustaining Tropical Forests



INTERNATIONAL TROPICAL TIMBER ORGANIZATION
International Organizations Center, 5th Floor, Pacifico-Yokohama,
1-1-1, Minato-Mirai, Nishi-Ku, Yokohama, 220-0012, Japan
Tel 81-45-223-1110 Fax 81-45-223-1111 Email itto@itto.int URL www.itto.int
© ITTO 2011