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REPORT OF COMPLETED PROJECTS AND PRE-PROJECTS

This document highlights the work carried out under projects PD 406/06 Rev.1 (M), PD 479/07 Rev.2 (M) and PD 480/07 Rev.2 (M) of the Committee on Economic Information and Market Intelligence, as well as projects PD 40/00 Rev.4 (I) and PD 384/05 Rev.3 (I) of the Committee on Forest Industry. The Committees may declare these projects complete:

Committee on Economic Information and Market Intelligence

1. PD 406/06 Rev.1 (M) Establishment of the National Forest and Timber Marketing Statistics System (Ecuador)

Budget and Sources of Funding:

Total Budget:	US\$	569,401
Government of Japan:	US\$	384,148
Government of U.S.A.:	US\$	70,000
Government of Ecuador:	US\$	115,253

Implementing Agency: Dirección Nacional Forestal del Ministerio del Medio Ambiente

Council Session Approved: Fortieth (Mérida, 2006)

Starting Date: July 2009

Duration: Planned: 24 months
Actual: 35 months

The project, derived from the pre-project PPD 8/98 Rev.1 (M), and aimed at establishing a forest information and statistical system for Ecuador.

The Development Objective was to implement a National Forest and Timber Marketing Statistics System to collect, process, and disseminate information with a view to fostering and developing the forest sector of Ecuador.

The project's Specific Objectives were:

1. Build up the National Forest Directorate's management, follow-up and monitoring capabilities through the development of a forest statistics information system.
2. Establish a mechanism to promote active involvement of the sector in the use and generation of statistical information.
3. Encourage the flow of geo-referenced information related to the use of forest statistics on native forests.

Before the commencement of project activities, the Ministry of Environment was engaged in the development of a platform for the management of authorizations for forestry operations, called "SAF" available at <http://servicios.ambiente.gob.ec/saf/default.php> and which served as the basis for the implementation of the project.

According to the project completion report, technical reports, and means of verification received, outputs were achieved as follows:

For Specific Objective 1

- Output 1.1 "Development and implementation of an operational information system to manage and monitor the Forest Regime": output achieved, the capacity of the National Forest Directorate (NFD) to monitor the forest regime was increased by the applications developed under the New "National System of Forest Administration" (SAF-2), and available at <http://saf.ambiente.gob.ec/>

For increasing such capacity, the Implementing Agency conducted several workshops with the timber industry in order to assess the real needs of the industry and the government (from forest harvesting to trade) and thus for building the structure of SAF-2. Through the System, the NFD is now capable of approving forest management plans, issue bills for transport of timber, identify the various actors of the sector (including a national registry), and link with other governmental institutions (Customs and Revenue Service) for the verification of data and feeding of databases. The NFD personnel were also trained in the use of the system, as well as the entry of data at the different points of the timber production chain. A technical report on the diagnosis of the Timber Market and Statistics System was submitted to ITTO in February 2010.

Under this output the NDF produced several reports, which are available at the ITTO web site http://www.itto.int/project_reports/ such as:

- Forest Governance in Ecuador 2011,
 - Forest Harvesting in Ecuador 2010, offenses and forfeiture,
 - Description of the Timber Production Chain in Ecuador, and
 - Supervision and Verification of Ecuador's Forest Resources.
- Output 1.2 "Development and implementation of information technology and networking solutions": output achieved, the NDF reported that there is connectivity at all the entry points of information in the country (43 technical offices), as well as trained personnel. The information entered at the regional offices, feeds the central database which consolidates and standardize the data.

At the Forty-fourth Session of the Committees, the Government of Ecuador requested a budget reallocation for this particular output, since the provincial offices already had connectivity and their own budget for communication cost [CEM-CFI (XLIV)/5].

For Specific Objective 2

- Output 2.1 "Mechanisms and instruments available to ensure the coordinated management of the effective participation of all institutions and agencies": output achieved, the mechanism was designed taking into account the perception of value of the forest sector by the civil society, the private sector, and the government in order to influence the national policy for a sustainable development of the forest sector as a whole. The mechanism was created through a series of direct consultation with the stakeholders, and it is foreseeing the creation of a Committee based on the operation of SAF-2. A technical report on the design of the System was submitted to ITTO in February 2010.
- Output 2.2 "Development and implementation of Ecuador's integrated forest information system with the stakeholders involved": output achieved the System was designed and build with consultations, workshops, and actual tests with actors from the whole production chain. In addition the Implementing Agency developed a communication plan (additional activity) in order to promote the appropriation and use of the SAF-2 by all relevant stakeholders, such communication plan included spots in radio, posters, and a video, which are all available on the ITTO web site.

Under the main page of SAF-2 there are a series of tutorial videos describing every step in the use of the System, <http://saf.ambiente.gob.ec/index.php/noticias-y-publicaciones/9-videos> such as:

- Application for the National Forest Registry,
- Application for bill of transport of timber and timber products,
- Registration of Commercial Forest Plantations,
- Harvesting and transport of Non-timber Forest Products,
- Harvesting and transport of balsa and Pigue wood,

The Implementing Agency also produced 5 manuals describing the operation of the whole Timber Market and Statistical System, as detailed below:

- Programming Manual,
- Manual for the module of the National Forest Registry,
- Manual for the module of Timber and timber products,
- Manual for the module of harvesting, and
- Manual for issue of special formularies.

For Specific Objective 3

- Outputs 3.1 “Optimal mechanisms available to ensure the flow of geo-referenced information” and 3.2 “Development and implementation of the Geographic Forest Information System”: outputs achieved, a geographical information system was integrated into SAF-2, which is currently use in the approval processes for Forest Management Plans and Harvesting Permits by the officials of the NDF to validate the geographical coordinates of the forestlands.

The geographical database, available at <http://servicios.ambiente.gob.ec/mapas/predio.php> also allows the Government to have a better control over the forest resources, its characteristics, and uses. The geographical database contains information such as:

- Forest potential of Ecuador (map of vegetation and national forest inventory),
- Natural protected areas, and conservation areas,
- Carbon storage estimates,
- Protective forest,
- Deforestation, and
- Forest fires.

The National Forest and Timber Marketing Statistic System has three main modules:

1. The National Forest Registry: The registry has allows geographical verification of the forest land through the use of satellite images.
2. National Forest Management System:
 - Allows approval of Forest Management Plans,
 - Allows the approvals and issue of bills for transport of timber and NTFPs.
3. Forest Statistics:
 - Provides statistics on volume produced and transported by type of forest (native, plantations, degraded, agroforestry, etc.),
 - Provides statistics on volume per specie.

The System has two types of users, internal and external (with different profiles), it is available on-line and login name and password are required:

Profiles for Internal users:

- Administrator at headquarters,
- Administrator at technical office,
- Forest Control:

- Supervisors,
- Operations,
- Assistant,
- Forest audit and verification:
 - Auditors,
 - Auditors Chief,
- Overall supervision at National level,
- Legal, and
- Statistics.

Profiles for External users:

- Technicians,
- Forest Regents,
- Industry,
- Forest Owner,
- Delegate,
- Transport,
- Chainsaw, and
- Nursery.

It is expected that the National Forest and Timber Marketing Statistics System of Ecuador, will allow the country to rely on accurate information on timber production capacity, harvesting, processing, domestic and international trade of timber and timber products, as well as accurate indicators of the contribution of the forest sector to the national economy, thus providing an accurate basis for decision making for improving the forest policy.

Project sustainability has been secured as the Ministry will continue supporting the System, and allocated US\$234,000.00 for the year 2012, with the aim of continue with the automation of the processes, training, and dissemination of SAF-2 at national level. Project personnel have also been retained and employed by the Ministry of Environment.

As for project finances, the Implementing Agency exercised savings for the ITTO contribution, in the amount of US\$8,849.15, which at the time of preparation of this report were in the process to be reimbursed to ITTO. The counterpart contribution increased from US\$115,253.00 to US\$246,299.30

The Implementing Agency has submitted the technical reports, completion report, and final financial audit report to the ITTO Secretariat. The Committee may wish to declare the project complete.

2. PD 479/07 Rev.2 (M) Timbers of Tropical Africa Part 2: Group 7(2) within the PROTA Programme (Ghana)

Budget and Sources of Funding:

Total Budget:	US\$ 1,053,635
Government of Japan:	US\$ 596,419
PROTA:	US\$ 457,216

Implementing Agency: Plant Resources of Tropical Africa (PROTA)

Council Session Approved: Forty-fourth Session (Yokohama, 2008)

Starting Date: January 2009

Duration: Planned: 36 months
 Actual: 42 months

The development objective of the project is to improve access to interdisciplinary data on the timbers of Tropical Africa as a basis for sustainable forest management and to improve networking, leading to better cooperation and information exchange between forestry actors. This is to be achieved principally through a synthesis of knowledge and information on 570 timbers of Tropical Africa from currently less important timber-producing taxonomic families [Commodity Group 7(2)] and the facilitation of wide access to it for

targeted beneficiaries. This project is a follow-up to project PD 264/04 Rev.3 (M,I) on 495 timbers of Tropical Africa from currently more important timber-producing taxonomics families [Commodity Group 7(1)] that had successfully been implemented from 2006 to 2008.

The implementation of this project was challenging, given its regional character of Tropical Africa with direct links to the PROTA headquarters and offices in Europe. However, by relying on the established PROTA structure, its effective networking system and a dedicated project team, the implementing agency was able to implement the project fully and satisfactorily without additional ITTO funding.

Following the full implementation of the project activities, all of the planned project outputs have been achieved as follows:

Output 1.1 – WORLDREFS – TIMBERS	Output 2.1 – WEBDATABASE – TIMBERS
Output 1.2 – AFRIREFS – TIMBERS	Output 2.2 – HANDBOOK – TIMBERS
Output 1.3 – EXPERTISE & TGA – TIMBERS	Output 2.3 – CD-TIMBERS
Output 1.4 – IMAGEFILE – TIMBERS	Output 3.1 – INCREASED CAPACITY IN SCIENTIFIC WRITING AND EDITING
Output 1.5 – TEXTFILE – TIMBERS	Output 3.2 – INCREASED CAPACITY IN WOOD ANATOMY
Output 1.6 – TRANSLATION – TIMBERS	

Outputs 1.1 to 1.4 are databases developed in fulfilment of Specific Objective 1 and supported the production process of the information carriers for 'Timbers of Tropical Africa' under Outputs 2.1 to 2.3 of Specific Objective 2. Output 1.5 constitutes the writing, editing and illustration process for 'Timbers of Tropical Africa' while Output 1.6 is the translation process of information from English to French. Under Output 3.1, training of personnel from key institutions in Africa in editing and writing was carried out. A wood anatomy workshop involving 18 participants was conducted in which standardised wood-anatomical descriptions for 133 timber species under the project were made under Output 3.2.

As the key product and deliverable of the project, Plant Resources of Tropical Africa 7(2) Timbers 2 is now available in English and French and in various forms namely books, CD-Roms and internet database (database.prota.org/search.htm), with accompanying brochures, leaflets and manuals. These are being disseminated for education, extension, research industry and policy-making to a wide range of targeted beneficiaries within and beyond the Tropical Africa region, thereby enhancing the project's impact.

The implementing agency has submitted the tangible outputs, the completion report and the financial audit report of the project to the ITTO Secretariat in accordance with the project agreement. The Committee is invited to declare the project complete.

3. PD 480/07 Rev.2 (M) Demand and Supply of Tropical Wood Products in China Towards 2020 (China)

Budget and Source of Funding:

Total Budget:	US\$	410,988
Government of Switzerland:	US\$	165,000
Government of U.S.A.:	US\$	98,520
Government of China:	US\$	147,468

Implementing Agency: The institute of Forestry Policy and Information
Chinese Academy of Forestry

Council Session Approved: Forty-fourth (Yokohama, 2008)

Starting Date: March 2010

Duration: Planned: 24 months
Actual: 29 months

The project, which is a follow up to ITTO PD 25/96 Rev.2 (M), is aimed at improving the supply of tropical wood products from sustainably managed forests to Chinese market and promoting sustainable

development of global wood products trade. The project is to analyze the timber situation in China by 2020 with a focus on tropical timber to increase market transparency in China.

To achieve this objective, major project outputs and activities include collecting information and materials, developing research, analysis and investigation reports, publishing and disseminating China's Forest Products Market Information, and holding seminars and an international workshop.

According to the project completion report, technical report and means of verification submitted to the ITTO Secretariat, the following outputs were achieved:

- Output 1.1 "Research report – Outlook on demand and supply situation of tropical wood products in China in 2020": 15 domestic investigations had been carried out in South China, East China, Southwest China, North China and Northeast China to collect information on timber resources, production and consumption. The research report named "Demand and Supply of Tropical Wood Products in China Towards 2020" had been completed and disseminated.
- Output 1.2 "Analysis report - Productive capacity of Chinese tropical wood processing enterprises and the end uses of the imported tropical logs": In order to collect information on the end use of imported tropical forest products, 8 domestic investigations had been carried out. An information sharing seminar was held in December, 2010 in CAF. Project team visited some related associations and statistic division of SFA to verify information and data. Analysis report on Chinese tropical wood processing enterprises is available.
- Output 1.3 "Investigation report - A survey on consumers' preference on tropical wood products in China": The questionnaire for consumers' preference was disseminated to target groups and 586 feedbacks were received. The statistical analysis was completed and the investigation report is available.
- Output 1.4 "Analysis report - Conflict issues and policy trends on China's trading of tropical wood products": Most of the training activities were developed on-site. Project team had visited governmental departments, industry associations, production enterprises and traders, as well as representative offices of foreign organizations in China to consult and collect information. The analysis report named trade friction and the countermeasures has been completed.
- Output 1.5. "Holding an international workshop – "Perspective on Global Tropical Wood Products Market: Potential and Challenge" and publishing proceedings": The international workshop had been held in Beijing on 13-14 October 2011. More than 60 participants attended the workshop, of which eighteen participants from ITTO member countries, Canada Embassy in China, US Embassy in China, International organizations and NGOs (such as WWF, TNC, EFI, CIFOR etc.). The expenses of 6 foreign speakers of the workshop had been founded by the projects. The international workshop won wide acclaim from State Forestry Administration, Ministry of Commerce and the participants.
- Output 1.6 "Publishing the China's Forest Products Market Information in both Chinese and English": Twenty four issues of China Wood Products Market Information have been compiled and published both in Chinese and English.

According to the final financial audit report the project was executed according to the budgets for ITTO's contribution and counterpart contribution.

The Implementing Agency has submitted the technical reports, completion report and final financial audit statements to the ITTO Secretariat. The Committee may wish to declare the project complete.

Committee on Forest Industry

1. PD 40/00 Rev.4 (I) Utilization of Small-Diameter Logs from Sustainable Sources for Bio-Composite Products (Indonesia)

Budget and Source of Funding:

Total Budget:	US\$	865,163
CFC:	US\$	600,000
Government of Indonesia:	US\$	265,163

Executing Agency: Faculty of Forestry, Bogor Agricultural University
in cooperation with
Directorate of Forest Product Processing and Marketing
DG of Forest Product Development
Ministry of Forestry

Council Session Approved: Thirty-eight (Brazzaville, 2005)

Starting Date: November 2007

Duration: Planned: 36 months
Actual: 53 months

The objectives of the project were to collect and make available comprehensive information on the structure and composition of small-diameter logs (SDL), which genetically do not exceed 50cm in diameter, and their potential utilization for bio-composite products. To achieve objectives, the following activities were identified:

- Assessment of the physical, mechanical and chemical properties of selected SDL;
- Identification of the potential utilization of SDL for value-added products; and
- Organization of regional training to facilitate the transfer of technology on SDL management and utilization to interested parties in Indonesia, Malaysia, Philippines and PNG.

According to the reports and means of verification submitted to the ITTO Secretariat, the following outputs were achieved:

- Output 1.1 "Assess markets needs": The Executing Agency submitted to ITTO in April 2010 a technical report which contains detailed trends in exports and domestic consumption of bio-composite products in Indonesia, Malaysia, Philippines and PNG.
- Output 2.1 "Address technical gaps in producing bio-composites products": A technical report was submitted to ITTO in December 2011, in which the physical-mechanical properties of timber species selected from output 1.1 (24 timber species for Indonesia, 9 timber species for Malaysia, 3 timber species for the Philippines, and 6 timber species from PNG) were analyzed in order to determine whether SDL are suitable for production of bio-composites (LVL, plywood, particle board, medium density board, and wood wool cement board -WWCB-). The report also describes measures to address milling issues, quality control of raw materials, and performance of the bio-composites produced from SDL.
- Output 2.2 "Determine equipment needs for production and manufacturing constrains": A technical report was submitted to ITTO in December 2011, which describes the availability of equipment for the production of bio-composites and identifies suitable machinery to be incorporated into the production line for the manufacturing of bio-composites from SDL.
- Output 2.3 "Address production coordination": A technical report was submitted to ITTO in December 2011, which describes the critical issues for incorporating SDL into the production line and provides respective recommendations. It is important to highlight that to achieve this output the Executing Agency worked in close cooperation with several industries.

- Outputs 2.4 and 2.5 “Mitigate potential trade barriers” and “Comply with relevant standards”: A technical report was submitted to ITTO in December 2011, which follows the flow of the above outputs, describing the compliance of the bio-composites manufactured from SDL to the international technical standards, such as JAS, ANSI/AITC, ASTM and ISO.
- Output 2.6 “Conduct Regional Workshop”: A regional workshop was conducted in December 2010, where the results of the project, including the prototypes using SDL, were presented. The workshop was attended by 124 participants (84 were industry representatives) and a representative from CFC.

The completion report also highlights that the utilization of SDL in the participating countries increased during the period of project implementation.

In addition, the Executing Agency published several articles in “Insects”, an international scientific journal, regarding the resistance of the bio-composites to insect attacks; link to the articles is available in the ITTO’s website http://www.itto.int/project_reports/.

The project was executed within the budget, plus an amount of US\$16,321.00 for Contingencies, previous approval of CFC.

The Executing Agency has submitted the technical reports, completion report, and final financial audit statements to the ITTO Secretariat. The Committee may wish to declare that this project is duly completed.

2. PD 384/05 Rev.3 (I) Testing Laboratory for the Development of Quality Standards for Mexican Primary and Processed Tropical Forest Products

Budget and Source of Funding:

Total Budget:	US\$	756,270
Government of Japan (BPF-A):	US\$	323,670
Government of USA:	US\$	80,000
Government of Finland:	US\$	60,000
Government of Mexico:	US\$	292,600

Executing Agency: Institute of Ecology A.C.

Council Session Approved: Forty-first (Yokohama, 2006)

Starting Date: October 2007

Duration: Planned: 24 months
 Actual: 54 months

The project had two specific objectives, namely, establishing an accredited timber products laboratory capable to provide services to the forest industry for ensuring compliance of national and international technical standards of their timber products, and developing quality standards for primary and processed Mexican timber products.

According to the reports and means of verification submitted to the ITTO Secretariat, the following outputs were achieved:

- Output 1.1 “Testing equipment and materials upgraded and updated to make them suitable for tropical timber products”: All the laboratory equipment was acquired, existing laboratory machinery was updated, and laboratory facilities were extended, as planned. Major laboratory equipment include: universal testing machine, calibrating and molding machines along with the respective accessories. Testing procedures have been updated and the staff has also been trained in its operation as a consequence of the acquisition of the new equipment.
- Output 2.1 “On-going testing services provided to the tropical timber industry sector (...)”: The laboratory has received accreditation from the Mexican Entity of Accreditation (EMA) in March 2010 and it has been subsequently renewed. The laboratory has the capability to perform

13 different tests under ASTM standards (versus a base-line of 6 tests at the beginning of the project), including those for structural timber, wood panels and timber products.

- Output 3.1 “Capacity to provide 20 services per year established”: By the end of the reporting period, the laboratory has received a total of 29 service requests, out of which 20 were carried out.
- Output 2.1 “Training courses on the application of quality standards and testing methods for tropical timber products”: Most of the training activities were developed on-site. The major topics included machinery for carpentry, machinery and finishing of timber, timber assembly, laminated and folded timber for furniture, timber drying, laminated structural timber, among others.
- Output 2.2. “Tropical timber producers’ and industrialists’ awareness of the benefits to back the quality of their products through testing”: The Executing Agency participated in various *fora* at national level to promote accreditation of technical standards of timber and timber products.
- Output 2.3 “Development of technical sheets of Mexican tropical timber species and their products”: Technical sheets were developed for a total of 26 tropical timber species. The technical sheets comprise information on scientific name, common name, ecology, tree identification, main uses, natural durability, strength, air drying, etc.
- Output 2.4 “Development of quality standards that can be applied to Mexican timber species”: A total of 8 national norms (*Norma Oficial Mexicana*) were published during the period of 2008-2010 for which the Executing Agency participated in their drafting and revision. Such norms apply to solid wood, plywood, particle board, and fiber board.

According to the final financial audit report the project was executed under the budget for ITTO’s contribution with savings amounting to US\$9,414.87, which were returned to ITTO in May 2011. However, counterpart contribution increased in particular by paying expenses such as accreditation renewal (after 2010), calibration of laboratory equipment and personnel, which have been mainly covered by the income of services performed to the industry, thus securing the sustainability of project activities.

The Executing Agency has submitted the technical reports, completion report, final financial audit statements and an article for TFU to the ITTO Secretariat. The Committee may wish to declare that this project is duly completed.

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