



ITTO

**INTERNATIONAL TROPICAL  
TIMBER COUNCIL**

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**DRAFT ANNUAL REPORT FOR 1994**

(Item 17 of the Provisional Agenda)

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## 1. ORGANIZATION, ADMINISTRATION AND SUMMARY OF ACTIVITIES

### 1.1 MEMBERSHIP

The Government of Venezuela acceded to the International Tropical Timber Agreement, 1983, on 31 March 1994 and thus became the fifty-second member of the Organization and its twenty-fifth Producer member. ITTO's membership accounted for over 80% of the area of the world's closed moist tropical hardwood forests and more than 95% of international trade in tropical timber. As at 31 December 1994, the fifty-two members of the ITTO were as follows:

#### MEMBERS

##### PRODUCERS

###### Africa

Cameroon  
Congo  
Côte d'Ivoire  
Gabon  
Ghana  
Liberia  
Togo  
Zaire

###### Asia & Pacific

India  
Indonesia  
Malaysia  
Myanmar  
Papua New Guinea  
Philippines  
Thailand

###### Latin America/Caribbean

Bolivia  
Brazil  
Colombia  
Ecuador  
Guyana  
Honduras  
Panama  
Peru  
Trinidad and Tobago  
Venezuela

##### CONSUMERS

###### Asia

China  
Japan  
Nepal  
Republic of Korea

###### Europe

European Union  
Belgium/Luxembourg  
Denmark  
France  
Germany  
Greece  
Ireland  
Italy  
Netherlands  
Portugal  
Spain  
United Kingdom

Austria  
Finland  
Norway  
Russian Federation  
Sweden  
Switzerland

###### North Africa

Egypt

###### North America

Canada  
United States of America

###### Oceania

Australia  
New Zealand

The status of members as of 31 December 1994 in terms of ratification, acceptance, approval and accession is summarized in Annex 1.

## 1.2 INTERNATIONAL TROPICAL TIMBER COUNCIL

### 1.2.1 Officers of the Council

At its Fifteenth Session, the Council had elected Mr. Yoichi Suzuki (Japan) and Dr. Rubén Guevara Moncada (Honduras) as its Chairman and Vice-Chairman respectively for 1994. Decisions on both these appointments were unanimous. During the year under review, Mr. Milton Drucker (U.S.A.) served as Spokesperson for the Consumer Group at the Second Special Session of the Council (21 January 1994). He was succeeded by Mr. Ian Symons (U.K.), who served as Spokesperson for the Consumer Group at the two subsequent regular Sessions. Mr. Amha Buang (Malaysia) continued to be Spokesperson of the Producer group throughout the year.

### 1.2.2 Second Special Session of the Council

Mr. Yoichi Suzuki (Japan) chaired a Second Special Session of the Council, convened on 21 January 1994 in Geneva, Switzerland, which had the express purpose of considering the results of the U.N. Conference on Negotiation of a Successor Agreement to the ITTA, 1983. The Vice-President of the Conference, Mrs. Yolanda Goedkoop-van Opijnen (Netherlands), reported that, with the exception of some editorial work, negotiations had been concluded, and a final plenary of the Conference would adopt the new International Tropical Timber Agreement, 1994. The Council then decided that the ITTA, 1983, would be extended until the entry into force of the ITTA, 1994, and urged all Members to expedite the ratification process.

### 1.2.3 Sixteenth Session of the Council

The Sixteenth Session of the ITTC was held in the historic Colombian city of Cartagena de Indias, from 16 to 23 May 1994. The Session was attended by forty-one ITTO Members and thirty-three Observers from states, U.N. bodies and specialized agencies, inter-governmental and non-governmental organizations, the latter representing conservation groups and timber trade associations among others.

The Session was chaired by Mr. Yoichi Suzuki, Chairman of the Council, with the closing Session chaired by the Vice-Chairman, Dr. Rubén Guevara Moncada. The President of the Republic of Colombia, H.E. Mr. César Gaviria Trujillo, sent a message of welcome, and his Minister, H.E. Dr. Manuel Rodríguez Becerra, Minister of the Environment, officiated at the opening ceremony. The Minister stressed the importance of widening the scope of the new Agreement and described reforms in the Colombian forestry sector, among them the 1993 Law which had created his own Ministry.

Other dignitaries who addressed the Council included H.E. Lic. José Guillermo Justiniano, Minister of Sustainable Development and the Environment of Bolivia, who invited the Council to form a mission to visit his country along the same lines as the ITTO Sarawak mission; and H.E. Dr. Rodolfo Matsuda Matsuura, Vice-minister of Agriculture of Peru, who described new legislation which would seek to improve private sector participation in the forestry sector and informed Council on the progress of major ITTO projects in Peru.

Council received a report from the Working Party on Certification of All Timber and Timber Products, which had immediately preceded the Session. It agreed to conduct further studies on the subject and also arranged to conduct a methodological study relating to CITES. Council also authorized the Executive Director to consult with Bolivia on the proposed ITTO mission to that country.

Voluntary contributions announced included, among others, \$13.086 million from Japan, \$4 million from Switzerland, and \$1 million from the U.S.A. Furthermore, Japan also announced an additional pledge of \$2.5 million, destined for the Bali Partnership Fund on the entry into force of the ITTA, 1994.

### 1.2.4 Seventeenth Session of the Council

The Seventeenth Session of the ITTC was held in Yokohama, Japan, from 8 to 16 November 1994. The Session was attended by forty ITTO Members and nineteen Observers from states, U.N. bodies and

specialized agencies, inter-governmental and non-governmental organizations, the latter representing representing conservation groups and timber trade associations among others.

The Session was chaired by Mr. Yoichi Suzuki (Japan), Chairman of the Council. During the course of the Session, Council was addressed by H.E. Mr. Tao Seng Hour, Minister of Agriculture, Forestry, and Fisheries of Cambodia, who announced his country's prospective membership of the Organization.

Council devoted considerable time to extensive consultations on the structure, planning and funding of the ITTO Mission to Bolivia, whose objective would be the promotion of sustainable forestry development in that country. These consultations led to a comprehensive Decision on the matter. Similar consultations on the 1995 Review of Progress towards ITTO's Year 2000 Objective were inconclusive and the matter was deferred to the next Session. However, a number of Year 2000 Progress Reports were, as usual, presented by Members.

The Council unanimously approved the appointments of Dr. Rubén Guevara Moncada (Honduras) as Chairman, and Mr. Don Wijewardana (New Zealand) as Vice-Chairman for 1995.

### **1.3 THE PERMANENT COMMITTEES**

#### **1.3.1 Officers of the Permanent Committees**

During 1994 Ing. Enrique Toledo G.P. (Peru) and Mr. Michael Martin (U.S.A.) served as Chairman and Vice-Chairman respectively of the Permanent Committee on Economic Information and Market Intelligence. At its Fifteenth Session, the Committee elected Mr. Michael Martin and Dr. Achmad Sumitro (Indonesia) as Chairman and Vice-Chairman for 1995.

Dato' Ismail Awang (Malaysia) and Mr. Derk de Groot (Netherlands) served as Chairman and Vice-Chairman respectively of the Permanent Committee on Reforestation and Forest Management during the year. At its Fifteenth Session, the Committee elected Mr. Derk de Groot and Ing. Angel Murillo (Honduras) as Chairman and Vice-Chairman for 1995.

Mr. Franklin C. Moore (U.S.A.) chaired the Permanent Committee on Forest Industry throughout the year and Mr. Jean Williams Sollo (Cameroon) served as its Vice-Chairman. At its Fifteenth Session, the Committee elected Mr. Jean Williams Sollo to the Chair for 1995 and agreed that a suitably qualified citizen of the Republic of Korea would be invited to fill the post of Vice-Chairman. Later Mr. Young-han Kim was appointed to this position.

#### **1.3.2 Fourteenth Sessions of the Three Permanent Committees**

These Sessions were held in conjunction with the Sixteenth Session of the Council in Cartagena de Indias, from 16 to 23 May 1994.

The three Committees technically appraised a total of 29 projects and pre-projects and recommended that 16 projects and 5 pre-projects be approved by Council. As usual, the Committees reviewed projects and pre-projects under implementation and received reports on those that had been completed.

The Fellowship Selection Panel, composed of the Chairmen and Vice-Chairmen of the Committees, and chaired by the Vice-Chairman of the Council, considered 111 applications under project PD 1/93 Rev.1 (M,F,I) and proposed the names of 25 awardees to the Council for its approval.

#### **1.3.3 Fifteenth Sessions of the Three Permanent Committees**

These Sessions were held in conjunction with the Seventeenth Session of the Council in Yokohama, Japan, from 8 to 16 November 1994.

The Annual Market Discussions, held under the auspices of the Permanent Committees in Joint Session, addressed the theme "Changes in the Panel Trade". Special attention was paid to plywood as this

commodity and veneers were the only types of panel falling within ITTO's mandate under the ITTA, 1983. Moreover, ITTO had organized the First World Plywood Conference in Indonesia in 1991, and was planning a second in Ecuador in May 1995. The meeting heard reports on the recently concluded Congress of Plywood and Tropical Timber in Belém, Brazil, a discussion of tropical forest resources for plywood, review of competition in North America between tropical and temperate plywood, and a description of inroads made by particle and fibreboards in Japan.

With a view to streamlining their work, the three Committees technically appraised only those projects and pre-projects recommended for their consideration by the Expert Panel, a total of 9 projects and pre-projects, 7 of which were recommended to the Council for its approval. The Committee also reviewed projects and pre-projects under implementation and received reports on those that had been completed.

The Fellowship Selection Panel considered 106 applications under project PD 1/93 Rev.1 (M,F,D) and proposed the names of 30 awardees to Council for its approval.

#### 1.4 SUMMARY OF PROJECTS, PRE-PROJECTS AND OTHER APPROVED ACTIVITIES

**Table 1. Summary of Projects, Pre-Projects, and other Approved Activities  
Funded in 1994 (in United States Dollars)**

	PROJECTS		PRE-PROJECTS		ACTIVITIES		TOTAL	
	No.	ITTO Funding	No.	ITTO Funding	No.	ITTO Funding	No.	ITTO Funding
Economic Information & Market Intelligence	6	\$2,597,742	2	\$112,093			8	\$2,709,835
Reforestation and Forest Management	14	\$9,124,474	2	\$296,375			16	\$9,420,849
Forest Industry	2	\$1,680,346	4	\$415,383			6	\$2,095,729
Council					7	\$1,616,215	7	\$1,616,215
<b>TOTAL</b>	<b>22</b>	<b>\$13,402,562</b>	<b>8</b>	<b>\$823,851</b>	<b>7</b>	<b>\$1,616,215</b>	<b>37</b>	<b>\$15,842,628</b>

Note: Activities approved by the Council include the bi-annual Expert Panels for the Technical Appraisal of Project Proposals, other Panels and Working Groups with specific objectives e.g. preparation of Guidelines, the Preparatory Committees and assistance programmes related to the U.N. Conference on Negotiation of a Successor Agreement to the ITTA, 1983, and major consultancy assignments.

Although recommendations from the Permanent Committee for Reforestation and Forest Management constituted two-thirds of Council's project approvals during the year, there was a rise in the number of approvals in the field of Economic Information and Market Intelligence.

**Table 2. Projects, Pre-Projects and Other Approved Activities Funded for all Divisions  
1987-1994 {ITTC(II) - ITTC(XVII)}  
(in United States Dollars)**

WORK	STATUS	No.	TOTAL BUDGET	ITTO FUNDING
Projects	Completed	61	\$22,962,167	\$16,990,374
	Operational	94	\$88,432,285	\$65,817,890
	Pending Contract	9	\$6,860,740	\$5,922,508
	Sub-Total	164	\$118,256,192	\$88,730,772
Pre-Projects	Completed	40	\$3,951,020	\$3,896,652
	Operational	22	\$2,391,453	\$2,340,478
	Pending Contract	4	\$464,268	\$457,268
	On Hold	1	\$25,000	\$25,000
	Sub-Total	67	\$6,831,741	\$6,719,398
Approved Activities	Completed	29	\$3,048,395	\$3,048,395
	Operational	2	\$945,928	\$945,928
	Pending Contract	1	\$535,000	\$535,000
	Sub-Total	32	\$4,529,323	\$4,529,323
<b>TOTALS</b>		<b>263</b>	<b>\$129,617,256</b>	<b>\$99,979,493</b>

Table 2 shows that the funding committed to the whole work programme since the Organization commenced operations in 1987 almost reached the landmark figure of US\$100,000,000 by the close of 1994. Unlike certain other aid programs, this achievement, accomplished during a period when many developing countries were struggling to reduce heavy external debt burdens, was entirely in the form of grant financing.

### 1.5 NEGOTIATION OF A SUCCESSOR AGREEMENT TO THE ITTA, 1983

The fourth and final part of the U.N. Conference on Negotiation of a Successor Agreement to the ITTA, 1983, took place in Geneva from 10 to 26 January 1994, chaired by the President of the Conference, H.E. Mr. Wisber Loeis (Indonesia). All but three ITTO Members attended. Twelve non-ITTO Member UNCTAD states also attended, with representation from nine U.N. bodies and specialized agencies and sixteen non-governmental organizations as observers.

Discussions took place alternatively in the plenary and in an open Informal Working Group. A smaller drafting group emerged, focussing on the core issues underlying the negotiations, which were the scope of the new Agreement, the Year 2000 Objective and other fundamental objectives, financial resources, non-discrimination in trade, functioning of the Organization, and the entry into force provisions.

During the Conference both the European Union and the Consumer Group issued statements signifying their commitment to the sustainable management of their own forests.

The Conference closed with a resolution requesting the Secretary-General of the United Nations to arrange for the ITTA, 1994 to be open for signature during the period laid down in its Article 38 and to forward copies of the text to all Governments and inter-governmental organizations invited to the Conference. There followed several statements in explanation of national positions. A Special Session of the Council was convened to enable a decision to be made on extension of the ITTA, 1983 until the ITTA, 1994 should come into force.

## 1.6 OTHER ACTIVITIES

The Seventh and Eighth Expert Panels for Technical Appraisal of Project Proposals were held in Yokohama from 28 February to 4 March and from 29 August to 2 September 1994 respectively. Both Panels were chaired by Mr. Ole Hendrickson (Canada).

Annex 3 lists new ITTO publications for 1994. The Organization continued to make these widely available on an economical basis. In particular, ITTO's quarterly newsletter "Tropical Forestry Update", which had been published by ANUTECH in Canberra, Australia, under project PD 86/90 (F) was transferred to headquarters in Yokohama for in-house publication under project PD 17/93 Rev.3 (M,F,I) "ITTO Network for Information Sharing and Project Support". The "TFU" now has a worldwide circulation of 5,200 copies in English, French and Spanish.

The information network was also expanded under the first phase of the latter project by the appointment of consultants to supply regional services to ITTO in the three major tropical producing regions. In the Latin America/Caribbean region, the company FCS Consultoria, of São Paulo, was appointed and in the Asia/Pacific region, Gaya Tunas Sdn. Bhd. of Kuala Lumpur, Malaysia. However, at the end of 1994, the appointment of a consultant for Africa was still pending, although the search was expected to be concluded in the early part of 1995. These consultants were to be responsible for assisting the Secretariat to monitor projects in their respective regions, and for supplying informative copy to the newsletter editor in Yokohama.

ITTO had closely followed post-UNCED developments, in particular the inaugural work of the U.N. Commission on Sustainable Development (CSD), as the Council had decided that ITTO should both contribute to the general report from international organizations and report independently to the CSD. The Secretariat attended meetings sponsored through diverse national or multilateral initiatives and the Organization often supported Producer country delegates to participate as well.

### 1.6.1 Working Party on the Certification of All Timber and Timber Products

In accordance with its Decision 6(XV), Council convened this working party for all Members and arranged for a report to be prepared as a background paper. The report authors were Dr. Markku Simula (Finland), and Dato' Baharuddin Hj. Ghazali (Malaysia), whilst the Working Party was chaired by Ing. Enrique Toledo G.P. (Peru).

The Working Party, attended by thirty-six Members and twenty observers, considered the consultants' report and considered the impact of certification on the competitiveness of timber, and the compatibility of such schemes with other international agreements and conferences. A considerable debate ensued and the Working Party concluded by identifying thirteen key issues for further analysis. There was a full range of views of the subject, with many participants expressing confusion over the variety and inconsistency of the certification initiatives.

Concern was expressed that certification schemes should be voluntary, transparent, non-discriminatory, consistent with other programmes and agreements, such as GATT and UNCED, and that they should be based on internationally agreed guidelines. There was considerable discussion of expected positive benefits (the so-called "Green Premium") and negative ones such as substitution by non-timber alternatives. The relationship between the Year 2000 Objective and the timetable for introduction of certification schemes also attracted a divergence of opinion. The Report of the Working Party was tabled before the Council.

## 1.7 THE SECRETARIAT

One professional staff member joined the Secretariat in 1994. Mr. Alastair Sarre entered on duty on 10 October 1994 as Editor/Newsletter Coordinator for the Tropical Forest Update in the Forest Industry division. Mr. Sarre's post is funded by the Project PD 17/93 Rev.3 (M,F,I) described in Section 1.6 above. Two General Service staff members joined the Secretariat during the year, Ms. Azusa Miyashita as Secretary in the Management Services division on 1 August 1994, and Ms. Kanako Ishii as Secretary in the Economic



Intelligence and Market Information division on 4 November 1994. Ms. Ishii replaced Mrs. Firozeena Izmeth, who resigned on 30 June 1994 after two years' service as Secretary in the Economic Information and Market Intelligence division.

As always, the Secretariat enjoyed the full support of the Government of Japan and the City of Yokohama through the provision of office accommodation, facilities, and equipment. Both Council Sessions also benefitted from the same sources. Moreover, a staff member from the City of Yokohama accompanied Secretariat staff in December 1994 to assist them on the preparation mission for the 1995 overseas Council Session.

The City of Yokohama also funds three General Services staff on secondment to the Organization on a rotating basis. Incumbents of two of these positions changed during the year. On 1 March 1994, Ms. Masako Ochiai entered on duty as Secretary in the Reforestation and Forest Management division. The Special Assistant position in the Management Services division had been filled for two years by Mrs. Rie Kimura; on 15 April 1994 Mr. Kenji Kitamura took over this position.

## 2. ECONOMIC INFORMATION AND MARKET INTELLIGENCE

### 2.1 PRE-PROJECTS

At its Fourteenth and Fifteenth Sessions, the Permanent Committee reviewed progress on the status of Pre-Projects approved for implementation by Council. They are:

PPD 13/93 (M)	(Completed)
PPD 4/94 Rev.1 (M, F, D)	(Under implementation)
PPD 5/94 (M)	(Under implementation)

#### 2.1.1 Pre-Projects Under Implementation

- (1) PPD 4/94 Rev.1 (M,F,D) Groundwork for an ITTO Information System (ITTO Secretariat)

Budget and Funding Sources:

Total Budget	\$ 64,090
Govt. of Japan	\$ 64,090

Implementing Agency: ITTO

Council Session Approved: 16th (Cartagena, 1994)

Starting Date and Duration: June 1994 (six months)

The pre-project was formulated out of the compelling need to respond promptly and adequately to the increasing demand on the ITTO Secretariat for information about the Organization and about the outputs of its project and non-project-work. The programme, as envisaged under the pre-project, will be an interim arrangement pending the appointment subsequently of a substantive Information Officer. The specific elements of the programme are to:

- develop efficient document handling and analysis within the Secretariat to allow research and other project results to be disseminated to the general public;
- produce a general information brochure on ITTO and other promotional material for world-wide publicity in the three working languages of the Organization;
- improve the internal document management system of the Secretariat through the introduction of new hardware and software tools; and
- design a wider pro-active public relations programme for the Organization, in particular publications, lectures and audio-visual presentations to be implemented from 1995 to 2000.

Consultants have been engaged to begin work on producing the ITTO Information brochure and to set up the document management system. The various tasks are expected to be completed and a report on them submitted to the Council at its Eighteenth Session.

- (2) PPD 5/94 (M) Implementation of a Forest Statistical Information System (Peru)

Budget and Funding Sources:

Total Budget	\$ 48,003
Govt. of Japan	\$ 48,003

Implementing Agency: The National Institute for Natural Resources (INRENA)

Council Session Approved: 16th (Cartagena, 1994)

Starting Date and Duration: November 1994 (one month)

The pre-project arose out of a draft project proposal which envisaged the establishment of an appropriate in-country system to collect, process, analyze and disseminate statistical information on Peruvian forest resources, timber production and trade in a timely manner. Following the appraisal of the Expert Panel, a pre-project instead was approved by the Committee, designed to assess and analyze, as an initial measure, the current system of forestry statistical data compilation, processing and dissemination. The pre-project is currently being implemented.

### 2.1.2 Pre-Project Completed

#### PPD 13/93 (M) Consultancy and Working Party on Certification of All Timber and Timber Products

Budget and Funding Sources:

Total Budget	\$293,865
European Community	\$ 80,000
Govt. of Japan	\$ 36,000
Govt. of Switzerland	\$ 36,000
Govt. of Denmark	\$ 36,000
Govt. of Finland	\$ 36,000
Govt. of Netherlands	\$ 36,000
Govt. of Austria	\$ 20,000
Govt. of Australia	\$ 13,865

Implementing Agency: ITTO

Council Session Approved: 15th (Yokohama, 1993)

Starting Date and Duration: December 1993 (six months)

The Study under this project was undertaken jointly by two independent Consultants Dato' Dr. Bahruddin Haji Ghazali (Malaysia) and Dr. Markku Simula (Finland). Their report entitled "Certification Schemes for All Timber and Timber Products" was the working document for the Working Party which convened immediately prior to the Sixteenth Session of the Council in Cartagena de Indias, Colombia from 12 to 16 May 1994. A brief account of the deliberations of the Working Party appears under Section 2.4.1. "Non-Project Activities" of this Report.

## 2.2 ITTO ACTIVITIES

There were two "Activities" under implementation in 1994. One of them (PPA/11-13 "Forest Resource Accounting: Monitoring Forest Condition and Management") was completed in the course of the year, while the other Activity (PPA/11-14 "Study of the Feasibility of Strengthening Incentives for the Management of Tropical Moist Forest for Sustained Production in a Producer Country") is expected to be completed in 1995.

### 2.2.1 Activity Under Implementation

- (1) PPA/11-14 Feasibility of Strengthening Incentives for the Management of Tropical Moist Forest for Sustained Production in a Producer Country

Budget and Funding Sources:

Direct payment from Govt. of U.K. to implementing agencies  
(Preparatory Phase)

Direct payment from Govts. of U.K. and Denmark  
(Phases 1 and 2)

Govt. of Ghana (in kind)  
Costs relating to vehicles, support staff and office accommodation.

Implementing Agency: International Institute for Environment and Development (IIED)

Cooperating Govt.: Govt. of Ghana

Council Session Approved: 10th (Quito, 1991)

Starting Date and Duration: December 1991 (originally two years)

The Activity aims to design and analyze a coherent system of incentives to promote and motivate the sustainable management of the tropical high forest in Ghana; to prepare a general methodology for such work; and to identify a strategy for implementation in Ghana.

The work is divided into four phases:

- Preparatory Phase - Detailed design of the project and definition of the objectives and approaches.
- Phase 1 - Data collection and analysis and identification of areas of intervention.
- Phase 2 - Design of the incentives
- Phase 3 - Implementation (administration to be decided).

Planning for this phase will be an important component of the final report.

The final report is still under preparation by the IIED and the Forestry Department of the Government of Ghana. It is expected to be submitted in 1995.

### 2.2.2 Activity Completed

#### PPA/11-13 Forest Resource Accounting: Monitoring Forest Condition and Management

Budget and Funding Sources: Direct payment from Government of U.K. to implementing agencies  
Contribution of 3 selected countries: (in kind)  
(Cameroon, Ecuador and Indonesia)

Implementing Agency: International Institute for Environment and Development (IIED)  
and World Conservation Monitoring Centre (WCMC)

Council Session Approved: 10th (Quito, 1991)

Starting Date and Duration: December 1991 (originally two years)

The Activity's objectives are:

- a. To develop a Forest Resource Accounting (FRA) methodology for carrying out quantitative assessments of the condition of a tropical timber producer country's forest resources and the status of their management; thereby enabling countries to carry out a comprehensive evaluation of the standard of management of their forest resources and to update such an evaluation on a regular basis.

- b. To achieve a consensus on the FRA methodology developed between countries and between the main agencies involved in the field of tropical forestry (ITTO, FAO, UNEP, IIED, IUCN, WCMC, WRD).
- c. To demonstrate the feasibility of the FRA methodology developed and its utility for ITTO Target 2000 reporting, by assisting three countries to test and fine-tune the methodology.
- d. To promote adoption of appropriate forms of FRA in all ITTO producer countries and ultimately in all forest countries.

The final report on this Activity, prepared by the IIED and WCMC, was completed and circulated to Members in 1994.

## 2.3 PROJECTS

At its Fourteenth and Fifteenth Sessions, the Permanent Committee reviewed progress on the status of various projects approved for implementation by the Council. They are : PD 167/91 Rev.1 (M); PD 27/92 Rev.1 (M,I); PD 31/92 Rev.1 (M); PD 36/92 (M); PD 9/93 Rev.1 (M); PD 16/93 Rev.4 (M); PD 27/93 Rev.2 (M); PD 28/93 Rev.3 (M); PD 5/94 Rev.3 (M); PD 19/94 Rev.2 (M,I); PD 24/94 Rev.1 (M); D 34/94 Rev.1 (M); PD 35/94 Rev.4 (M,I) and PD 46/94 Rev.1 (M, F,I).

In the period under review the following Projects were completed: PD 42/88 Rev.1 (M), PD 124/91 Rev.1 (M) and PD 173/91 Rev.2 (M).

### 2.3.1 Projects Under Implementation

#### (1) PD 167/91 Rev.1 (M) Diagnosis and Evaluation of the Brazilian Forestry Sector

Budget and Funding Sources:

Total budget	\$ 1,743,000
Govt. of Norway	\$ 157,500
Govt. of Japan	\$ 1,585,500

Implementing Agencies: Brazilian Institute for Renewable Natural Resources (IBAMA) and Brazilian Foundation for Nature (FUNATURA)

Council Session Approved: 11th (Yokohama, 1991)

Starting Date and Duration: January 1993 (18 months)

A Project Steering Committee in February 1994 reviewed the status of work being done in preparing the reports at the State and Regional levels. Problems had been encountered in preparing some of the reports through delays. These delays had occurred in the two largest regions of Brazil where forest activities are dispersed and where information is both more difficult to obtain and collate than in the other regions.

The work of analyzing the evolution and performance of forest-based manufacturing industries and markets (supply and demand) of forest products had also encountered some difficulties. These difficulties were largely due to deficiencies in or lack of basic information on the sectors and branches of forest-based industries. Efforts were made to surmount these difficulties. An international consultant, Dr. Markku Simula (INDUFOR, Finland) was also engaged to prepare a relevant report envisaged under the project relating to the evolution, present situation and perspectives of the participation of Brazil in the international market of wood and wood products. The report entitled "The Review of International Markets for Forest Products and their Implications for the Brazilian Forestry Sector" was duly completed.

A second meeting of the Steering Committee was organized where a proposal, earlier taken up in the first meeting, was endorsed. The proposal was to convene an "Eminent Persons Group Consultation" to

evaluate the final output of the project and examine how its findings and conclusions could best be translated into future forestry sector planning and policy-making in Brazil. The period following the national Presidential elections of October 1994 and the installation of a new Government early in 1995 was judged an appropriate time to convene such a Consultation which should involve some twenty eminent national public figures together with representatives of Japan and Norway (the donor Governments for the project) and the Executive Director of the ITTO. As the proposal was not originally included in the project, the approval of the funding governments had to be sought and obtained to finance the cost of organizing the Consultation.

Five Regional Workshops were planned and organized at five regional capitals to critically review the completed State Reports and prepare five regional consolidated reports which were then renewed at a "National Seminar". The final report, to be reviewed by the Eminent Persons Group, is to be ready sometime during the first quarter of 1995.

**(2) PD 27/92 Rev.1 (M,D) Development of an Information System for Tropical Timber Properties to Promote Appropriate Use of More Species**

Budget and Funding Source:

Total budget	\$ 460,360
Govt. of U.K.	\$ 460,360

Implementing Agency: Oxford Forestry Institute

Council Session Approved: 13th (Yokohama, 1992)

Starting Date and Duration: July 1993 (2 years)

The development and improvement of the "PROSPECT" database has been achieved in accordance with the targets set and stipulated in the work plan for the project. There has been a slight shortfall in the number of species added to the system, but the amount of data per species has improved dramatically. This has meant that nearly all species on the system have sufficient data to enable the user to obtain a meaningful impression of species characteristics.

Some 50 of the 170 recorded end-uses have had property requirements defined; this means that system defined searches for end-use evaluations can now be undertaken. The remaining 120 end-uses cannot be so easily pre-defined, and thus meaningful property requirements for these are best established by the user (by using those which have been defined as "templates"). The technique for doing this is well documented in the literature accompanying the database.

A full version of the database is now completed, and is in the process of being thoroughly tested so that any programming faults can be corrected before distribution. A copy of the database was distributed to each ITTO member country during the Seventeenth Council Session in November 1994, in Yokohama. Following a comprehensive demonstration of the database given during the course of that session. The next version of the programme has already been developed so that, amongst other improvements, a number of species can be compared on the same screen. This version will also run under "Windows", and thus many graphical improvements can be incorporated into the programme.

The literature accompanying the database is extensive and comprehensive, ensuring that the user can make the best use of the system without difficulty. Although currently available only in English, versions of the database in French and Spanish are being considered for 1995.

**(3) PD 31/92 Rev.1 (M,D) Selection and Introduction of Lesser-known and Lesser-used Species for Specific End-uses - Phase 3**

**Budget and Funding Sources:**

Total budget	\$ 357,700
Govt. of Japan	\$ 287,700
Govt. of Netherlands	\$ 70,000

**Implementing Agencies:** Agriculture University (Wageningen, Netherlands), TNO Building and Construction Research Institute (Rijswijk, Netherlands), Relevant institutions of cooperating Governments

**Council Session Approved:** 13th (Yokohama, 1992)

**Starting Date and Duration:** June 1993 (1 year)

This project is the third phase following an original project [PD 18/87 Rev.1 (D)], and its second phase [PD 134/91 (D)]. The overall objective of this project is to undertake research work on selection and market introduction of lesser known species. It is designed to develop a computer-based analytical system which allows for the matching of some 21 technical properties of timber species with several criteria prevailing in Western Europe, Japan and U.S.A. for the following end-uses: window frames, outside doors, cladding, furniture and flooring. Entry of the details of properties of a timber species into the computer system is designed to provide useful insights into its applicability for a specified end-use, both at preferred and at a minimum level. Thus, if for instance, a timber species does not meet certain requirements, the system may indicate steps which may be taken to improve its potential applicability for a specified end-use.

In the previous two phases the development of the system was extended to cover end-use requirements, not only in Western Europe but also in Japan and the U.S.A; information on certain commercial details such as the form and conditions on which a specified species of timber was included; as well as market details, timber properties, available quantities and quality requirements.

An Advisory Group, consisting of experts from 9 cooperating Governments and the ITTO Secretariat, established under Phase 2, convened in January 1994 to assess the effectiveness of the model. The Group's recommendations on the further development of the computer program and information base form the basis of the present Phase 3.

Under Phase 3 (to be followed subsequently by a Phase 4) the computer program and its information base will be further expanded to cover the requirements of at least one important end-use for Japan, the U.S.A. and the home markets of producing countries. More information will be sought on commercial data such as parcel details, the form in which timber is offered, quality regulations, price conditions and transport costs. Information on production and sustainability (ecological conditions) will also be added.

The completion of this phase of the project was delayed and the final report will be ready in early 1995.

**(4) PD 36/92 (M) Collection and Computer Processing of Forest Statistics with a view to Improving the Management of the Forest Resources of Gabon**

**Budget and Funding Sources:**

Total budget	\$ 994,750
Govt. of Japan	\$ 549,950
Govt. of U.S.A.	\$ 100,000
Host Govt. (Gabon)	\$ 344,800

Implementing Agency: Forestry Department of the Ministry of Forestry, Fisheries and Environment of Gabon

Council Session Approved: 13th (Yokohama, 1992)

Starting Date and Duration: November 1993 (2 years)

The project will undertake an analysis of the forestry sector in Gabon through systematic collection of comprehensive data on the forest resources, forest development (harvesting, reforestation, forest industries) and markets (home and export).

The analysis of the forestry sector will take into account:

- (i) Comparative information gathered from specified target countries of the sub-region in order to harmonize statistical data.
- (ii) Methods of integrating various existing ITTO guidelines on management of natural forests, planted forests, conservation of bio-diversity and the criteria for the measurement of sustainability of forest management.

The data will be used to install and develop a computerized information system which would serve as a permanent infrastructure for collecting, processing and analyzing relevant statistics for the purposes of forest management and forest sector planning in Gabon.

The project started up in earnest in April 1994. International experts employed as consultants have taken up their posts and undergone the necessary orientation. Work on collecting data is proceeding steadily.

**(5) PD 9/93 Rev.1 (M) Market Intelligence: Tropical Timber Market Information System**

Budget and Funding Sources:

Total budget	\$ 396,585
Govt.of Japan	\$ 396,585

Implementing Agency: Stichting Bos en Hout (SBH), Wageningen, The Netherlands

Council Session Approved: 14th (Kuala Lumpur, 1993)

Starting Date and Duration: August 1993 (2 years)

The main objective of this project is to extend the market information system tested in PD 158/91 Rev.1 (M) by collecting market data for 1992 and 1993. The project is in two parts. The first part will collect [as did PD 158/91 Rev.1(M)] up-to-date market information on tropical wood flows in seven European countries: United Kingdom, France, Germany, Belgium, Luxembourg, Switzerland and the Netherlands. The information will be made available through data collected from national bureaus and by questioning companies active in the timber sector. The second part of the project will be collecting market information for the year 1993. During this part of the project there will be an attempt to expand the geographical coverage to cover four additional European consuming countries (Greece, Italy, Spain and Portugal). The feasibility of expanding the system further to include Japan will also be investigated.

Much effort has been put into increasing the responses to the questionnaires, particularly by approaching companies in France and Germany where initial results were promising. Various companies in these countries have reacted positively to the requests to fill in the questionnaire. However, extra effort was needed to increase the number of responses to at least the minimum level required. The responses from the U.K., Spain and Greece to the questionnaires were poor. In Switzerland and the Netherlands the response rate was sufficiently high to be able to use the collected data.



In 1994, it proved more difficult to collect statistics on foreign trade relating to the EC countries. At the end of September 1994, statistics on foreign trade were available from far fewer EC countries than in 1993. The delay is attributable to the European unification that came into effect on 1 January 1993 and which has meant changes in the compilation of statistics on foreign trade. It is not yet certain when all the necessary foreign trade data will be available. Presenting the results was consequently delayed. Information concerning the end-use of tropical timber and competing materials in target countries was being compiled by the DMD-market research bureau. In October 1994, timber trade organizations and processing industry representatives were asked for information on production and foreign trade. This was done in the countries in which no questionnaires were sent or in which the responses to the questionnaire were poor. A new proposal for implementing the market information system in Japan was being formulated.

The final report is expected in July 1995.

**(6) PD 16/93 Rev.4 (M) Market Information Service for Tropical Timber and Timber Products**

**Budget and Funding Sources:**

Total budget	\$ 1,646,800
Phase I (1994)	\$ 488,400
Phase II (1995)	\$ 552,600
Phase III (1996)	\$ 296,800 (yet to be financed)
Phase IV (1997)	\$ 302,800 (yet to be financed)

Implementing Agency: International Trade Center (ITC), Geneva, Switzerland

Council Session Approved: 15th (Yokohama, 1993)

Starting Date and Duration: January 1994 (4 years)

The first phase of this new project was implemented as from 1 January 1994 - a continuation of the Market News Service which produced the first Tropical Timber report in June 1990. Since then 94 fortnightly reports have been circulated to subscribers in over 60 countries. During the year, the number of paid subscriptions increased very satisfactorily. All new requests for the service are required to pay. The number of enquiries for information additional to that contained in the reports also has grown substantially, so have requests for information and assistance over a wide range of subjects including investment, market opportunities, technical matters, statistics and pricing.

In addition to the section started up in 1993 for Plantation, Sustainable Yield Timbers and Lesser-Known Species, the reports have now been extended to include a new section on Softwood and a French language version is now produced and circulated to subscribers in French-speaking countries.

A number of Graphs showing 1993 price progressions for plywood, logs and lumber from major sources was circulated to subscribers in January 1994 and these were updated and sent out by air mail at the end of May, together with a summary of current markets.

Another innovation is a Price Index for the log and lumber sections. This is intended to give a quick, overall indication of the relevant price movement during the current two-week period.

The service was extended still further during 1994 to include some basic moldings or further processed products, as well as some wood-based panel price and market indicators, most likely for MDF (Medium Density Fibreboard) and possibly some particle boards.

The feedback from traders, trade associations, banks and government departments/institutions on the value of the MNS reports has been and continues to be very positive. It may also be noted that the volume of inquiries and comments on the service received through ITTO Yokohama has increased thus indicating an increased interest in the use of the services. Noticeable now is the interest in the reports from

investment houses, central and other banks and government departments, and that there is substantially increased awareness of the value of the reports in all regions, especially among producers.

The gathering of sensitive price information depends on the goodwill and assistance of a large number of unpaid trader correspondents and their continued support for the service is gratefully acknowledged. There are, however, a few correspondents who receive very moderate payments for collection of information for the project. However, the sourcing of information from regular and reliable African correspondents remains a real problem and has in fact become more difficult in the past year or so.

This first phase of the projects came to an end in December 1994. With the pledge of Japan, funding in the amount of some \$552,600 was allocated by Council at its Seventeenth Session to finance work under the Phase II (1995) of this project.

(7) PD 27/93 Rev.2 (M) Training Workshops on Tropical Forestry and Timber Trade Statistics  
- Phase II

Budget and Funding Sources:

Total Budget	\$ 1,006,100
Cycle I	\$ 520,000
Gov't of Japan	\$ 420,000
Gov't of Denmark	\$ 100,000
Cycle II	\$ 486,100
Gov't of Japan	\$ 486,100

Implementing Agency: ITTO Secretariat

Council Session Approved: 15th (Yokohama, 1993)

Starting Date and Duration: January 1994 (26 months)

The first of the three workshops envisaged under this project, viz. the workshop for Latin American members was organized in Cali, Colombia. The Colombian National Institute of Renewable Resources and Environment (INDERENA) organized the workshop for ITTO at the Universidad del Valle in Cali. The workshop took place from 25 May to 14 June 1994 with 26 participants from Bolivia, Brazil, Colombia, Ecuador, Honduras, Panama, Peru and Venezuela.

The second workshop was organized with the cooperation and assistance of the Government of Gabon and INRA (Nancy, France). It took place from 8 to 26 August 1994 at the Ecole Nationale des Eaux et Forêts (ENEF) in Cap Esterias, near Libreville, Gabon. This workshop is oriented towards the French-speaking members of the African region: Cameroon, Congo, Côte d'Ivoire, Gabon, Togo and Zaire.

The third workshop, organized for English-speaking developing member countries, was organized for ITTO by the Malaysian Timber Industry Board (MTIB) and took place in Kuala Lumpur (Malaysia) from 28 November to 16 December 1994. Participants for this Workshop were from fourteen countries: China, Egypt, Ghana, Guyana, India, Indonesia, Liberia, Malaysia, Myanmar, Nepal, Papua New Guinea, Philippines, Thailand and Trinidad & Tobago.

It is to be noted that funding in the amount of \$486,100 for Cycle II of the Training Workshops for 1995 was pledged by Japan at the Seventeenth Session of Council in November 1994.

- (8) PD 28/93 Rev.3 (M) Analysis of Macroeconomic Trends in the Supply and Demand of Sustainably Produced Tropical Timber from the Asia-Pacific Region - Phase II

Budget and Funding Sources:

Total Budget	\$ 293,026
Govt. of Japan	\$ 293,026

Implementing Agency: Reid, Collins and Associates, Vancouver, Canada

Council Session Approved: 15th (Yokohama, 1993)

Starting Date and Duration: April 1994 (6 months)

The consulting firm of Reid, Collins and Associates were selected to carry out Phase II of this project, following their successful completion of Phase I.

A Workshop was organized in the Philippines from 12 to 17 June 1994 to demonstrate the econometric model developed under Phase I. Following this Workshop there was a review of the conceptual structure of the log supply model developed by Phase I and it was concluded that modifications were required. These modifications were completed and the revised model was discussed with the producer countries during the visit of the consultants to the target countries for the Second Phase.

The consultants have been reviewing the demand relationships developed for Phase I. They have also been examining information collected during a follow-up visit to Tokyo as well as information sent to the consultants by Workshop participants. Based on this review, comments received at the Workshop and the dominant impact of tropical timber consumption in Japan, it has been decided to revise the demand relationships developed for Japan for Phase I. There was also a review on the forest resource information collected at the workshop and that to be gathered from other sources such as the World Bank.

After the Manila Workshop, the following five "formal" recommendations arising from the Workshop proceedings were discussed:

- (a) "The models should take into account cross price elasticities resulting from different modes of substitution, e.g., substitution in the manufacturing processes, substitution between commodities at the consumption level."

Unfortunately, the PELPS model being used does not permit the use of cross price elasticities. They is an updated version being developed which would incorporate this ability but there is another problem which arises. For these elasticities to be meaningful there must be an extensive and reliable data base. The data base that can be developed for the majority of the countries being dealt with is not good enough for any meaningful results. The impact of substitution will, therefore, be examined through a series of scenarios.

- (b) "improvement in the user-friendliness of the model, and improvement to allow the models to run on common software all throughout, especially in the input and output spreadsheets;"

The consultants are contacting the LP package vendor on behalf of ITTO to see if there is any opportunity for a reduced group purchase price to make this component more available. The author of the PELPS trade model is also being contacted to see if the model can be converted from LOTUS 1-2-3 to Microsoft EXCEL to eliminate the need for two spreadsheet packages to run the set of Phase I models. Some Workshop participants suggested that consideration be given to linking the log supply model with the gap model. This was discussed and it was concluded that this would not really add much to the utility of the two models. What would be useful would be to expand the graphics built into the GAP model to present more of the results at the country level in graphical form. This should not be a major undertaking and will be considered when the GAP model is revised.

- (c) "to consider the other producer regions (Latin America and Africa) in the regions considered by the model, since these regions are part of the supply side;"

This recommendation could be the starting point for a possible next Phase of the work but cannot be incorporated into Phase II.

- (d) "to consider the issue of substitution in more detail, considering the growing role of tropical wood substitutes, the increasing markets for composite wood products, and the increasing range of products being traded (e.g., panels and moldings);"

The issue will be addressed through discussions in the main markets to determine what alternatives are likely to develop and how the markets will react. The input from these discussions will then form the basis for the substitution scenarios which will be run.

- (e) "update and refine the data base, taking into consideration the actual developments that have occurred since the base data were first gathered."

After considerable additional data have been received they are being incorporated into the data base for the model. The Consultants have completed their visits to collect information. The Report is scheduled to be submitted in time for consideration during the Eighteenth Council Session.

**(9) PD 5/94 Rev.3 (M) Development of Computerized Information System for the Forestry Commission of Ghana**

**Budget and Funding Sources:**

Total Budget	\$ 242,650
Govt. of Japan	\$ 82,650
Govt. of Switzerland	\$ 75,000
Govt. of the U.S.A.	\$ 75,000
Govt. of Norway	\$ 10,000

Implementing Agency: Forestry Commission of Ghana

Council Session Approved: 16th (Cartagena, 1994)

Starting Date and Duration: January 1995 (2 years)

Forestry operations in Ghana are the responsibility of the Forestry Commission following a new law passed in July 1993. However, there are at least 10 other governmental agencies operating in the forestry sector in Ghana. There is relatively little inter-agency coordination in information gathering, and virtually no linking of these agencies by computer. This two year project proposes to establish methodologies to standardize information gathering, to coordinate operations between forest sector agencies and to develop an information exchange network, for Ghana's forest sector agencies.

The project's specific objectives are:

- To achieve an improvement in data collection and storage in the forest sector.
- To achieve an improvement in data collection and storage in the forest sector.
- To ensure timely analysis of performance of the forestry sector.
- To coordinate different sources of forest sector information within the sector agencies.
- To establish and disseminate a data bank on forestry and wildlife resources.

- To establish overall coordination of project activities related to forest and wildlife resources within the forest sector.

The database developed will assist in felling control, financial management, policy analysis and administration.

Consultations have been completed and the Project Agreement is to be signed by the Government of Ghana and the ITTO for the start up of the project.

**(10) PD 24/94 Rev.1 (M) Blueprint for Adapting the Foreign Trade Registration System at the ITTO National Level**

**Budget and Funding Sources:**

Total Budget	\$ 65,094
Govt. of Japan	\$ 65,094

Implementing Agency: Stichting Bos en Hout (SBH), Wageningen, The Netherlands

Council Session Approved: 16th (Cartagena, 1994)

Starting Date and Duration: November 1994 (6 months)

This six-month project proposes to establish a blueprint for ITTO members to use the recently revised Harmonized System (HS) of customs classification to achieve more consistency and reliability in statistical reporting of timber trade. The revised HS will come into effect from the beginning of 1996, at which time member countries can also introduce country-level adjustments to the System. The project will, in liaison with the Customs Cooperation Council (CCC), ITTO, other relevant organizations and members, provide a framework within which such adjustments can be made. The adoption of this framework will promote consistency in the foreign trade statistics of those ITTO members (currently 31) using the HS of customs classification. The project's specific objective is to design a blueprint for adapting existing registration systems employed in the foreign trade of tropical timber, where such trade is conducted under the HS in ITTO member countries.

The Project Agreement was signed between SBH and ITTO. However, even before that, SBH had been proceeding with the project work since June 1994. The final report was submitted to the Committee at its Fifteenth Session in November 1994.

**(11) PD 34/94 Rev.1 (M) Establishment and Implementation of a Forest Statistical Information System (Colombia)**

**Budget and Financing Sources:**

Total Budget	\$ 819,377
Gov't of Japan	\$ 819,377

Implementing Agency: Instituto Nacional de los Recursos Naturales Renovables y del Ambiente (INDERENA), Bogota, Colombia

Council Session Approved: 16th (Cartagena, 1994)

Duration: 3 years

This project proposes the establishment of a national forestry statistical information system under the initial tutelage of INDERENA and eventually of the recently created Ministry for the Environment. The

system will be set up to gather, process, store, disseminate and access all information related to the forest sector which in turn will serve as a basis for forest policy development and decision-making.

The project's specific objectives are:

- To develop standardized statistical methods for the collection, compilation, processing and analysis of information related to this sector.
- To create a centralized database to process information on reforestation, forest management, deforestation, forest harvesting, timber industries and processing, and domestic and international markets for national forest resources and products.
- To implement a network of national coverage consisting of the National Statistics Department (DANE), the National Tax and Customs Directorate (DIAN), all Regional Autonomous Corporations and INDERENA's regional offices to source all relevant raw and semi-processed data.
- To train key personnel belonging to the aforementioned network so as to improve the content, accuracy, collection, processing, transmission and dissemination of forest data and statistics.

It is envisaged that, by the end of the three-year project, an efficient national forestry statistical information system will be in place, providing accurate and timely information on all relevant aspects of the Colombian forest sector.

Funding of the project by Japan was pledged at the Seventeenth Session of the Council. Consultations began on concluding the Project Agreement to allow the start-up of the project early in 1995.

**(12) PD 35/94 Rev.4 (M,I) Forest Products Marketing Organization Feasibility Study (Papua New Guinea)**

Budget and Financing Sources:

Total Budget	\$ 409,340
Govt. of Japan	\$ 229,340
Govt. of Switzerland	\$ 90,000
Govt. of the U.S.A.	\$ 90,000

Implementing Agency: Papua New Guinea Forest Authority

Council Session Approved: 16th (Cartagena, 1994)

Starting Date and Duration : December 1994 (1 year)

The project is a feasibility study for the establishment of a Forest Products Marketing Organization. The specific objectives are to assess the conceptual, institutional, technical and financial feasibility of establishing an industry supported Association. The marketing Association will include both timber harvesting and wood processing enterprises and would facilitate the penetration of Papua New Guinea's forest products into foreign markets and address domestic infrastructure requirements.

The main objectives of this Forest Marketing Organization would be to:

- Identify and quantify export markets;
- Gain access to foreign markets and secure orders;
- Deliver orders to members based on their production capabilities;
- Coordinate delivery from members to a central yard;
- Manage a central facility for storing, processing, grading, sorting and bundling wood products;
- Provide coastal shipping services for both members' products and supplies;
- Inspect members' products for compliance with market standards; and
- Promote members' current and potential products.

The major outputs of the proposed project are:

- A market analysis identifying both supply and demand and price trends of PNG's forest products locally and internationally and the markets' potential opportunities and constraints;
- An assessment of the feasibility of establishing a Forest Products Marketing Organization and development of its potential corporate structure;
- An evaluation of the potential sites, the infrastructure and equipment requirements for the central sorting and processing facility and any other additional facilities that may be deemed necessary.

The Project Agreement was signed at the end of 1994 and the project execution is to begin early in 1995.

**(13) PD 46/94 Rev.1 (M,F,D) Forestry Law Regulation**

Budget and Financing Sources:

Total Budget	\$ 146,050
Gov't of Japan	\$ 146,050

Implementing Agency: Ministry of Sustainable Development and Environment, Bolivia

Council Session Approved: 17th (Yokohama, 1994)

Starting Date and Duration: January 1995 (7 months)

This Project proposes to develop the Regulations of the new Bolivian Forestry Act. This legal instrument will establish the norms and regulations for the forestry sector based on the rational and sustainable management of Bolivia's forests.

The main project activity will be to create an inter-disciplinary technical working group, composed of both national and international experts which will elaborate a first draft proposal of the Regulations of the new Bolivian Forestry Act. Broad consultations will be undertaken with all sectors and parties concerned and four or five workshops will be held to structure the different aspects of the regulations in the first draft proposal. Once this first draft proposal is defined it will be subject to discussion at two national seminars, the outcome of these being a final version of the proposal that will consequently be forwarded to the Legislature for its approval.

It is envisaged that the outcome of this 7-month project will set the norms and regulations for the sustainable development of Bolivia's forests for at least the next 20 years.

With the pledge of Japan full funding for the project was secured at the Seventeenth Session of the Council. Consultations are taking place between the Bolivian Government and the ITTO Secretariat to conclude the Project Agreement for the implementation of the project scheduled to start in January 1995.

### 2.3.2 Completed Projects

- (1) PD 42/88 Rev.1 (M) The Structure of China's Tropical Timber Market, the Current Situation of International Co-operation of the PRC, and Prospects to the Year 2000.**

Budget and Funding Sources:

Total budget	\$134,475
Govt. of France	\$104,475
ISTIF	\$ 30,000 (in kind)

Implementing Agency: Institute of Scientific and Technical Information of the Chinese Academy of Forestry (ISTIF)

Council Session Approved: 6th (Abidjan, 1989)

Starting Date and Duration: August 1991 (2 years)

The final report of this project has been circulated to all members.

(2) **PD 124/91 Rev.1 (M) Study of the Substitution of Bamboo for Tropical Timber as Raw Materials in China**

Budget and Funding Sources:

Total budget	\$251,300
Govt. of Japan	\$191,300
Chinese Academy of Forestry	\$ 60,000 (in kind)

Implementing Agencies: Bamboo Information Centre and Chinese Academy of Forestry (CAF)

Council Session Approved: 10th (Quito, 1991)

Starting Date and Duration: January 1992 (2 years)

The final report of this project together with the accompanying Bamboo Photo Album has been distributed to all members.

(3) **PD 173/91 Rev.2 (M) Market News Service for Tropical Timber and Timber Products, Phase II**

Budget and Funding Sources:

Total budget	\$750,000
Govt. of Sweden	\$300,000
Govt. of Switzerland	\$300,000
Govt. of Japan	\$150,000

Implementing Agency: International Trade Centre (UNCTAD/GATT)

Council Session Approved: 11th (Yokohama, 1991)

Starting Date and Duration: January 1992 (2 years)

Phase II of the MNS project was completed on schedule in December 1993. A third phase (PD 16/93 Rev.4 (M)) commenced in January 1994.

### 2.3.3 Project Awaiting Finance

**PD 19/94 Rev.2 (M) Forest Industry Diagnosis in Peru**

Budget and Funding Sources:

Total budget	\$557,936
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Implementing Agency: Instituto Nacional de Recursos Naturales (INRENA), Lima, Peru

Council Session Approved: 16th (Cartagena, 1994)

Duration: 18 months



This project proposes to undertake a thorough assessment of the current situation of the Peruvian forest industry so as to provide adequate and up-to-date information required for the appropriate formulation of national sustainable development policies, strategies and plans for this sector. The current lack of information has hindered any efforts made so far to further develop this sector.

The main objectives are to: a) conduct a forest industry survey at the national level in order to gather pertinent information related to timber harvesting and primary and secondary wood processing enterprises; b) develop a computerized data bank to systematically compile and process information gathered from the survey and other sources; and c) analyze the compiled data and prepare a diagnosis of the current situation of the Peruvian forest industry sector.

The study will primarily focus on the following aspects of the forest industry sector:

- Supply of raw material
- Product lines and production
- Installed capacity (real, operational / idle)
- Corporate organization and management
- Industrial development
- Level and appropriateness of technology (machinery and equipment)
- Marketing and markets
- Financial ratios
- Manpower training capacity
- Fiscal incentives / disincentives
- Credit access
- Industrial associations

It is envisaged that this one-year project will lead to a second phase which will formulate long-term policies and programmes for the sustainable development of the Peruvian forest industry sector.

Funds are still awaited for the implementation of this project.

## 2.4 NON-PROJECT ACTIVITIES

### 2.4.1 Working Party on Certification of All Timber and Timber Products

Pursuant to Council Decision 6 (XV), a Working Party of Members convened in Cartagena de Indias, Colombia from 12 to 16 May 1994 in conjunction with the Seventeenth Session of the Council. The deliberations were focused on the Consultants' Report prepared for the Workshop entitled "Certification Schemes for All Timber and Timber Products". The scheme of the discussion was based on the following themes of the Report:

- (i) Overview of Certification Schemes and Initiatives;
- (ii) Certification as a Policy Instrument for Sustainable Forest Management including Essentials and Requirements of a Certification Scheme; and
- (iii) Options and Further Work by ITTO.

The Working Party agreed on the following as a summary of key issues emerging out of the discussions:

- (i) Participants in the Working Party expressed a full range of views on timber certification. Many governments have not adopted a formal position on timber certification and are continuing to study the issue. Further discussions on this issue should be considered in their appropriate fora.
- (ii) Some participants felt that the variety and inconsistency of labeling and certification proposals and initiatives are causing concern and confusion.

- (iii) Any certification scheme should be compatible with relevant international obligations related to both trade and environment and should respect national sovereignty.
- (iv) Certification schemes should be consistent with the UNCED global consensus on sustainable forest management.
- (v) Certification schemes should be internationally recognized and based on comparable guidelines and, to the extent practicable, scientifically based criteria for sustainability of timber from all types of forests. This may call for harmonization to ensure compatibility and serve as a basis for mutual recognition.
- (vi) Some participants considered that certification is one of the market-oriented tools that may serve as an incentive to promote sustainable forest management and which should function as a complementary element of a broader policy package.
- (vii) It is important to assess the potential positive and negative impacts of the certification of timber, and the potential for causing the substitution of non-timber products for timber products. It is still unclear how the market will respond to whatever additional costs and benefits may be associated with certified timber.
- (viii) Certification schemes should be voluntary and based on transparent systems developed on the basis of broad public participation.
- (ix) Timber certification schemes should be neither discriminatory nor be the basis for trade measures incompatible with the GATT. Several participants emphasized that the scope of certification should cover all types of timber. It was also stated that comparable arrangements for timber substitutes should be considered in other appropriate fora.
- (x) Several participants expressed the view that a workable timber certification and labeling scheme will require a realistic and suitable time-frame for implementation, which shall not be sooner than the agreed objective by which the sustainability of all types of forests is to be attained. Other participants noted that an increasing number of voluntary certification schemes are currently being developed and implemented, and where sustainable management practices have been implemented, voluntary certification schemes deserve to be encouraged.
- (xi) Participants from ITTO Producing member countries stressed that for any certification schemes to be credible there is need for cooperation with developed countries for the attainment of sustainable forest management through the transfer of technology on preferential and concessionary terms, new and additional financial resources, human resources development and institution building.
- (xii) Some participants from ITTO Consuming member countries suggested that certification schemes can be financed through market mechanisms.
- (xiii) Some participants suggested that certification schemes should be available for all scales of operation.

Following the adoption of the Report of the Working Party, the Council by its Decision ITTC 2 (XVI) requested all members to furnish information in the development, organization and implementation of certification schemes covering internationally traded timber and timber products to the ITTO Secretariat. It also requested the Executive Director, through appropriate consultances, to continue gathering information on and to monitor developments in the formulation and implementation of certification schemes covering internationally traded timber and timber products and to report this to the Council. The Council further requested the Executive Director to engage two consultant experts, one from a producer country and the other from a consumer country, to undertake a detailed study on markets and market segments for certified timber and timber products and to report on this to the Council. Following informal consultations

between the Producer and Consumer Groups during the Seventeenth Session of the ITTC in November 1994, the Terms of Reference were formulated for the preparation of the Reports.

Terms of Reference: Study of Developments in Certification Schemes  
for Internationally Traded Timber and Timber Products

The Experts shall:

- (i) Review, update and where possible elaborate on developments in respect of the formulation and implementation of certification schemes covering internationally traded tropical and non-tropical timber and timber products, drawing on existing work where appropriate and incorporating any pertinent information provided to the ITTO Secretariat by members; and
- (ii) Prepare and submit a report to the Executive Director in time for consideration by the ITTC at its Nineteenth Session in Yokohama, Japan.

Terms of Reference: Study of Markets and Market Segments  
for Certified Timber and Timber Products

The Experts shall:

- (i) Undertake a detailed study on markets/market segments for certified timber and timber products in selected markets;
- (ii) Evaluate the importance of certification and labeling schemes in influencing purchasing decisions by consumers, retailers, wholesalers, manufacturers and traders;
- (iii) Identify and examine factors influencing the development of markets and market segments for certified timber and timber products and especially any price premium and its impact on the relative competitiveness of certified timber and timber products; and
- (iv) Prepare and submit a report to the Executive Director in time for consideration by the ITTC at its Eighteenth Session.

As at the time of this report funding for the consultancy reports had not been fully secured. It is, therefore, possible to envisage that both reports can only be ready for the consideration of the Nineteenth Session of the Council in Yokohama (8-16 November 1995).

#### **2.4.2 Annual Market Review and Outlook (Market Discussion) & Annual Review and Assessment of the World Tropical Timber Situation (Annual Review)**

At its Sixteenth Session, the Council agreed to change the scheduling of the annual Market Discussion from its Autumn to the Spring Session. The Autumn Session would continue to take up the Annual Review and Assessment of the World Tropical Timber Situation. In view of this unforeseen decision the Council decided, as an exceptional case, that a one-day Market Discussion would take place during the Seventeenth Session of the Council in November 1994. The one-day Market Discussion took place at a Joint Session of the three Committees. The Chairman of the Permanent Committee of Economic Information and Market Intelligence provided over the Session. The Rapporteur was Mr. Geoffrey Pleydell, Trade Adviser of the U.K. Delegation. The discussion was in two parts and focused on:

- Part I: Changes in the Panel Trade"
- Part II: The Annual Review and Assessment of the World Tropical Timber Situation"

Part I Market Discussion: Changes in the Panel Trade"

Invited speakers made introductory statements on topics assigned for the discussion. The following were the discussion leaders and the topics of their presentations:

/...

Mr. Gabriel Gasparetto  
Executive Director, AIMEX  
Belem, Brazil

Overview of issues arising from the Second  
International Congress of Plywood and Tropical  
Timber in Belem, Brazil"

Mr. Antonio Bernas  
Chairman of the Board,  
Philippine Wood Producers' Association  
Manila, Philippines

Sources of tropical plywood and prospects for  
development

Dr. Shuichi Kawai  
Associate Professor,  
Wood Research Institute  
Kyoto University  
Kyoto, Japan

Changes in the Japanese structural panel market

Ms. Julie Jack  
Coordinator (International Trade)  
American Forest and Paper Association  
Washington, D.C., USA

Competition between tropical and temperate plywood in  
North America

## Part II Annual Review and Assessment of the World Tropical Timber Situation

The discussion relating to the Annual Review began with a summary presentation by the ITTO Statistician based on the contents of the Secretariat's background document, "Elements for the 1993 Annual Review". After the ensuing discussions, the Secretariat was requested to review the document in the light of any revisions and corrections received from members subsequently.

## 2.5 STATISTICAL AND COMPUTER OPERATIONS

### 2.5.1 Data Processing - Hardware

#### *EIMI Statistical Unit Hardware*

In addition to the file server and printers shared by all users, three IBM 486 66MHz workstations, one communications server, one terminal adapter, and one modem make up the computing resources of the EIMI statistical unit. The terminal adapter is currently being tested for direct electronic communications via ISDN to the Internet and other computerized information services. The EIMI Statistical Unit is currently subscribing to two computer information systems that permit electronic retrieval of statistical information from major computerized databases worldwide, electronic mail and computer software support (i.e. Internet and Compuserve). These electronic information retrieval systems will greatly facilitate the collection of statistical information and other related activities carried out by the statistical unit.

#### *ITTO Computer Network*

ITTO's hardware configuration continued to be upgraded in 1994. Two IBM 286 10MHz workstations were replaced by two IBM 486 66MHz workstations. In addition, one new workstation (IBM 486 66 Mhz) and one new networked printer (Kyocera Ecosys LS-3500 multibin) were acquired due to the increase in ITTO's staff and workload. As such, the upgraded ITTO network presently consists of one file server, one communications server, twenty-six workstations and four printers as follows:

<u>Item</u>	<u>No.</u>	<u>Specifications</u>
Network File Server (1)	1	IBM 486, 66MHz, 1 Gb HD
Work stations (26)	14	IBM 486, 66MHz, 200 Mb HD
	1	Compaq 486, 33 MHz, 118 Mb HD
	2	Compaq 386, 25 MHz, 118 Mb HD
	1	IBM 386, 25 MHz, 312 Mb HD
	1	IBM 386, 20 MHz, 216 Mb HD
	5	IBM 386, 16 MHz, 40 Mb HD
	4	IBM 286, 10 MHz, 30 Mb HD
Laser Printers (3)	1	HP Laserjet III
	1	Kyocera Ecosys LS-3500
	1	Kyocera F1000 +
Dot Matrix Printer (1)	1	Seikosha (wide carriage)

To date, four laptop computers and two portable printers are available to ITTO staff, i.e. two Toshiba 4400C, one 4200C, and one HP Omnibook 425 laptop computers and one Canon BJ-10SX and one HP Deskjet 310 Portable printers. Three Dynabook J-3100 (286, 10 MHz) laptop computers and one Canon Bubblejet printer were rendered obsolete this year due to their inability to support new versions of standard software packages.

### 2.5.2 Data Processing and Communications - Software

Several new software packages or upgrades were acquired in 1994 to facilitate the work of the Secretariat. All work stations acquired in 1994 came with both DOS 6.3 (Operating System) and WINDOWS 3.1 (Graphic User Interface) installed. In addition, one or more copies of the following software were acquired in 1994:

- PC DOS 6.3 (operating system)
- Word for Windows (word processor)
- Wordperfect for Windows (word processor)
- Excel for Windows (spreadsheet)
- Quattro Pro for Windows (spreadsheet)
- Paradox for Windows (database)
- DBASE for Windows (database)
- Compuserve Information Manager for Windows (communications)

Other "utility" software were also acquired or, in the case of public domain shareware, downloaded through global networks such as Internet or Compuserve. The EIMI statistical unit also continued to subscribe to SAS (statistical software) during 1994.

### 2.5.3 Processing of Statistical Data and Forecasts

The Annual Forecasting and Statistical Enquiry was sent to all members in March 1994. Two-thirds of members had responded by October 1994, in time for the data to be included in the 1993-94 Annual Review and Assessment of the World Tropical Timber Situation. As usual, various supplementary data sources were used to verify data provided and to supply missing data. Council considered the 1993-94 Annual Review at its 17th session in November, provisionally approving it and giving members until December 31 to submit any revisions. Four written submissions were received by this deadline and the final version of the 1993-94 Annual Review will be printed in early 1995.

A Working Group was convened under the Permanent Committee on Economic Information and Market Intelligence during the 17th session of Council to discuss issues relating to ITTO's statistical functions. This Working Group recommended that the structure of the Annual Forecasting and Statistical Enquiry be the subject of discussions to occur at the next session of the Permanent Committee. It also recommended that further collaboration with other international organizations involved in collecting and disseminating forestry statistics be encouraged.

### **3. REFORESTATION AND FOREST MANAGEMENT**

#### **3.1 PRE-PROJECTS**

One Pre-Project proposal was reviewed by the Committee during the two Council Sessions of 1994, which was approved for implementation subject to financing being available. This approved Pre-Projects is:

PPD 3/94 Rev.1 (F)      **Studies and Diagnosis of the Actual Forest Production in the Province of Darien within a Framework of Sustainable Forest Resource Management (\$82,818)**

This pre-project is still awaiting financing, however, two pre-projects approved during the Committee's Twelfth Session, PPD 11/93 Rev.2 (F) "Evaluation and Diagnosis of Current Forest Harvesting, Licensing, Concessions and Control Systems within a Framework of Sustainable Forest Resource Management" (\$252,375) and PPD 12/93 (F) "Biotechnology and Sustainable Production of Tropical Timber" [Dec.7(XV)](\$44,000) were funded by the Government of Japan.

##### **3.1.1 Completed Pre-Projects**

Two pre-projects were completed during the course of the year. These include:

###### **(1) Sustainable Multiple Use (\$276,958)**

The Final Report had been submitted by the Sarawak State Forestry Department and accepted by the Committee in its Fourteenth Session. On the basis of this pre-project, a new project proposal, PD 23/93 Rev.1 (F): "Sustainable Multiple use of Hill Forests in Sarawak, Malaysia, was developed and submitted to ITTO. This proposal was withdrawn by the Government of Malaysia because other donors were interested in financing this project.

###### **(2) PPD 44/91 Rev.1 (F)    Review of the National Forest Situation so as to Establish a National Policy for this Sector in Colombia (\$100,000)**

The primary objective of this pre-project was to undertake an objective review of the forestry situation in the country, so as to define, in the short term, a sustainable management policy in this sector for the different regions of Colombia, and comply with the goal of sustainable forest management by the year 2000. The four immediate objectives included:

1. To evaluate forest production levels in the different ecosystems of the country, including profitability and their effect on the environment.
2. To assess the social benefits derived from the current logging operations that are being carried out in the different forest areas of the country.
3. To evaluate government control procedures and mechanisms on forest management in the country.
4. To assess the current levels of interaction between the different institutional programs that are being developed, or have been developed, in the different regions of the country over the past 20 years, so as to determine the economic and social benefits derived from their implementation (agricultural programs, infrastructure, utilization, settlements).

The pre-project organized a substantial number of meetings, seminars and workshops. At the outset of the pre-project, a series of meetings were held with the National Planning Department (of which the Forestry Action Plan/Colombia was part). Two national level seminars were held which assessed the current processes for harvesting and logging in Colombia. Two important elements were addressed:

- Means for improving harvesting control.
- Establishment of new criteria for forest classification to define areas for production, protection and multiple-use.

This pre-project has had a profound affect on the structure of the Ministry of the Environment. The pre-project was heavily involved in developing the law for the creation of the Ministry of the Environment. The coordinator and consultants reviewed legislative proposals and gave suggestions to congressmen for improving these proposals. The creation of the General Directorate of Forests and Wildlife was largely a result of efforts stemming from the pre-project. In addition to this directorate, a Forest Service will be created as well as a National Forestry Commission with representatives from public institutions, the private sector, universities/research organizations and NGOs. This Commission will advise the Ministry on forest policies and strategies and was planned to come into being before the end of July 1994. The Commission will give an opportunity to the various key actors to participate in the formulation of forest policy. INDERENA claims that if it were not for the efforts of the pre-project, forestry might have been relegated a relatively insignificant role within the Ministry of the Environment.

The pre-project also resulted in an internal evaluation of each regional. The combined results of the evaluation helped to define the situation at the national level. INDERENA felt that this undertaking complemented the analysis and definition of Colombia's forest policy. The output of this effort is documented in a concise, well written book entitled "*Aproximación a la Defenición de Criterios para la Zonificación y el Ordenamiento Forestal en Colombia*". This publication contains a description of the classification system and the uses allowed within each forest class. It is accompanied by several maps which show how the various classes fit together in Colombia's strategy. A forest classification map was established for the entire country, dividing forest areas into four broad categories: Production Forest, Combined Production and Protection Forest, Protection Forest, and Multiple-use Forest Areas.

The forest classification system has excluded three large regions in Colombia where harvesting will not be permitted for the time being. Indigenous areas and other critical areas will be not be subject to logging. Areas in which logging will be permitted include National Forests, Multiple-Use Forest Areas and Production/Protection Forests. Production forest areas were identified as potential 'Permanent Production Forests' (termed as National Forests in Latin America) utilizing *ITTO Guidelines for the Management of Natural Tropical Forests* and Colombia's National Strategy for Biodiversity Conservation.

As a follow up to this initial work in classifying the nation's forests, further meetings and workshops will be held with the regional corporations, which must buy into the process if it is to be successful. The classification system is not written in stone and is subject to changes as circumstances warrant. The ban on logging from national forest areas will remain in force until the National Forests have been officially created by a Ministerial resolution. The final three-volume report was submitted to the ITTO Secretariat. As noted in these reports, the pre-project objectives appear to have been fully achieved.

### 3.1.2 Pre-Projects in Progress

Thirteen approved Pre-Projects were, at the end of 1994, under execution or in the process of being prepared for execution. Summaries of their current status are given below.

- (1) **Management of Natural Tropical Moist Forests to Obtain a Sustainable Production of Wood and Other Forest Products and Maintain the Ecological Balance in Ecuador (\$75,000)**

At the implementing agency's request, during its Thirteenth Session in Yokohama in November 1993, the Permanent Committee authorized the remaining funds be utilized to support a feasibility study in the moist tropical forest of the Cuyabeno Wildlife Reserve in northeast Ecuador. During 1994, the following activities were undertaken:

- A seminar was organized with the participation of 170 representatives from three indigenous federations representing native rights at the local, regional and national levels. The purpose of the seminar was to organize a study to assess the problems related to tropical forest destruction and natural resources degradation in the pre-project area with the participation of indigenous groups. The results of this seminar was the identification of the type of information the study will collect, and the need to include an assessment of the social structure of indigenous communities, along with areas occupied in the forest reserve and the types of forestry related activities preferred by local populations.
- A second seminar took place with the participation of 50 delegates from various indigenous communities. In this meeting, the community of San Pablo offered an area of 4-5,000 ha where a demonstration area for sustainable management will be established for the production of timber and other goods and services.

In order to conduct the study defined in the first seminar, the Executing Agency has contracted an anthropologist to carry out the study on the social aspects of indigenous communities occupying forest areas in the pre-project zone.

**(2) Coordinated Natural Forest Management and Sustainable Rural Development in Areas Adjoining Sapo National Park, Liberia (\$25,000)**

The Committee agreed to continue to defer implementation while the situation in Liberia stabilizes and would re-examine the situation during its Sixteenth Session in May 1995.

**(3) Realistic Strategies for the Conservation of Biological Diversity in Tropical Moist Forests (\$190,000)**

An addendum to the Agreement was negotiated and signed by IUCN and ITTO to translate this joint publication into Spanish and French. The new publications will utilize the approved ITTO Biodiversity Guidelines instead of the draft Guidelines in the earlier version. Work was held up pending receipt of funds pledged during the Thirteenth Session of the ITTC in Yokohama in November 1992. In February 1994, those funds were received and the draft translations for the French and Spanish versions were reviewed by the Secretariat. The translations were returned to the translators with comments on the technical language. By the end of the year, the Spanish translation has been finalized and the final editing of the French version was almost complete. The translated books will be available from both the Secretariat and the IUCN within the next few months.

**(4) PPD 43/91 Rev.1 (F) Rehabilitation of Degraded Forest Land in the Amazon - A Case Study in the Carajas Mineral Province (\$228,000)**

Pre-project activities were initiated in May 1994 when the Pre-Project Coordinator took up his post and the three consultants were contracted to conduct studies in agroforestry, forest industry and soils. A workshop to promote the participation of national, regional and local government agencies, NGO's, the private sector and local communities was held 15-16 September 1994. Topics discussed in the workshop included an analysis of the region, the role of the forestry sector in the regional economy, and the potential of agroforestry systems to help rehabilitate degraded areas and raise both wood and food production. The pre-project staff also continued their work on collecting and analyzing information. This will help the pre-project identify and develop sustainable production systems.

**(5) PPD 3/92 Rev.1 (F) Integrated Forest Project for the Production of Seedlings in Para State - Feasibility Study (\$107,625)**

The objective of this pre-project is to evaluate the technical, economic, legal, social and environmental feasibility of establishing a regional program for seedling production. Reforestation efforts are needed to recover areas degraded by inappropriate conversion, harvesting or forest management techniques, and contribute to the sustainable production of timber in the Amazon. Four geographical areas in Pará state have been selected: Santarém, Breves, Belém and South Pará (Redenção and Marabá).



These areas were selected based on the availability of degraded land for the development of a reforestation project, and the willingness of the local timber industry to participate in the development of a program for seedling production. The Project Coordinator has drafted the detailed terms of reference for the consultants who will help carry out planned studies. A literature review was done as well as consultations with a wide range of institutions and local community groups.

- (6) **PPD 6/92 Rev.1 (F) Study of the First Forest Zone of Gabon in View of its Management, Gabon (\$157,500)**

Pre-project activities have been completed and the final report is under preparation. The resulting project proposal has been submitted to ITTO and will be reviewed by the next Panel of Experts as PD 8/95 (F).

- (7) **PPD 1/93 Rev.1 (F) Feasibility Study for the Preparation of a Management Plan for the Souanké-Sembé-Kellé Area in North-West Congo (\$174,090)**

The Agreement for the implementation of the pre-project was signed on 8 March 1994 and the ITTO contribution released on 21 June 1994. All national and international consultants involved in the project have been selected and have started their assignment, with the exception of the international consultant in photo interpretation and mapping who is still being recruited.

- (8) **PPD 4/93 Rev.1 (F) Physical and Socio-Economic Evaluation for the Re-scheduling of the Integrated Watershed Rehabilitation Project (PRIDECU) (\$168,625)**

This Pre-Project was submitted by the Government of Colombia and approved during the XIV Session of the ITTC in Kuala Lumpur. However, financing was not made at that time and the implementation of this Pre-Project is awaiting the availability of funds in the Special Account.

- (9) **PPD 5/93 Rev.1 (F) Preparation of an Integrated Management Plan for District No.1 of the Kuna Yala Indian Region, Aimed at the Development of Agroforestry (18,000 ha), Production Forests (22,000 ha), and Watershed Protection (60,000 ha) (\$220,000)**

Over the course of the year, a number of advances have been made to implement this pre-project. First, regarding the development of agroforestry systems, numerous short course, workshops and seminars were held in indigenous communities to promote agroforestry practices. Information was collected to help assess the strengths and weaknesses of traditional practices and how they might be improved. Farmers participated by keeping a daily record of their farming activities and working on demonstration plots. Instead of setting up one five-hectare plot, the pre-project selected a number of farmers to install small trial plots of 0.2-0.5 ha on their own land.

The terms of reference for developing the forest management plan were drafted by the project and advertised. A total of five proposals were received and evaluated. The Tropical Science Center of Costa Rica was awarded the contract. Field work to gather information to develop the forest management plan has been initiated.

A number of internal meetings have been held by the Kuna Indigenous Congress to assess proposals for demarcating a 60,000 ha for watershed protection. The INRENARE Board of Directors has issued a resolution calling for 100,000 ha which encompasses the watershed area as a Wildland Area as a future Biosphere Reserve. Two seminars are planned by the Implementing Agency with the Kuna Congress leaders to discuss details for managing this area and plans for developing a management plan.

**(10) PPD 6/93 Rev.1 (F) The Development of Guidelines for the Protection of Tropical Forests Against Fire (\$89,320)**

Two consultants were contracted to conduct a study in preparation for an Expert Panel which will meet to develop ITTO Guidelines on the protection of tropical forests against fire. An expert in fire management from Germany worked with a tropical forest management specialist from Indonesia to make an assessment of the causes of tropical forest fires and means for preventing and controlling them. The two consultants will develop a discussion paper with ideas on forming ITTO's Guidelines for the Protection of Tropical Forests Against Fire. This report will be completed by 31 January 1995. The Expert Panel will convene from 6-10 March 1995 to draft the actual guidelines.

**(11) PPD 8/93 (F) Demonstration Areas for Sustainable Management of Production Forests (\$110,000)**

A letter was sent by the Executive Director with the nomination form and criteria to all ITTO producer countries in their official language. To date, a total of 10 countries have responded. Nine countries have submitted forms nominating 11 potential demonstration areas. In addition to returning the questionnaire, most of the member governments nominating sites also included maps and additional information. During its Fifteenth Session, the Permanent Committee developed a methodology for strengthening the nomination process and selecting sites.

**(12) PPD 11/93 Rev.1 (F) Evaluation and Diagnosis of Current Forest Harvesting, Licensing, Concessions and Control Systems within a Framework of Sustainable Forest Resource Management (\$252,375)**

This pre-project was submitted by the Government of Colombia and approved during the XV Session of the ITTC in Yokohama but financing was not made available at that time. However, during the XVI Session of the ITTC in May 1994, this pre-project was fully funded. The Agreement was signed on 11 November 1994 and by the end of the year, the Executing Agency, INDERENA initiated the process for placing project personnel.

**(13) PPD 12/93 (F) Biotechnology and Sustainable Production of Tropical Timber (\$44,000)**

During its Fifteenth Session that was held in Yokohama, Japan, on 10-17 November 1993, the Council requested the Executive Director to contract a background study on biotechnology applications and technology transfer in the relevant areas of ITTO activities.. Its aim is to enhance sustainable production, processing and marketing of tropical timber. Funds to carry out the study were made available during the Sixteenth Session held in Cartagena, Colombia, in May 1994. Study results will be presented to the Sixteenth Session of the Council.

Two international consultants were contracted to carry out the study: one to focus more on the research aspects of the project, and the other on developments aspects. The two consultants met in October 1994 to develop the strategy and the detailed outline of the study, which were circulated to the Permanent Committee during its Fifteenth Session. The first draft of the study will be submitted to ITTO in January 1995, whereas the final report of the study will be presented during the Eighteenth Session of the Council in May 1995 in Accra, Ghana.

During the Fifteenth Session of the Permanent Committee, the detailed outline of the study was reviewed and refined. The Committee also requested the Secretariat to circulate to ITTO Producer Member Countries the first draft of the study for comments.

## **3.2 PROJECTS**

### **3.2.1 Project Proposals**

In the field of Reforestation and Forest Management, a total of thirty-five Project proposals were reviewed by the Expert Panel during 1994. Of these, nineteen project proposals were reviewed by the

Permanent Committee during its two Sessions. The Committee recommended that fifteen Project proposals be implemented and these proposals were approved by the Council. For eight of these projects, the Council provided immediate financing. The Council also provided full financing for five projects which were approved, but not funded, in previous Sessions.

Following the Committee's recommendations, the Council approved the implementation of the following Projects, with the ITTO contribution shown in parenthesis:

PD 33/92 Rev.4 (F)	The establishment of a Demonstration Area for Sustainable Use in the Wood Resource Base of the Forest Enterprise in N'Lobo (\$1,524,475)
PD 22/93 Rev.4 (F)	Forest Management, Community Participation and Sustainable Utilization in Si-Kop Forest Area, Coastal Province, Cameroon (\$725,102)
PD 33/93 Rev.1 (F) (Phases I & II)	Conservation, Management, Harvesting and Integrated and Sustained Use of Forests in the Chimanes Region, Beni, Bolivia (\$2,521,450)
PD 35/93 Rev.4 (F) (Phases I & II)	Forestry Management, Community Development and Sustained Use the Forests on the Punto Patino Nature Reserve, Darien Region, Republic of Panama (\$1,229,075)
PD 2/94 Rev.2 (F)	Dissemination of Silvicultural Experiences with Promising Forest Species in the Peruvian Amazon Region (\$472,218)
PD 4/94 Rev.3 (F)	East New Britain Balsa Industry Strengthening Project (\$289,070)
PD 8/94 Rev.2 (F)	Evergreen Club of Ghana/ITTO Youth in Forestry Project (\$77,015)
PD 16/94 Rev.2 (F)	Reforestation for the Production of Valuable Timber and Non-Timber Products (\$305,078)
PD 18/94 Rev.1 (F) (Phases I & II)	Participatory Forest Development in the Alto Mayo Region for the Sustainable Management of Moist Tropical Forests (\$1,381,100)
PD 23/94 Rev.1 (F)	Rehabilitation of Fire Affected Forests in East Kalimantan (\$1,010,268)
PD 26/94 Rev.1 (F)	Conservation and Sustainable Management of Mangrove Genetic Resources - Phase II: Establishment of Four Conservation Centers, Human Resources Development and Preparation of Guidelines for the Sustainable Management of Tropical Tidal Forests (\$379,800)
PD 27/94 Rev.2 (F)	Women and Tropical Forest Development Program (\$694,823)
PD 28/94 Rev.1 (F)	Continuation of the Publication of the Journal "Bosques y Desarrollo" and Organization of a Communication and Information Service (\$287,804)
PD 29/94 Rev.2 (F)	Seminar and Study Tour on Biodiversity in Natural Forest in Miyazaki, Japan (\$141,500)
PD 31/94 Rev.1 (F)	Planning Practical and Cost-Effective Strategies for Genetic Resource Conservation of Commercial Tree Species in Tropical Asia and the Pacific (\$992,017)

### 3.2.2 Completed Projects

Ten Projects were completed during 1993, of which five and have submitted all required project completion reports.

(1) PD 10/87 (F) Forest Management of Natural Forests in Malaysia

Budget and Funding Sources:

Total Budget:	\$595,145 + \$ 30,000 = \$625,145
Government of Switzerland:	\$272,350
Government of Malaysia:	\$322,795
Government of the United States:	\$ 30,000 (extension)

Implementing Agency: Forestry Department Headquarters, Peninsular Malaysia.

Session of Approval: ITTC Session III, November 1987, Yokohama, Japan

Starting Date/Duration: 8 August 1988 (6 years)

Although the original project was envisioned for a 10 year period, a total of US\$ 272,350 was secured for an initial three years. Four research areas were selected representing virgin forests and logged-over forests in the states of Pahang, Selangor, Terengganu and Perak. The project attempted to study: 1) the response to various management systems applied to virgin forests; 2) the regeneration capacity of the dipterocarp forests under various silvicultural treatments applied to logged-over forests; and 3) performance of plantations of indigenous species.

The selection and establishment of the areas, experimental design, data collection and analysis were supervised by a technical working group. The study is based on a randomized block design which, for the virgin forests areas, had eight cutting regimes including control. Logged-over forests, had five treatment options including control. Four repetitions of each cutting regime and treatment was made, each in a block of 10 ha. A computer program for compiling, editing, organizing, tabulating and modelling the data collected from the four study areas was developed by a consultant specialized in forest growth and yield. A reliable system was installed which facilitates the work of the Forestry Department, and two operational manuals for data processing were published. As a result of this project, local capacity to carry out forest inventory and monitoring system was substantially increased in terms of timing and technical skill. Under normal conditions, the work already completed by this project would have taken 15 years.

(2) PD 34/88 Rev.1 (F,D) Conservation, Management, Utilization and Integrated and Sustained Use of the Forests in the Chimanes Region, Beni Department, Bolivia

Budget and Funding Sources:

Total Budget:	\$ 2,654,000 + \$ 75,960 = \$2,729,960
Government of Bolivia:	\$ 1,394,000
Government of Japan:	\$ 575,000 + \$ 25,960 = \$ 600,960
Government of Switzerland:	\$ 355,000 + \$ 25,000 = \$ 380,000
Government of France:	\$ 200,000
Government of Denmark:	\$ 125,000 + \$ 25,000 = \$ 150,000

Implementing Agencies: Center for Forest Development, Bolivia, in cooperation with Conservation International.

Session of Approval: ITTC Session V, November 1988, Yokohama

Starting Date and Duration: April, 1990 (Three years initially - extended to December 1993 by the Twelfth Session of the ITTC)

This project was formulated as a result of a pre-project entitled *Options for Forest Development in the Amazons with Special Reference to the Tropical Forests of Chimanes, Bolivia*. A delay in project implementation was caused by the march of the ethnic people and the subsequent legal establishment of the indigenous territories. Despite this and other difficulties encountered at the outset of project implementation, significant progress was made towards attaining short term objectives. In particular, methodologies were established and implemented for controlling timber harvesting by the six logging firms. A preliminary operational forest management plan was developed and used to guide logging activities. In general, the project made effective use of international and national consultants to fulfill its requirements for technical and social advice. Consultations with community groups and local/regional organizations were increased through the establishment and operation of project Steering and Consultative Committees. Significant progress was also been made in plant production and reforestation, setting up and monitoring research plots, boundary demarcation and inventories. Although the project took concrete and decisive action to control illicit cutting, problems still exist.

A project proposal for Phase II was developed by the Chimanes project staff and consultants with the assistance of local community representatives, timber companies operating in the Chimanes forest and key players from local, regional and national governmental and non-governmental institutions. This proposal, PD 33/93 (F) *Conservation, Management, Harvesting and Integrated and Sustained Use of Forests in the Chimanes Region, Beni, Bolivia* was reviewed and approved by the Steering Committee in June 1993. During its XIV Session in May 1994, the Permanent Committee requested the Bolivian delegation to amend the Project Document for PD 33/93 (F) to incorporate the final evaluation recommendations into the follow-on project. This was done and PD 33/93 Rev.1 (F) was approved and funded during the XVI ITTC in Cartagena.

(3) **PD 69/89 Rev.1 (F) Workshop on Sustained Tropical Forest Management with Special Reference to the Atlantic Forest**

**Budget and Funding Sources:**

Total Budget:	\$ 68,000
Government of Japan:	\$ 68,000

**Implementing Agency:** Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA) in Cooperation with the Brazilian Foundation for Nature (FUNATURA)

**Session of Approval:** ITTC Session VII, Oct./Nov. 1989, Yokohama, Japan

**Starting date and Duration:** July 1990 (8 months)

The workshop was held from 23-27 November, 1992 and was attended by 76 participants from a wide range of Brazilian organizations dealing with environmental issues. The write up on the workshop was received with the objectives achieved: 1) Evaluate current legislation restricting sustainable use of the Tropical Atlantic Forest, 2) Identify appropriate technologies and methodologies for classifying and monitoring the use of remanent forests, 3) Define technical criteria to develop and evaluate projects for ecosystem management, and identify research priorities.

The most significant impact of this project was that workshop recommendations resulted in Presidential Decree No.750 signed into law on 10 February, 1993. The Decree contains 14 articles dealing with specific measures for the conservation and management of the Brazilian Atlantic Forest. The proceedings were translated to English and submitted to the ITTO and circulated during the Fifteenth Session of the Permanent Committee.

(4) PD 86/90 (F) International Network for Developing Human Resources in Tropical Forest Management (Phase I)

Budget and Funding Sources:

Original Budget:	\$500,000
Government of Japan:	\$400,000
Government of Denmark:	\$100,000
Fourth Addendum Extension:	\$259,350
Government of Japan:	\$195,597
Government of Switzerland:	\$ 50,000
Government of Australia:	\$ 13,753

Implementing Agency: ITTO Secretariat

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: December 1990 (1 year - extended till 30 June 1994 by XIV Council Decision)

PD 86/90 (F) was approved by Council at its Eighth Session in May 1990 and funds were made available for its immediate implementation. A research institution in each tropical region was to assign as coordinator for information collection and dissemination. A proposal for implementing the Project in the Asia/Pacific region on a one year trial basis was presented to the Permanent Committee at its Seventh Session in November 1990, in document PCF(VII)/9. This proposal was approved and a limit of \$200,000 was set for its implementation. An Agreement for executing the project in the Asia/Pacific region was concluded with ANUTECH Pty Ltd, the business arm of the Australian National University. The significant achievements of this project include:

- The establishment of a newsletter, the *ITTO Tropical Forest Update* published in three languages: English, French and Spanish.
- The development of a network of 5,000 addresses from nearly 115 countries (English, 3,950; Spanish, 900; and French, 252).
- Publication of a total of 29 issues: 18 in English, 6 in Spanish and 5 in French.
- Attending to 400 requests for literature search.
- Building up a library of 1,600 accessions.

The main recommendations stemming from the newsletter are summarized as :

- The need for the newsletter to test and promote issues which are important to sustainable tropical forest management.
- Develop and maintain contact between the coordinator/editor and forest interest groups globally.
- Respond directly to incoming correspondence to keep the interest of network members.
- A diversity of views must be expressed, with information coming from reputable sources.
- While developing a broader scope, it is important not to lose sight of what is happening in the forest.
- Avoid delays for ITTO approval by obtaining an 'in principle' agreement before hand on articles and authors up to six months in advance.
- Taking a renewed effort to promote the network in Africa.
- Maintain the literature search facility in order to promote frequent contact with issues which are of interest to network members.
- Establish effective lines of communications through electronic means such as computer to computer linkages.
- Utilize the services of highly competent translators.

(5) **PD 138/91 Rev.2 (F) Program for Sustainable Forest Management in the Ecuador Forest Institute**

**Budget and Funding Sources:**

Total Budget:	\$325,635
Government of Ecuador:	\$ 19,195
Government of Japan:	\$306,440

Implementing Agency: Ecuadorian Institute of Forestry, Natural Areas, and Wildlife (INEFAN)

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: 1 August, 1992 (6 months)

This project was originally designed to restructure the Sub-Secretary of Forestry and Renewable Natural Resources. However, in October 1992 a new law was passed creating INEFAN. Therefore, the Government of Ecuador considered the objectives of PD 138/91 Rev.2 (F) directly applicable to INEFAN. Instead of restructuring an existing organization, the project was applied to the structuring of a new one.

This project complemented three other projects supported by ITTC and implemented by INEFAN in the industries division: 1) PD 137/91 Rev.2 (I), 2) PD 154/91 Rev.2 (I) and 3) PD 155/91 Rev.2 (I). The project also worked closely with other donor agencies, such as the GTZ in defining INEFAN's structure. An important step was organization and execution of a workshop which brought together more than 150 participants for 2½ days from government, industry, NGO's and other interested parties. During this exercise, a wide range of interest groups had the opportunity to participate in the structuring of this new organization along with the development of Ecuador's Forestry Master Plan.

Some of the more important elements of this project include:

- The project played a crucial role in the development of the Forestry Master Plan.
- With the creation of a new organization, the project provided assistance to determine human resources needs for fulfilling INEFAN's objectives.
- INEFAN now has eight forest districts, including the Galapagos. The project not only dealt with the personnel requirements at the central level, but also had to staff regional offices and suboffices. Furthermore, the project developed a series of maps for land use potential to help assess priorities.
- A new strategy called PLANFOR has been formulated for promoting reforestation and forest management in Ecuador. PLANFOR will first result in the privatization of the majority of forest nurseries currently administered by the government.

An impressive 11 volume final report has been generated by this project, describing the institutional structure of INEFAN and setting up operational procedures. Upon conclusion, INEFAN disseminated project results around the country through a series of workshops.

(6) **PD 157/91 Rev.2 (F) Establishment of an International Network for the Conservation and Sustainable Utilization of Mangrove Genetic Resources**

**Budget and Funding Sources:**

Total Budget:	\$500,000 + \$ 87,007 */ = \$587,007
Government of Japan:	\$500,000 + \$ 56,445 */ = \$556,445
Government of Australia:	\$ 30,561 */

\*/ Additional funds granted to make up a shortfall due to exchange rates

Implementing Agency: Center for Research on Sustainable Agricultural and Rural Development, Madras, India.

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: 10 September, 1991 (1 year)

This project was formulated as an outcome of a project design workshop organized by the M.S. Swaminathan Research Foundation's (MSSRF) Center for Research on Sustainable Agriculture and Rural Development (CRSARD) and held in Madras from 15-19 January 1991. Its main purpose was to establish a global network of mangrove genetic centers with a special focus on biodiversity conservation. The project had four components which it successfully completed:

- Training - The International Trainers' Training Program was well organized and conducted.
- Travelling Workshops - The justification for choosing sites for inclusion in the network appears to be logical and coherent.
- African Workshop - The project proposal presented on pages 1-6 of the proceedings from the Dakar Workshop is a start. However, the proposal needs to be further refined and elaborated (particularly Phase I) if it is to become an effective funding document.
- MEIS - Mechanisms to sustain the continuous updating and dissemination of the MEIS must be found in order to maintain its usefulness.

Given that this was only the preparatory phase of a much longer project, it is difficult to assess how well the project has achieved its (not well articulated) objective of helping human societies, particularly coastal communities, in the sustainable management and wise use of mangrove ecosystems and gene pools. The project has most definitely made important steps towards its purpose of establishing a global network of genetic resource centers, supported by appropriate training and information systems and coordinating mechanisms. During the implementation of a second phase [e.g. the "Implementation Phase" or "Phase II" as manifested in the redesigned proposal, PD 26/94 Rev.1 (F)] the impact of this "Preparatory Phase" will become more apparent.

(7) PD 170/91 Rev.1 (F) Modernization and Development of Egyptian Forest Nurseries

Budget and Funding Sources:

Total Budget:	\$573,855
Government of the Arab Republic of Egypt:	\$275,855 */
Government of Japan:	\$298,000

\*/ total budget includes national in-kind contribution of E£918,000 (US\$1.00 = E£3.33)

Implementing Agency: Ministry of Agriculture and Land Reclamation, Arab Republic of Egypt

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 November, 1992 (1 year)

This project aimed to establish nurseries, provide technical assistance to public and private nurseries, and train about 50 members of the Undersecretary for Afforestation on different aspects of nursery operations and management. In that sense, the project provided a long term solution to cope with the increasing need for tree planting in the country. It also helped establish a seed center to collect forest genetic resources of the best adapted and most productive woody species.

With this project, new or improved nurseries were established in Giza, Munifia, Gharbia, Kalubia, Fayoum, Louxor and Qena. The establishment included site preparation; constructing shade and green houses; installing wells and irrigation systems; purchasing nursery equipment (including



vehicles); machinery and nursery tools and implements; supplying seeds and cuttings; and undertaking needed cultural practices. Each nursery was developed under the supervision of an experienced national consultant. The central seed bank was also established at Groopy Farm, Cairo which included the refurbishing a two-story building; purchasing laboratory equipment; supplying seeds and cuttings; and establishing a refrigerated store room. Procedures and forms to carry out germination tests and other laboratory tests with regard to seed collection, handling and storage and tree selection were developed. Undersecretary staff training included lectures and a period of practical training on nursery practices and management in the newly established nurseries. A project evaluation was conducted in December 1993, with the participation of an ITTO representative and concluded that the project was successfully and efficiently implemented.

(8) **PD 188/91 Rev.1 (F) Reforestation of Rioja**

**Budget and Funding Sources:**

Total Budget:	\$250,000
Government of Peru:	\$ 35,000
Ito Yokado Corporation:	\$215,000

**Implementing Agency:** National Forestry Action Program (NFAP), Municipality of the Province of Rioja, Rural Development Centre in Rioja and the Ministry of Agriculture of the Government of Peru.

**Session of Approval:** ITTC Session XI, November 1991, Yokohama

**Starting Date and Duration:** 1 September, 1992 (2 years)

The project initiated activities in September 1992 and was completed on schedule in September 1994, with a total duration of two years. The Executing Agency has submitted the final report, and the 21 page summary was circulated to the Permanent Committee during its Fifteenth Session. The principal outputs of the project include:

- Production of 150,000 seedling which have been distributed to private landholders and public entities including schools, clinics and government offices. As part of the seedling production process a total of 75 superior trees have been selected for seed production, and a total of 434 kg of seed were collected.
- A total area of 282 ha of forest plantations were established during the two year period utilizing five different plantation configurations 1) Established in open fields, 2) Line enrichment planting, 3) Pasture planting, 4) Agroforestry systems, and 5) Protection plantations.
- Extension services were undertaken through radio programs, reading materials and the organization of seminars and conferences - A number of radio programs teaching people about the benefits of reforestation and forest management were aired.
- A technical manual in silviculture was developed and one trial plot for managing natural regeneration was established. Furthermore, the project developed a phenological calendar for seed collection.

A final evaluation has not been carried out for this project, although it would certainly be most beneficial to do so, especially considering that a two-phased follow-on project, PD 18/94 Rev.1 (F) - *Participatory Forest Development in the Alto Mayo Region for the Sustainable Management of Moist Tropical Forests* was approved and funded during the XVI Session of the ITTC in Catagena this past May.

(9) PD 189/91 Rev.1 (M,F,I) Publication of an Andean Forestry Journal

Budget and Funding Sources:

Total Budget:	\$162,000
Participating Countries:	\$ 44,000
Government of Japan:	\$118,000

Implementing Agency: Fundación Andina Bosques y Desarrollo.

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 December, 1992 (18 months)

This 18 month project was concluded on schedule in April 1994, and the Implementing Agency submitted the final report which was circulated to the Permanent Committee during its Fifteenth Session. The Association, "Bosques y Desarrollo" produced a total of eleven editions of the Andean Journal of Forestry (*Bosques y Desarrollo*). Of these, six, (numbers 6-11) were published with project support. The Association was able to raise funds for the edition of two journals during the project

The Journal was published in Spanish and distributed within the six Andean countries, with a small percentage going to other parts of Latin America and the world. Journal features have focussed on agroforestry, forests in the Amazon basin, watershed management and construction timber. It also presented general forestry information, opportunities for study, fellowships, announcements for upcoming events, consulting services, economic information and publication reviews. In addition to specialized forestry topics, the Andean Journal also addressed social forestry, ecotourism, forestry legislation, and biodiversity conservation. Communication and contributions from the various countries were important for the success of this project.

The project completed its goal of publishing six issues of the Journal, with 4,000 - 6,000 copies each being distributed to subscribers and forestry organizations in Andean countries. During the XVI Session of the ITTC in Cartagena last May, the Council approved a follow-on project, PD 28/94 Rev.1 (F) - *Continuation of the Publication of the Journal Bosques y Desarrollo and Organization of a Communication and Information Service.*

(10) PD 10/93 Rev.1 (M,F,I) Seminar and Study Tour on Sustainable Forestry Management System Practiced in Natural Forests of Japan

Budget and Funding Sources:

Total Budget:	\$235,968
Government of Japan:	\$235,968

Implementing Agency: ITTO Secretariat

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: November 1993 (4 days)

The study tour and seminar were held on November 5-8, 1993, immediately before the Fifteenth Session of the ITTC. This combined study tour and seminar was the seventh in a series of cooperative efforts arranged by ITTO and the Forestry Agency of Japan. These events provide a forum for exchange of ideas concerning tropical forest management, promote cooperation between tropical countries and between producer and consumer countries of the Organization and foster public awareness of the need to preserve and sustainably manage the tropical forest resources.

The Project consisted of two parts: 1) a study tour, which took place on November 5 and 6, 1993, to Hokkaido Forest Products Research Institute, to Tokyo University Forest in Hokkaido and to the National Forest under the Kanayama District Forest Office, and 2) a seminar, held on November 7, 1993. During the seminar, five papers were presented: two dealt with forests and forest management in Japan, one reviewed natural forest management in the Philippines, one discussed natural forest management in West Africa and one provided an overview of natural forest management in Brazil.

### 3.2.3 Projects under Implementation

Fifty-five projects in the field of Reforestation and Forest Management were under active implementation at the end of 1994. ITTO's total budget commitment for these Projects is \$51,346,736. A brief description and current status of each on-going project is described in this section.

(1) PD 15/87 Rev.2 (F)                      **The Biology of the Okoume (Aucoumea klaineana Pierre) in Gabon**

**Budget and Funding Sources:**

Total Budget:	\$897,000
Government of Gabon:	\$427,500
Governments of Japan:	\$469,500

**Implementing Agency:** Direction du Reboisement, with the technical participation of the CENAREST and the Tropenbos Foundation

**Session of Approval:** ITTC Session III, November 1987, Yokohama

**Starting Date and Duration:** November 1992 (3 years)

The original project was approved in the III Session of the ITTC. Project implementation began with the first installment was released in November 1992. The highlights of project activities during 1994 include:

- The comparative provenance plantations were maintained and measured.
- A nursery was established to initiate seedling production studies. About 4,000 seeds of five provenances were sown. However, the germination was very poor and the studies are being discontinued until after the next seed collection campaign. Hopefully, the newly collected seeds will be viable with germination rates acceptable enough to allow meaningful studies.
- A 100 ha plot for natural regeneration trials was identified. An inventory is being carried out, detailed maps are under preparation, and the plot boundaries are being demarcated.
- The demarcation of seed trees stands is underway in addition to placing signs to identify the sites. These activities were completed for two provenances (Moabi and Panga).
- A short training was organized in August 1994 in the Netherlands for the project staff. The purpose of this course was to acquaint them with the use of project equipment and to improve their skills in data analysis.

An additional technical back-up mission was organized by the Tropenbos Foundation on 24 May - 2 June 1994 to carry out a mid-term review of the project. The mission was composed of a different group of experts than previously used. The results of the review found that, in general, the project is being well implemented. The mission concluded that it would be difficult to complete all the activities originally envisioned in the project. Therefore, together with the Executing Agency, the review team prioritized activities in line with the project's objectives. The mission reviewed the experiments and provided technical advise for establishing trials and collecting data. The mission also assessed the equipment purchased by the project and advised on the need to complement existing equipment by acquiring additional equipment with a value of about US\$ 11,000.

- (2) PD 52/89 Rev.4 (F)      **Forestry Treatment by Thinning-Out in the Context of a Pilot Forest Development Scheme in the Reserve Forest of Sud-Bakundu**

**Budget and Funding Sources:**

Total Budget:	\$ 2,116,400	+	\$ 50,000	=	\$2,166,400
Government of Cameroon:	\$ 949,500				
Government of Japan:	\$ 1,066,900				
Government of the United States:	\$ 100,000	+	\$ 50,000	*/	= \$150,000

\*/ additional amount for boundary demarcation

Implementing Agency:      Office National de Developpement des Forets (ONADEF)

Session of Approval:      ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: 1 August, 1992 (4 years)

Project activities were initiated in September 1992 when the first installment of the ITTO contribution was released on 9 September 1992. Over the course of the year, some of the principal activities included:

- The boundary maintenance by clearing a two-meter wide area around the perimeter of the forest area. To date, 25 km have been completed.
- The consultant in Rural Development completed his assignment, but his report has not yet been submitted.
- The consultant in Agroforestry has completed his assignment. His report is expected to be submitted in the near future.
- The consultant in Silviculture was selected and is expected to commence his assignment in the near future.
- The consultant in Socio-economics completed his assignment and submitted his report.
- A draft forest management plan was submitted to the Executing Agency and is under consideration.
- A draft agricultural plan is under preparation.
- A meeting of the project Steering Committee (SC) was held on 19 October 1994, with the participation of the ITTO representative, and after the meeting of the Consultative Committee (CC) on 14 October 1994.

The SC concluded that the project is still running behind schedule. The main constraint concerns the availability of the reports from the consultants in Rural Development, in Silviculture and in Agroforestry as well as the forest management plan. However, most activities scheduled for this planning phase were completed by the end of the year.

- (3) PD 53/89 Rev.1 (F)      **Preparation of A Master Land-Use Plan for Forest Areas**

**Budget and Funding Sources:**

Total Budget:	\$480,000
Government of Cameroon:	\$ 85,000
Government of Japan:	\$373,315
Government of Norway:	\$ 21,685

\*/ plus other contributions in kind

Implementing Agency:      Government of Cameroon

Session of Approval: ITTC Session VI, May 1989, Abidjan, Côte d'Ivoire

Starting Date and Duration: October 1990 (1 year)

The Secretariat reviewed the report for Phase I and found that some aspects which should have been investigated according to the Project Document were not adequately addressed in the report. The Secretariat requested the implementing agency to clarify various points. Subsequently, the implementing agency requested the consultants to modify the report taking into consideration the Secretariat's observations. The report was revised to the implementing agency's satisfaction and resubmitted to the Secretariat. By the end of the year, the implementing agency informed the Secretariat that the report for Phase II of the project was completed while the synthesis report was 70% complete.

During its Thirteenth Session, the Committee decided to approve an extension to undertake an independent desk review of the reports resulting from this project and requested the Council to allocate \$5,275 for that purpose. However, funds were not made available for this review.

(4) **PD 68/89 Rev.1 (F) Management of Tapajòs National Forest for Sustainable Production of Industrial Timber**

Budget and Funding Sources:

Total Budget:	\$ 3,037,946 */
Government of the United Kingdom:	\$ 1,513,146
IBAMA:	\$ 1,524,800

\*/ including contributions in kind by IBAMA

Implementing Agency: Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA)

Session of Approval: ITTC Session VI, November 1989, Yokohama

Starting Date and Duration: August 1992 (5 years)

The third meeting of the Project Steering Committee took place in December 1994 with the participation of representatives from IBAMA, ODA and the ITTO Secretariat. The Steering Committee reviewed and approved the final draft of the workplan and recommended that the second disbursement of \$170,000 be made to continue with project implementation.

(5) **PD 74/90 (F,I) Better Utilization of Tropical Timber Resources in Order to Improve Sustainability and Reduce Negative Ecological Impacts**

Budget and Funding Sources:

Total Budget:	\$600,000*/
Government of Germany:	\$600,000

\*/ plus contributions in kind by participating governments

Implementing Agency: The Federal Research Center for Forestry and Forest Products, Hamburg, Germany.

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: December 1990 (2 years)

At the time of the Committee's XIV Session, all programmed field studies in Ghana, Cameroon, Indonesia and Malaysia were completed. The project evaluation workshop was held in Hamburg, Germany on 18-28 April 1993 with the participation of representatives of national institutions involved in the project, the implementing agency staff, a representative of ITTO Secretariat and two consultants hired by ITTO. The role of these consultants was to carry out an independent and critical review of the studies undertaken under the project and to assess the outcome of the Hamburg workshop. The Permanent Committee approved an extension of the project until December 1994, at no extra cost, to allow the various reports developed under the project to be completed. The Committee also took note of the report of the independent review carried out by two consultants on the studies and the workshop conducted under the project, which was circulated to the Permanent Committee.

The Project Coordinator reported the conduct and outcome of the project during the XVth Session of the Permanent Committee. After discussion, the Committee concluded that the study was very important and suggested that a summary of the results should be published in the ITTO Tropical Forest Update to disseminate information to ITTO Member Countries.

(6) PD 75/90 (F) **Development of Genetic Resistance in the Tropical Hardwood Iroko to the Damaging Insect Pest: *Phytolyma lata***

Budget and Funding Sources:

Total Budget:	\$322,743
Government of Ghana:	\$ 65,333
Government of Japan:	\$157,410
Government of Denmark:	\$100,000

Implementing Agency: Forest Products Research Institute, Cambist, Ghana

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: 10 December, 1990 (3 years)

The final research studies programmed within the project have now been completed, in particular:

- Genotype and environment interaction trials in four ecological zones in the high forest area,
- Progeny testing of new selections,
- Effect of overhead shading on the performance of Iroko seedlings, and
- Mass propagation trials.
- Mixed planting trials,
- Effect of native plant derived pesticides on the incidence of infestation of Iroko by *P. lata*,
- The impact of *P. lata* infestation on the growth of Iroko,
- Mapping the Iroko distribution within the high forest, and
- Preliminary anatomical studies of the foliage of the various resistant trees within different age classes of Iroko.

Preliminary results obtained to date have demonstrated that Iroko genetic improvement might be achieved through individual selection and that clonal forestry practices are possible. However, further information is needed and new areas requiring research have emerged. Subsequently, project staff developed a second phase with a wider regional scope by involving interested institutions in Côte d'Ivoire and Cameroon. This follow-up project proposal has been submitted by the executing Agency, and it will be appraised by the Panel of Experts during its Ninth meeting in February 1995. The project was also independently reviewed and the review report was circulated during the Fifteenth Session of the Permanent Committee. The final report of the project, as well as the financial report of audited accounts, are expected to be sent to the ITTO Secretariat at the beginning of 1995.

(7) PD 77/90 (F) Establishment of A Pilot Area for Silviculture in Closed Forests in Congo

Budget and Funding Sources:

Total Budget:	\$642,000
Government of the Congo:	\$113,000
Government of Japan:	\$529,000

Implementing Agency: Center Pilote d’Afforestation en Limba (CPAL)

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: June 1992 (5 years)

As of the end of 1994, progress in project implementation was reported as follows:

- The zoning and the demarcation of the project area have been completed.
- The construction of the living quarters has been initiated and is underway.
- A 4WD vehicle has been acquired to support project activities.

A joint review of project implementation was conducted on 4 February 1994 and concluded that progress in project implementation was still very slow. This set-back was attributed to the political situation of the country which prevented the project from acquiring most of its equipment and locating staff at the project site. However, the situation was stabilizing and more progress was expected in the near future. The work program for the following year was also reviewed along with the corresponding budget. Based on this review, it was decided that future disbursements from ITTO would be contingent upon demonstrated progress, commensurate with the level of funds already disbursed. Furthermore, the funds still retained by the BCC must also be released and transferred into the project bank account. Discussions were also held on the possible impact of devaluation of the national currency on project activities. To mitigate any potential negative effects caused by currency fluctuations, the Government needed ensure that future ITTO contributions would be kept in a US Dollar bank account. In addition, the implementing agency was requested to study how the devaluation might affect the project, and inform ITTO and the Government accordingly.

- An inventory has been designed for the study plots and preparations are underway to carry out inventory activities.
- On 21 November, 1994 the first instalment of the ITTO contribution (US\$80,000) retained by the BCC was reimbursed by the Government of Congo . A review mission is scheduled for February 1995 and the ITTO Secretariat requested the Executing Agency to help prepare the review mission.

(8) PD 84/90 (F) The Establishment of A Demonstration Plot for Rehabilitation of Forests Affected by Fire in East Kalimantan [Phase II of PD 17/87 (F)]

Budget and Funding Sources:

Total Budget:	\$867,050
Government of Indonesia:	\$ 63,050
Government of Japan:	\$441,000
Government of Switzerland:	\$150,000
Government of Norway:	\$100,000
Government of the Netherlands:	\$ 13,000

Implementing Agency: The Agency for Forestry Research and Development, Ministry of Forestry, Indonesia

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia

Starting Date and Duration: February 1991 (2 years)

The project aims to 1) develop methodology for rehabilitating forest areas damaged by fire, 2) study natural succession after the forest is burned, and 3) to develop a demonstration area for research and training purposes. The project site is located in Samboja, East Kalimantan, adjacent to the Wanariset Center of the Forestry Research Institute. The main activities under the project include an inventory of burned-over forest, classifying the degree of degradation and development of silvicultural techniques rehabilitate the areas. A complete inventory of the demonstration forest area was undertaken, covering 1,000 ha of forest damaged by fire. Nurseries were set up to support planting activities in the area. Infrastructure establishment including office facilities, residences, and internal roads were completed. Silvicultural techniques such as enrichment planting, tending and reforestation were carried out. With the assistance provided by Deutsche Forstservice (GmbH), this project has been successful in establishing a demonstration area.

A technical seminar to discuss findings and recommendations was held from 31 January to 2 February 1994 in Samarinda. Related research activities undertaken in the province with the support of other external donors were included in the workshop as a means to share information. Experiences of the current research efforts from various institutions working in the area were documented and, moreover, future research needs were identified and prioritized.

The project's principal outputs include:

- Detailed experimental design of forest inventory for areas affected by fire including methodologies for zoning and mapping;
- Techniques for forest rehabilitation;
- Detailed data recorded on growth and yield of the stands after silvicultural treatments, with special emphasis on dipterocarp species;
- Systematic analysis of volumes and distribution of natural and planted species in the burnt forest area;
- Technical guidelines on proposed techniques for rehabilitating forest devastated by fire including various silvicultural options depending upon the degree of forest degradation.

This project was extended until July 1994 to allow the completion of activities. The Secretariat is awaiting the submission of the final report and audited financial statement. The implementing agency has submitted a project proposal for a third phase (PD 23/94 Rev.1 (F) - *Rehabilitation of Fire Affected Forests in Kalimantan*) which was discussed and approved by the Committee during its XIV Session. This follow-on project is still awaiting financing.

In October 1994, during the long dry season in Kalimantan, fires seriously devastated forest areas adjacent to the project site. A fire ignited by a coal deposit beneath the surface of the forest floor burnt more than 30 ha of the ITTO demonstration plot, killing more than 3,000 planted seedlings established during the project. The implementing agency, with assistance of a local state owned forest concession, was successful in preventing wider damage.

(9) PD 88/90 Rev.1 (F) Sustainable Selective Harvesting of Mahogany in Bolivia

Budget and Funding Sources:

Total Budget: \$114,000

Government of the United States: \$114,000

Implementing Agency: Government of Bolivia and the University of Princeton

Session of Approval: ITTC Session VIII, May 1990, Bali, Indonesia



Starting Date and Duration: June 1990 (3 years)

The initial two years of field work involved installing a large number of plots in various forest types in the Chimanes forest to:

- Quantify the density and size distributions of mahogany populations and associated species.
- Tag a wide range of sizes of mahogany individuals on these plots to serve as focal individuals for the collection of demographic data.
- Identify sites where there is active regeneration of mahogany to allow detailed study of the ecological requirements of this species.
- Quantify the impacts of the logging companies on the mahogany populations.

In addition, silvicultural experiments were initiated to 1) assess the possibility of utilizing naturally-occurring seedlings as seedling stock for reforestation, and 2) determine the feasibility of using line plantings for enrichment planting.

The project has prepared (or has in preparation) the following publications to date:

- Gullison, R.E. (in prep). *The ecology and management of mahogany in Bolivian lowland forest*. (To be included in the volume of papers presented at a conference sponsored by the Royal Linnean Society - "The Future of the Genus *Swietenia* in Natural Forests."
- Watkins, H.B.R. & R.E. Gullison. (in review). *Patterns of Herbivory in a Natural Population of *Swietenia macrophylla* seedlings*.
- Gullison, R.E. & J.J. Hardner. 1993. *The Effects of Road Design and Harvest Intensity on Forest Damage Caused by Selective Logging: empirical results and a simulation model from the Bosque Chimanes, Bolivia*. *Forest Ecology and Management* 59:1-14.
- Gullison, R.E. & S.P. Hubbell. 1992. *Natural Regeneration of *Swietenia macrophylla* in the Bosque Chimanes, Bolivia*. Mahogany Workshop: Review and Implications of CITES. Washington, D.C. February 3-4. Organized by the Tropical Forest Foundation.
- Gullison, R.E., S.N. Panfil, J.J. Strouse and S.P. Hubbell. 1994. *Ecology and Management of Mahogany (*Swietenia macrophylla* King) in The Chimanes Forest, Beni, Bolivia*

The latter publication summarizes a significant part of the four years of research undertaken by the University of Princeton, with the support of the Center for Forest Development. The results show that mahogany regenerates following two types of hydrological disturbances: pervious erosion on high terraces, and flood killed forests. The regeneration after these disturbances lead to small even-aged stands. The study also revealed that mahogany has relatively slow diameter growth rates ranging from .25-.9 cm/yr. In addition, seed production rates were found low in individuals of small diameter, with larger trees producing a much higher amount of seed capsules.

The research has provided many insights for sustainably managing the Chimanes Forest and improving the management of mahogany. The study also shows that plantations and reforestation agriculture fields are viable regeneration strategies. However, these regeneration methods may have limitations due to cost, silvicultural treatments and the quality. A practical approach would be to combine a plantation strategy with that of natural forest management. In the closed forest, fairly large gaps must be created with a viable seed source near-by to promote mahogany regeneration. The study also suggested that other potentially valuable species such as *Cedrela odorata*, *Hura crepitans* and *Callophyllum brasiliense* may have similar stand structures and regeneration requirements as mahogany.

The field work in this project has largely been concluded. The Center for Forest Development is exploring possibilities to collaborate with the USAID sustainable forest management project to continue measurements and maintenance of the plots set up in this project. Data processing will be completed in the near future and publications will be prepared to share project results.

## (10) PD 89/90 (F) Sustainable Forest Management and Human Resources Development in Indonesia (Phase I)

## Budget and Funding Sources:

Budget Total:	\$ 4,250,000
Government of Indonesia:	\$ 450,000
Government of Japan:	\$ 3,800,000

Implementing Agency: Ministry of Forestry, Indonesia

Session of Approval: ITTC Session VIII, May, 1990, Bali, Indonesia

Starting Date and Duration: 1 April, 1991 (3 years)

This year considerable progress has been made on project implementation as described below:

- **Research Component** - After more than a year, the government bidding process has been finalized for the construction of a research station at Bukit Baka (West Kalimantan). The station will include residences for the manager and two experts, an office and a dormitory. As a result of consultations with the Review Team, the forest concession holder in the project site is cooperating by providing 689 m<sup>3</sup> logs and helping with site preparation. The research station has been relocated closer to the main road near the base camp of the forest concession. The research station has been named Kaburai Biodiversity Research Station to describe its location near the village of Kaburai, outside the Bukit Baka Forest Reserves. It will be considered the core of a forestry research institute and will strengthen the development of four forestry research government institutes in Kalimantan. USAID reaffirmed its commitment to supply the station with laboratory equipment worth US\$ 50,000 provided the construction is completed by January 1995. The recruitment of a consultant to carry out research on natural regeneration has been postponed subject to further consultations with CIFOR in Bogor.
- **Nature Conservation Component** - The management plan for Bukit Baka/Bukit Raya National Park is being finalized with USAID assistance. The ITTO project will implement several components as outlined in the management plan. As part of this process, sites for information and visitor centers in Pontianak and Sintang are being identified. The management plan prepared by USAID is subject to Government approval, which has not yet been given. The second phase for constructing an inspection trail in Bukit Raya National Park has just started. The information center in Pontianak will not be built as decided in a coordination meeting with local government agencies. Instead, the unspent funds will be utilized to construct a visitors lodge in the Bukit Baka National Park buffer zone.
- **Human Resources Development** - A contract for overseas education and training was signed on 31 March 1994 between the Indonesian Ministry of Forestry and Indeco Duta Utama Company. The latter is a consultant firm contracted to carry out recruitment, selection, language preparation, overseas placement and monitoring of candidates. The bidding process has taken nearly two years which has caused significant delay in the implementation of this component. Under this project, two PhD and four Masters degree candidates have been placed overseas. Simultaneously, intensive language preparatory classes have been started for other candidates. For in-country education, ten candidates are pursuing a Master's Degree Program at the University of Gadjah Mada and the Bogor Agricultural University.

A joint review was conducted between the Ministry of Forestry and ITTO from 1 to 11 August 1994, which identified factors causing the delay in project implementation based on this review, the project's workplan and financial plan were modified. Furthermore, changes in the organizational structure were suggested to the Executing Agency. The Ministry of Forestry confirmed the findings of the Review and endorsed the recommendations made by the joint review. The project was granted an extension until November 1996.

## (11) PD 95/90 (F) Forest Management in the Alexander von Humboldt National Forest, Phase I, II, III

## Budget and Funding Sources

Total Budget:	\$ 2,721,200
Phase I Budget:	\$ 506,000
Phase II Budget:	\$ 507,000
Phase III Budget:	\$ 507,000
Government of Peru:	\$ 1,201,200
Government of Japan:	\$ 507,000
To be determined (Phase III):	\$ 507,000

Implementing Agency: The National Institute of Natural Resources (INRENA)

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 15 September, 1991 (1 year)

The Alexander Von Humboldt National Forest has a total area of 470,000 ha, of which 102,900 ha have been granted to three concessionaires. Illegal logging has resulted in the loss of the most valuable species namely mahogany (*Swietenia*), cedar (*Cedrela*), *tornillo* (*Cedrelinga catenaeformis*) and *ishpingo* (*Amburana acreana*). Therefore, the project is concentrating on the species of intermediate value.

The first phase of this Project involves the development of a forest management plan for a 105,000 ha of the Alexander Von Humboldt National Forest, conduct of a detailed forest assessment for the first 3,500 ha annual coupe and the calling of tenders for the harvesting of this area. The management plan will guide research activities to develop practices for the sustainable production of industrial timber and the conservation of genetic resources.

INRENA took measures resulting in the release of Supreme Decree No. 042-94-AG on 18 August 1994, which declares the Project, PD 95/90 (F) as a national priority. This decree assigned 138,000 ha for the purpose of sustainable forest management, and authorized the sale of stumpage. It also enables INRENA to reinvest the proceeds from stumpage sales in activities directly related to forest management. Highlights of some of the activities undertaken in 1994 include:

- Actual Forest Use. The project collected and analyzed socio-economic information on people inhabiting areas within the area of influence of the National Forest. It is developing a document to present socio-economic conditions of local inhabitants. This document will be used as the basis for designing the appropriate participatory mechanisms to meet community expectations.
- Forest Classification. The project has completed a study of the productive potential of the National Forest, examining floristic composition, accessibility, soil capacity, and so on. This study helped establish the priorities for forest management, including production and protection. A document is being prepared which shows the use and potential of various forest management units and will be used as a tool for long term forest planning.
- Harvest Planning. Based on technical criteria, an operational harvesting plan has been completed to ensure the efficiency of logging operations. This plan should help reduce logging costs, minimize negative environmental impact and ensure safety for forest workers. The plan also outlines resource requirements, costs, environmental standards, supervision and control of harvesting operations. With the support of INRENA's local office, activities outlined in this operational plan have been initiated in Management Lot #3 of the First Annual Coupe.
- Training. With project support, INRENA organized the first course on the technical forest management from 30 May through 4 June. This course was oriented towards forest technicians and involved the coordination of a local university and the National Police.

- **Strengthening Forest Industry.** Four project profiles have been prepared to promote private initiatives in the forestry sector:
  - \* Module for logging operations in the First Annual Coupe.
  - \* Production and marketing of charcoal.
  - \* Manufacturing parquet in the Alexander Von Humboldt National Forest.
  - \* Industrial utilization of species of potential value.
- **Environmental Impact Assessment.** The Directorate of Environment within INRENA has prepared a report proposing steps for carrying out an environmental impact study. With the coordination of a local NGO (Peruvian Foundation for the Conservation of Nature), the project will sponsor a course on the "Evaluation of Environmental Impacts of Forestry Projects" from 1-4 November 1994.
- **Road Design.** The principal and secondary forest roads, and skid trails for the First Annual Coupe have been laid out. Construction work has begun on the principle road (18 km in length) with the use of counterpart funds contributed by the Government of Peru.
- **Stumpage Sale.** The technical document forming the basis for the timber auction in the First Annual Coupe has been prepared. The project is waiting the release of the ministerial resolution authorizing the timber sale to complete this activity.

This project was due to be completed in August 1994, however, some activities were delayed due to circumstances beyond the control of the Executing Agency. Therefore, INRENA was granted an extension of this first phase through December 1994. Funding for the approved Phase II has been secured and the agreement for this second phase has been signed.

(12) **PD 99/90 Rev. 1 (F) Establishment of Rio Preto National Forest**

Budget and Funding Sources:

Total Budget:	\$ 1,393,000
IBAMA:	\$ 924,000
Government of Japan:	\$ 469,000

Implementing Agency: Brazilian Institute for Environment and Renewable Natural Resources (IBAMA)

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 1 February, 1992 (5 years)

This project proposes to establish a newly proclaimed 2,830 ha National Forest in Espiritu Santo State. Rio Petro is of high priority because it encompasses one of the few remnants of natural tropical forest left in the *Mata Atlantica* region.

Activities undertaken in 1994 include forest management, protection, research and extension. The Terms of Reference for the forest and soils inventories were developed and these activities began in December 1994. A wildlife inventory and apiculture studies formed part of the research activities carried out in 1994. Several kilometers of fencing around the forest boundaries were rehabilitated and signs were installed at regular intervals along the border. The project had also prepared extension materials and had carried out training courses in neighboring communities.

The Third Steering Committee meeting was held in December 1994 to assess progress. Noting that the project has made a great deal of headway towards completing its objectives, the Steering Committee recommended that the second disbursement of US\$ 130,000 be made as soon as possible.

**(13) PD 103/90 Rev. 1 (F) Training and Manpower Development in Community Forestry Management**

**Budget and Funding Sources:**

Total Budget:	\$ 1,203,000
Government of Japan:	\$ 1,203,000

**Implementing Agency:** The Institute of Forestry (IOF), Tribhuvan University, Nepal

**Session of Approval:** ITTC Session IX, November 1990, Yokohama

**Starting Date and Duration:** 1 October, 1992 (4 years)

During 1994, the Institute of Forestry has made substantial headway in project implementation and has achieved a number of outputs:

- The project has procured the needed equipment and supplies to support the Project Manager, Visiting Scholars and counterpart faculty. Furthermore, communications have been enhanced through the acquisition of a direct phone line for telephone/fax.
- After a thorough evaluative process, the contract for the construction of the Visiting Scholar Resource Center was awarded, and preparations are under way to begin construction.
- The first Visiting Scholar for Social/Community Forestry joined the IOF on 10 July 1994. He has been involved in co-teaching BSc. level students, and has assisted with the development of lesson plans, and has written a paper for publication in the student organization's magazine. The Visiting Scholar has drafted a research program, with the major part of the field work planned for the next six months.
- A second Visiting Scholar for Wildlife/Natural Resource Management has been selected, and arrangements are being made for him to begin work in the near future.
- Preparations for advertising two additional Visiting Scholar positions for Agroforestry/Silviculture and Tropical Forest Management are underway.
- A total of four BSc. grants of about \$200 each were awarded to students submitting proposals to carry out research in the program in the fields of social/community forestry, watershed management, silviculture/mensuration, and sustainable resource management.
- Subscriptions have been made to periodicals and other reference material related to forestry to strengthen the faculty/student library resource center.

The Consultative and Steering Committees have been active in evaluating tenders for the construction of the Visiting Scholar Resource Center, and the selection of Visiting Scholars. The project was reviewed by the Conservation Officer in July 1994.

**(14) PD 104/90 Rev. 2 (F) Studies of the Management Standards of Hill Dipterocarp Forest in Sarawak from a Watershed Management Point of View**

**Budget and Funding Sources:**

Total Budget:	\$412,900
Government of Japan:	\$412,900

**Implementing Agency:** Forest Department, State Government of Sarawak.

**Session of Approval:** ITTC Session IX, November 1990, Yokohama

**Starting Date and Duration:** November 1993 (2 years)

The initial survey work to establish the study area was carried out in November 1993. The study area was divided into four blocks, where each block is a separate micro-watershed basin. A total of five observation points were set up in the study area with the installation of various types of equipment to collect hydrological and climatic data. Information has been collected on current logging practices such as felling/skidding operation, forest road planning. Furthermore, information regarding drainage, irrigation, geological survey has been obtained from various governmental institutions and is currently under analysis.

In 1994, progress in field activities include:

- A study of forest road establishment in one of the block on road construction layout and its impact to the river water.
- Several points at slope surface were surveyed for erosion monitoring.
- Plots were taken on vegetation recovery after logging.

The consultant submitted a preliminary report entitled "Forest Roads Construction and Management". The report recommends alternatives for constructing and managing forest roads in the area. The proposal will be discussed further with the logging company in the area in order to determine the precise requirements for machinery and the implementation schedule for road construction.

**(15) PD 105/90 Rev. 1 (F) Model Forest Management Areas**

Budget and Funding Sources:

Total Budget:	\$ 2,019,344
State Government of Sarawak:	\$ 259,168
Government of Japan:	\$ 1,560,176
Government of Switzerland:	\$ 200,000

Implementing Agency: Forest Department, State Government of Sarawak.

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 13 November, 1991 (2 years)

Over the course of the year, the Executing Agency concentrated on compiling field information on forest resources and initiating the detailed development plan for the Model Forest Management Area. Activities in progress throughout the year include:

- Completing sampling activities in virgin forest including both trees and rattan (270 plots in 30 ha of forest affected by shifting agriculture in 15 locations).
- Developing computer programs for stand projection models to simulate growth and yield forecasting, and establishment of permanent sample plots in selected areas.
- Field surveys in the study area on the occurrence of wildlife and plants of potential ethno-botanical importance as part of the ecological studies.

Due to limitations in the availability of project staff, and the large number of on-going ITTO projects in Sarawak, a six month delay occurred in conducting studies on sociological, soils and hydrological aspects. In order for the studies to be completed, the Permanent Committee agreed to grant extension of the project until November 1995.

**(16) PD 106/90 Rev. 1 (F) Development of the Lanjak-Entimau Wildlife Sanctuary as a Totally Protected Area, Phase I**

Budget and Funding Sources:

Total Budget:	\$ 1,985,141
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State Government of Sarawak:	\$ 234,304
Government of Japan:	\$ 1,550,837
Government of Denmark:	\$ 200,000

Implementing Agency: Forest Department, State Government of Sarawak

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 13 November, 1991 (2 years)

The outputs of Phase I are a management plan for the Lanjak-Entimau Wildlife Sanctuary and a draft project proposal for international support for Phase II. A general survey of sanctuary was carried out and detailed work plan was prepared. Studies on ornithology, herpetology, geology, forest ecology and entomology were concluded by the end of 1994. However, studies on primates and social aspect are still to be conducted until beginning of 1995.

Based on the survey reports submitted by experts, a management plan was initially drawn up with priorities in protection, conservation, scientific research and environmental monitoring. The recent research has reaffirmed an extraordinarily rich biodiversity in the area. It was reported that more than half a dozen new species were discovered including several new plants, a terrestrial crab, a snake and a lizard previously unknown to Borneo. A field center will be set up at the edge of the sanctuary to gather information for effective protection of the sanctuary.

The Lanjak Entimau Sanctuary shares a common border with the Bentuang Karimun Reserve in West Kalimantan, Indonesia. The latter which covers about 600,000 ha is also set aside by Indonesia for conservation purpose supported by ITTO (PD 26/93 (F)). On 7 October 1994, a joint launching ceremony was held in Batang-Ai Sarawak officiated by the Chief Minister of Sarawak and Indonesian Minister of Forestry promoting the joint cooperation of Malaysia-Indonesia in biodiversity conservation in both project areas financed by ITTO. Joint programs will be developed with Indonesia under the project.

(17) PD 114/90 (F) **Workshops on Conservation and Sustainable Utilization of Mangrove Forests in the Latin America and Africa Regions**

Budget and Funding Sources:

Total Budget:	\$480,000 + \$ 15,825 = \$495,825
Government of Japan:	\$480,000 + \$ 15,825 = \$495,825

Implementing Agency: The International Society for Mangrove Ecosystems (ISME)

Session of Approval: ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 21 January, 1992 (20 months)

In 1993, the proceedings from the Latin American and African workshops have been prepared as ITTO publications (SRS-12 and SRS-13 respectively). The full reports for the Africa and Latin America regions were completed and is distributed to the Permanent Committee members. The African Report was translated into French.

During its Thirteenth Session, at the request of the implementing agency, the Committee agreed to extend the project and increase the budget by an additional US\$ 15,825 to translate the final report into Spanish. The XV Council Session approved of this extension and allocated the required funds. The Spanish translation is now available for distribution and the Executing Agency will be submitting the audited financial report at the beginning of 1995.

(18) PD 115/90 Rev.1 (F)                      **Rehabilitation of Natural Forests**

Budget and Funding Sources:

Total Budget:	\$887,879
Government of Malaysia:	\$337,082
Government of Japan:	\$550,797

Implementing Agency:                      Forest Department, Peninsular Malaysia.

Session of Approval:                      ITTC Session IX, November 1990, Yokohama

Starting Date and Duration: 13 November, 1991 (4 years)

An area of 400 hectares within the Korbu Forest Reserve in Kuala Kangsar, Perak has been set aside for a duration of at least 10 years as required by the Agreement. This study area was demarcated on the ground, and a post-felling inventory was carried out. An analysis of inventory data and stratification of the area into three forest sites were initiated. The team of consultants from University Pertanian Malaysia submitted a study proposal (inception report) covering management options and silvicultural treatments with a special consideration on shifting cultivation in the experimental design. This study will be completed with an economic and financial analysis.

In 1994, a Steering Committee for the project was set up comprising members from Forestry Department, Ministry of Primary Industries and Perak State Forestry Department. The project has collected and processed post harvest data from the logged-over site, and as a result of this work, information was available to draft maps of the area. The project design incorporates ecological and silvicultural considerations, as well as the socio-economic aspects of the local Orang Asli community. A total of 12 treatments (including control) were designed for rehabilitating abandoned areas degraded by shifting cultivation, and an additional 11 treatments for the logged-over forest.

The long established Manong forest nursery was expanded to accommodate the production of seedlings for project use. A total of 16 local species were produced in this nursery for the project. Plots have already been established at the project sites, and lines have been cleared for planting.

(19) PD 119/91 Rev.1 (F)                      **Workshop on Women and Forestry - A Look at African Experiences**

Budget and Funding Sources:

Total Budget:	\$255,000 + \$45,000 = \$300,000
Government of Ghana:	\$33,400
Government of Japan:	\$171,600
Government of the United States:	\$50,000

Implementing Agency:                      Forestry Department of Ghana and the 31st December Movement

Session of Approval:                      ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: 26 March, 1992 (9 months)

In 1993 the proceedings of the workshop in English were received by the Secretariat. The Permanent Committee extended the project and approved a budget increase of US\$ 40,000 to allow the translation and publication of the workshop proceedings in French and Spanish. During its Fifteenth Session in November 1993 the Council made available an amount of US\$ 42,000 for translation and publication of the proceedings. The proceedings are being prepared by the Secretariat for translation



and reproduction. By the end of the year, the English version was printed. The French version is currently being edited and the Spanish version is now being translated. In light of the additional time required to complete the translation and printing, the Permanent Committee granted an extension to the project until June 1995.

(20) **PD 120/91 Rev.4 (F,I) Development of Operational Model for Sustainable Management of Natural Tropical Forests**

**Budget and Funding Sources:**

Total Budget:	\$673,361
Government of Japan:	\$464,161
Government of Malaysia:	\$209,200
State of Sabah:	

Implementing Agency: Department of Forestry, State of Sabah, Malaysia

Session of Approval: ITTC XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: October 1992 (2 years)

The project site is located within the Lingkabau Forest Reserve. Following a delay due to personnel transfers within the Executing Agency, inventory work was started in October 1993 and was accomplished by the end of 1994. The data is now being processed following a model developed by GTZ/Germany for a bilateral project in Deramakot Forest. Close coordination with GTZ supported projects has facilitated data analysis and the drafting of the management plan. The procurement of aerial photographs was held up because the photographs had to be retaken due to cloud cover. Consequently, this will lead to a delay in photo interpretation and subsequently the production of maps.

The social base-line study began with the appointment of a consultant who conducted the basic training for the forestry staff in July, 1994. The field survey encompassed seven community villages involving 78 responses from local people. This study is still underway and is scheduled to be completed in February 1995. An extension of about six more months is required to complete all activities and to finalize the management plan.

The second Steering Committee Meeting was held on 5 October 1994 in Kota Kinabalu following a monitoring visit by ITTO Secretariat. The Steering Committee reviewed the project's financial plan and noted that Forestry Department directly contributed to some budget line items resulting in a saving of US\$ 93,185. The Committee recommended a reallocation of the budget to cover additional activities namely: boundary demarcation of project sites, the acquisition of computers for forestry district office, and sending local officials for community forestry training courses. These latter activities are newly created to strengthen the project without additional cost. Therefore, the financial plan of the project was modified and the Permanent Committee agreed to this modification during its Fifteenth Session. It also granted an extension of six months to allow the Executing Agency to complete project activities.

(21) **PD 128/91 Rev.1 (F) Management, Conservation and Development of Mangrove Forests in Panama**

**Budget and Funding Sources:**

Total Budget:	\$691,700
Government of Japan:	\$489,000
Government of Panama:	\$202,700

**Implementing Agency:** The Institute for Renewable Natural Resources (INRENARE)  
**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador  
**Starting Date and Duration:** 3 September, 1992 (5 years)

The first annual review was completed in January 1994 and the project was found to be proceeding well. The activities outlined in the 1994 workplan are now in progress including:

- **Geography** - Meteorological, soils and water quality data are being collected and analyzed for developing hydrological maps for the watersheds which support the three project sites. Some of the base maps for the sites have been already completed while others are in progress. The base maps have not advanced as quickly as envisioned because it has been difficult to obtain the aerial photographs, and photo-interpretation occupies a considerable period of time.
- **Forestry** - The classification of mangrove forests continues, with one of the sites already complete and another well advanced. The forest classification system is based on photo-interpretation and field verification. A number of permanent plots have been set up in each of the sites to obtain data on growth and regeneration. The staff has been taking periodic measurements. Phenological studies are being conducted. Individual trees for each of the mangrove species have been identified and marked. Biological information is being collected and analyzed, including seed production and germination rates.
- **Community Participation** - Meetings have been held in many communities surrounding the three mangrove sites as a first step towards organizing mangrove users groups. An environmental awareness program through mass media has resulted in the airing of radio programs on the value and conservation of mangrove forests. The project completed the development of a documentary video which was shown on TV. The project also continued to train staff on group formation and how to interact with the communities. Technical training courses have been initiated in some communities on the rational management and sustained multiple-use of mangrove forests.

Since many of the project activities are dependent upon the preparation of the maps before hand, the project has not advanced as quickly as planned. However, the majority of aerial photographs have been procured and are being analyzed. The project should continue to make steady progress as the information from the various components come together.

**(22) PD 130/91 Rev.2                      Plantation Establishment Methods (First Phase)**

**Budget and Funding Sources:**

Total Budget:	\$780,000
Government of Japan:	\$780,000

**Implementing Agency:** Department of Environment and Natural Resources of the Government of the Philippines - DENR.

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting date and Duration:** August 1993 (3 years)

This project was approved on the condition that a workshop be held at the outset of implementation to assess experiences in research on plantation establishment. The DENR with assistance of JOFCA organized the planning workshop which was held in Nueva-Vizcaya, Solano from 7 to 13 April 1994, preceded by three-day local expert meeting.

The workshop was attended by participants from six countries: Australia, India, Indonesia, Malaysia, Thailand, Philippines, and two regional representatives from Africa (Cameroon) and Latin America (Brazil). Representatives from the FAO Regional Project based in Los Baños also participated. DENR

sent 14 officials to the workshop, while ITTO was represented by its Executive Director. In addition, nine observers including three from Indonesia representing the private sector joined the workshop.

Six technical papers on various subjects related to different aspects of tree plantation were presented as country papers. During the final part of the workshop, the participants concentrated on the detailed experimental design for research to be conducted at project sites. The split plot lay-out in a Randomized Complete Block Design (RCBD) with four replications was suggested by Filipino experts and subsequently finalized with the assistance of JOFCA specialists and the international participants. The placement of the blocks shall take into consideration the differences expressed in the soil profiles. Based on site observations, the participants recommended that the area covered by experimental plots should be reduced from the proposed 80 ha to 16 ha, because responses of trial treatments in these plots would be subjected to rigorous scientific investigations. The remaining 64 ha will be used as demonstration areas to generate reliable cost data based on actual conditions. The workshop further recommended that the project draw up a short-list of species to be planted, after completing soil analysis. Suggested species included, among others: Pterocarpus indicus, Pithecelobium dulce, Gmelina arborea, and Samanea saman. Bamboo and other species that address needs of the local inhabitants should also be planted on firebreaks and other areas adjacent to the project sites.

A project Steering Committee meeting was organized on 14 April 1994 in Solano to review and to adopt the plantation design produced in the workshop, and assessed the financial implications associated with workshop recommendations. Process of placing a project manager and recruiting local personnel is currently underway.

(23) PD 131/91 Rev.2 (F) Pilot Project for the Sustained Management of the So'olala Forest

Budget and Funding Sources:

Total Budget: \$534,000

Government of Japan: \$534,000

Implementing Agency: Office National de Développement des Forêts (ONADEF)

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: January 1992 (5 years)

During 1994, the progress in project implementation is outlined as follows:

- The demarcation of the southern part of the reserve is 75% complete. It is expected that this part will be completely demarcated next year.
- The marking of seed trees and saplings in forest compartment 1 has been completed.
- The project established 19 community farms of 2 ha each, and 33 additional community farms will be established soon.
- The training of 700 farmers in agroforestry activities is in progress.
- 53 community nurseries are being supervised and maintained.
- Following the meeting of the Consultative Committee on 10 October 1994, a Steering Committee meeting was held on 20 October 1994 to review progress in project implementation.

The Steering Committee concluded that the project is progressing well, particularly with the agroforestry component. The Steering Committee noted that not much progress had been achieved for the forest management component to date. This situation occurred because the forest company has not yet been selected. The Steering Committee stressed once again that this predicament be urgently resolved in order to catch up with the approved program of activities. More importantly, local populations expect forest harvesting to bring social benefits for the communities such as employment,

roads and bridges, and so on. The next disbursement of ITTO funds is contingent upon the selection of the forest company for harvesting operations.

The Steering Committee also noted that benefits accruing to the rural population from project activities falls short of local community expectations (wells, roads, bridges etc.) and are far beyond the project's capacity. Therefore, it advised the Executing Agency to adhere to the project's scope and budget and to contact other organizations to seek additional assistance for meeting community needs. It also recommended also that a mid-term evaluation of the project be undertaken in March/April, and be financed from project's contingency funds. The Steering Committee further recommended that the management plan of the reserve be updated and submitted to the Minister of Environment and Forests for approval.

**(24) PD 132/91 Rev.1 (F) Training Forestry Workers in Carrying Out Certain Tasks Related to Forestry**

**Budget and Funding Sources:**

Total Budget:	\$281,000
Government of Cameroon:	\$120,000
Government of Japan:	\$161,000

**Implementing Agency:** Office National de Développement des Forêts (ONADEF)

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting Date and Duration:** January 1992 (2 years)

During the meeting of the Permanent Committee in November 1994, the Executing Agency reported that the field training and practice for the second and last group have now been completed:

- 36 workers were trained in inventory and forest management techniques,
- 40 workers were trained in planting material production techniques, including cutting techniques, and
- A total of 166 workers have been trained with some of them being involved in forestry work on a contractual basis with forest companies.

The Executing Agency has notified ITTO that the final report as well as the audited financial report will be submitted to ITTO in the near future.

**(25) PD 148/91 Rev.3 (M,F,D) Seminar on Economic Case for Sustainable Tropical Forest Management**

**Budget and Funding Sources:**

Total Budget:	\$115,000
Government of Japan:	\$115,000

**Implementing Agency:** ITTO Secretariat

**Session of Approval:** ITTC Session X, May/June 1991, Quito, Ecuador

**Starting Date and Duration:** April 1992 (2 months)

The seminar was conducted on 9 May, 1992 in Yaoundé and Mbalmayo, in conjunction of the Twelfth ITTC Session which took place in Yaoundé, Cameroon from 6 -14 May 1992. The Seminar focussed on

"Land use planning and Land Tenure to Secure the Permanent Forest Estate: African Experiences". The proceedings of the seminar were translated and edited for publication in English and French. The English version of the proceedings has now been published and was available for distribution during the XVII Council. The French version is still being edited, and the Secretariat anticipates it will be available to the Committee during its next Session in Accra in May 1995. During its Fifteenth Session, the Permanent Committee granted an extension to the project until June 1995 to allow the publication and distribution of the French version of the proceedings.

**(26) PD 156/91 Rev.2 (F) Establishment of Two Model Forest Nurseries and Forest Management Project**

**Budget and Funding Sources:**

Total Budget: \$211,636

Government of Japan: \$211,636

Implementing Agency: Forest and Timber Sector Development Corporation of Ecuador - CORMADERA

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: January 1992 (2 years)

This project was evaluated in February 1994, and the final evaluation report was distributed to the Committee during its Fourteenth Session. The Committee noted that the evaluation concluded that the project was successful in establishing a self-financing nursery in the mountainous region, while a limited nursery area in the coastal region restricted seedling production. Since project funds were remaining, and the Executing Agency needed to resolve the issue of limited nursery space, the Committee granted a no cost extension through October 1994.

The Executing Agency has established an agreement (20 years, renewable) for utilizing free of charge a 6.0 ha area on the outskirts of Guayaquil as a forest nursery. Nursery construction is well advanced and seed beds are under preparation. CORMADERA was granted the use of the contingency funds to complete nursery construction and sowing. These activities are expected to be concluded within the first few weeks of 1995.

**(27) PD 162/91 Rev.1 (F) Intensification of Growth and Yield Studies in Previously Logged Forests**

**Budget and Funding Sources:**

Total Budget: \$ 1,723,000

Government of the Independent State  
of Papua New Guinea: \$ 95,000

Government of Japan: \$ 1,328,000

Government of Switzerland: \$ 200,000

Government of the United States: \$ 100,000

Implementing Agency: Forest Research Institute, Lae, PNG

Session of Approval: ITTC Session X, May/June 1991, Quito, Ecuador

Starting Date and Duration: July 1992 (5 years)

A project review and evaluation mission was undertaken on 17-21 July 1994, with the participation of an independent consultant and a representative of ITTO. The report of the evaluation was considered by the project Steering Committee during its meeting on 22 July 1994 in Port Moresby, PNG. Based on the report, recommendations were made on technical and administrative aspects to improve the implementation of the project. During 1994, progress in project implementation can be summarized as follows:

- The establishment of new PSP system (Permanent Sample Plots) is underway. However, this activity is being hampered by the prolonged and unseasonal wet weather. A total of 37 PSPs have been established to date.
- The national project manager attended the IUFRO International Symposium on Growth and Yield of Tropical Forests, held in Tokyo on 26-30 September 1994, and presented a technical paper in connection with the project.
- Work on the data management system has been pursued and is near completion.
- The field manuals are being reviewed based on the results of the evaluation mission.

**(28) PD 171/91 Rev.1 (F) Conservation and Management for Multiple Use and Development of Colombian Mangrove Swamps**

Budget and Funding Sources:

PHASE I (one year)

Total Budget:	\$ 1,135,640
Government of Japan:	\$ 750,000
Government of the United States:	\$ 155,596
INDERENA (in kind):	\$ 230,044

Implementing Agency: National Institute of Renewable Natural Resources and Environment  
INDERENA

Session of Approval: ITTC Session XI, December 1991, Yokohama

Starting Date and Duration: December 1994 (1 year - phase I)

The Agreement requesting project implementation was signed on 16 November 1994 and INDERENA has developed a strategy for the implementation of Phase I. By the end of the year, the project staff had been nominated and placed.

**(29) PD 172/91 Rev.2 (F) The Recovery of Natural Systems of the Hillside of Caqueta (Phase I)**

Budget and Funding Sources:

PHASE I (18 months)

Total Budget:	\$745,009
Government of Japan:	\$376,339
Government of the United States:	\$150,000
INDERENA (in kind):	\$218,670

Implementing Agency: National Institute of Renewable Natural Resources and Environment  
INDERENA

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: August 1993 (3 years)

The first phase covers 18 months and involves the diagnosis and organization of existing land management activities that reflect the priorities of the communities in the project area. These activities include actions to conserve and restore natural forest areas; encouragement of sustainable farming practices; background research to aid planning and restore traditional practices; community participation, training and extension work; and the strengthening of municipalities and other local institutions to develop the capacity for sustainability after the period of ITTO support.

The second Steering Committee meeting was held on 6 July 1994 to review progress in project implementation. Prior to the second Steering Committee meeting, activities were delayed due to the internal approval process required by the UNDP to administer project funds on the behalf of the Executing Agency. Therefore, project activities could not start until the Ministry of Environment signed an agreement for institutional cooperation on 15 June 1994. The Steering Committee outlined strategies for collaborating with institutions working in the project area including local/regional government, NGO's and community groups. The Steering Committee also made suggestions for updating the workplan.

Since July, the project has recruited most of its staff and initiated activities. INDERENA has also assigned complementary staff, and is providing logistical support. The following key activities have been undertaken:

- The annual workplan has been updated.
- The project team carried out a review of successes and failures in the region to learn which practices might be applied in the project, and how they might be modified to meet local needs.
- Other groups and organizations were contacted to see how they might collaborate with the project by supporting complementary activities.
- Meetings have been held with participant communities and local authorities to review proposals for activities generated by local groups. Many of these proposals would benefit few people or presented activities that have not been successful in the past. The project staff worked with local groups to redefine activities which would contribute towards project objectives and outputs.
- Potential sites for setting up trials/demonstrations to test, adapt and promote watershed rehabilitation practices with community participation have been assessed. A total of 45 demonstration plots will be established by June 1995.
- Five demonstration models have been developed by the project which can be modified to meet site specific conditions and local needs.

(30) **PD 176/91 Rev.1 (F) Sustained Management for Production, Conservation, Demonstration, Diffusion and Promotion Activities In Moist Tropical Forests in Ecuador's Northwest**

Budget and Funding Sources:

Total Budget:	\$ 1,007,600
Government of Japan:	\$ 573,353
Government of the United States:	\$ 100,000
Government of Great Britain:	\$ 77,050
Juan Manuel Durini Forestry Foundation:	\$ 257,179

Implementing Agency: Juan Manuel Durini Forestry Foundation, NGO's, Industrial Enterprises and INEFAN.

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: 1 November, 1992 (3 years)

This project has five principle components:

- \* Conservation: 250 ha
- \* Selective Harvesting: 200 ha
- \* Plantations: 170 ha
- \* Rehabilitation: 130 ha
- \* Extension Neighboring communities

Progress in the five project components over the past year has been as follows:

- Conservation - The collection and identification of tree species along the botanical trail continues. To date, 37 families have been identified, and 47 trees are still under analysis. Superior phenotypes have been identified, and a substantial amount of seed has been collected for sowing in project nurseries.
- Selective Harvesting - Harvesting activities have continued through the dry season. To date, 150 ha have been selectively logged. A consultant in harvesting operations has completed the field work for a post-harvest assessment and is currently writing his report. The consultant in forest management has completed the installation of 32 permanent plots, and has submitted a preliminary report on the outcome of the analysis. About 6 km of secondary roads have been constructed in the forest with the objective of minimizing negative environmental impact of the forest ecosystem.
- Plantations - The project has completed the establishment of 170 ha of plantations. In addition, two trials testing the introduction of 38 new species to the area have been set up.
- Rehabilitation - The project has also completed rehabilitating 130 ha of degraded forest utilizing a combination of fast and slow growing native/exotic species. An unusually strong dry season has affected some of the areas planted.
- Extension - To date, three large seminar/workshops have been undertaken with the participation of most communities in the vicinity of the project area. A total of 70 families are actively participating in reforestation and forest management activities. Of these, 45 have set up community nurseries with technical guidance from the project. A total of 32 small holders have reforested one hectare each, utilizing their own resources and receiving only technical assistance from the Executing Agency.

A number of studies have also been completed including one on Forest Ecology (with assistance from the Botanical Dept. of the Catholic University), Forest Soils and Morphology, and Social Aspects. In sum, the project has undertaken and completed activities as outlined in the Project Document and workplan, and is currently on schedule.

### (31) PD 184/91 Rev.1 (F) Multipurpose Tree Planting in Egypt

Budget and Funding Sources:

Total Budget:	\$739,569
Government of the Arab Republic of Egypt:	\$119,819 */
Government of Japan:	\$519,750

\*/ total budget includes national in-kind contribution of E£399,000 (US\$1.00 = E£3.33)

Implementing Agency: Ministry of Agriculture and Land Reclamation, Arab Republic of Egypt

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: May 1992 (2 years)

Progress in project implementation is summarized below:



- Line planting along canals and roads, and the maintenance of already established plantations have been progressing in Khalybia, Gharbia, Munifia and Fayoum Governorates. Similar activities were initiated in Giza, Luxor, Qena and the New Valley Governorates.
- The development of man-made forests at Abou Rawash were pursued. The Qena man-made forest near the sewage water treatment station is under development and the irrigation system and site preparation have been completed for 10 feddans. New man-made forests are being developed at Kharga (25 feddans), Khassr (5 feddans) and Ballat (feddans).
- With regard to extension activities, plants were distributed to farmers in Qena Governorate and about 70,000 were sold to private landholders.

A final evaluation of the project was conducted on 9-14 October 1994. The evaluation showed that the specific design of this project has been rather weak, since the logical relationship of project objectives, activities and outputs were not very clear. In spite of the deficiencies in design, the project was implemented in general very efficiently and most of the approved outputs were achieved. For example, 180 km of linear plantations were established against a target of 150; and 100 feddans of man-made forests were established as against a target of 10. In general, the quality of these plantations is good but varied from one site to the other. The potential of establishing man-made forests is high because it is easier to control the establishment and maintenance of the plantations in addition to having a greater amount of water available, especially near sewage treatment facilities. Line planting could be successful only if certain conditions are met. An awareness campaign would help inform people on the need to protect planted trees and increase survival. Furthermore, effective coordination with the Ministry of Irrigation is essential to avoid the destruction of the plants by dredging equipment cleaning the canals. Also, effective coordination is needed with agencies responsible for with road and drainage works to enhance the effectiveness of line planting.

The extension activities did not received the attention they deserved. There is a need to develop a comprehensive extension strategy, taking into consideration the large capacity of seedling production by the nurseries developed under project PD 170/91 Rev.1 (F).

Even though all necessary information is not yet available to develop a national afforestation program, both projects (PD184/91 Rev.1 (F) and PD 170/91 Rev.1 (F)) have given the Executing Agency substantial experience. The information generated by these projects should be assessed and complemented by an operational pilot project to test and confirm the results achieved so far. This is recommended as a preliminary step to help develop a national afforestation program.

(32) **PD 185/91 Rev.1 (F) Sustainable Forest Management and Development in Peninsular Malaysia**

Budget and Funding Sources:

PHASE I (three years)

Total Budget:	\$ 1,586,304
Government of Japan:	\$ 1,056,789
Government of Malaysia:	\$ 529,515

Implementing Agency: Forestry Department Headquarters, Peninsular Malaysia

Session of Approval: Session XI, November 1991, Yokohama

Starting Date and Duration: 15 December 1993 (3 years)

The Project was approved by the Council at its Eleventh Session in December 1991. Due to the high cost of the project, the Government of Malaysia submitted a revised proposal on 17 December, 1992. The revised proposal was presented to the XII Session of the Permanent Committee where the project has been broken down into two phases of three years each.

The Permanent Committee approved of the revised proposal and subsequently, the project was financed by the Government of Japan during the XIV ITTC. The Agreement signed in Kuala Lumpur on 15 December 1993. At the end of 1994, the implementing agency was making arrangements to initiate project activities. An area of 500 ha within Labis Forest Reserve in Johor has been selected for the project site and secured by Johor State Government for the purpose of project for a duration of ten years. The Executing Agency is in the process of recruiting the nursery expert to be employed in the nursery site on full time basis.

(33) PD 186/91 Rev.2 (F) Tree Flora of Sabah and Sarawak

Budget and Funding Sources:

Total Budget:	\$ 1,224,800
Government of the United States:	\$ 100,000
Government of Japan:	\$ 612,800

Implementing Agency: - Forest Research Institute of Malaysia (FRIM)  
 - Sabah Forest Department and  
 - Sarawak Forest Department

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: January 1993 (3 years)

To implement the project, three centers of activities were established at: 1) FRIM in Kuala Lumpur, 2) Forestry Department in Kuching and 3) Forestry Department in Sandakan. The following highlights activities on the work in taxonomy:

- Volume 1: 32 manuscripts have been submitted by authors while work on 3 families has been completed. The remaining 24 families assigned are in various stages of development.
- Volume 2: Work on 11 of the 27 families have been started by the authors, and work on the remaining 16 families will be started in 1995.
- Volume 3: Revision of 4 of the 15 families is in progress, and work on the remaining families will be initiated either in 1996 or 1997.
- Volume 4: Work on 2 large families of the Myristicaceae (70 species) and Myrtaceae (120 species) has been started by authors.

From the 32 manuscripts received, 20 have been edited. At this stage, expeditions have been conducted to Marai Parai, Mt. Kinabalu and Sipadan Island in Sabah. Additional field work to Mt. Tawai, Sabah resulted in the collection of 1328 specimens. The project also published a technical journal to disseminate findings, exchange information and report on project activities. In addition, a workshop on DELTA (Descriptive Language for Taxonomy) was conducted from 29 March to 2 April 1994 at the Forest Research Center, Sandakan, and was attended by 34 botanists involved in this project.

The project encountered difficulties in recruiting junior botanists. Part of the budget allocated for senior botanist posts will be used to engage more junior botanists. Funds saved due to vacant posts have been placed under the budget line item of "emolument" and now amount to US \$ 236,000 because of prolonged vacancies. With the approval of the Permanent Committee during its Fifteenth Session, the Executing Agency reallocated the budget to provide financial support for the acquisition of reference materials and herbarium equipment, in addition to specialized training, and covering publication costs. The project adjusted its workplan to publish the first part of Volume 1 by the end of 1994.

(34) PD 202/91 Rev.1 (F) Sustainable Forest Management Through Collaborative Efforts

Budget and Funding Sources:

Total Budget:	\$ 1,324,194
Government of the Netherlands:	\$ 1,048,753
Government of Thailand:	\$ 334,194

Implementing Agency: The Society for the Conservation of National Treasures and Environment (SCONTE) and the Royal Forest Department of Thailand.

Session of Approval: ITTC Session XI, November 1991, Yokohama

Starting Date and Duration: December 1993 (3 years)

The ITTO Secretariat negotiated an agreement with the Government of the Netherlands for administering the project funds in March 1994. The initiation of project activities was held up pending the deposit of donor funds in ITTO's Special Account. The money was finally received and the first disbursement was processed on 14 July 1994. The Project Director has been appointed by the Executing Agency and other project staff are being assigned. The Executing Agency has communicated with the Royal Forest Department and other donors and NGO's to make an initial assessment of potential target villages in the Huai Kha Kaeng buffer zone. The first Steering Committee meeting was held in December 1994. During this meeting, it was decided to reduce the number of target villages to a more realistic level, and the budget was updated to coincide with the realignment of project outputs and activities.

(35) PD 204/91 Rev.1 (F) Identification and Study of a Plantation Project for the Production of Timber (2,500 ha) in the Reserved Forest of Halo Baloe (Plateau Region)

Budget and Funding Sources:

Total Budget:	\$ 433,378
Government of Togo:	\$ 59,077
Government of Japan:	\$ 374,301

Implementing Agency: Office de Développement et d'Exploitation des Ressources Forestières (ODEF)

Session of Approval: ITTC Session XI, 28 Nov.-4 Dec.1991, Yokohama, Japan

Starting Date and Duration: November 1993 (1 year)

Over the course of 1994, progress in project implementation has been reported as follows:

- An international consultant was hired to help the Executing Agency to detail and clarify the studies to be conducted under the project, assist in the development of a detailed workplan for the project and propose the most effective institutional arrangement for project implementation.
- A meeting of the Steering Committee was held on 24 August 1994, with the participation of ITTO representatives. It reviewed and amended the report of the international consultant, which included:

- \* The features of the studies to be carried under the project and an outline of study outputs.
- \* A detailed terms of reference of the various consultants and the project's key personnel.

- \* The type of information that should be included in the final report of the project and the structure of their presentation.
- \* A revised project budget not exceeding the approved amount.

Based on the revised terms of reference, the National Coordinator and the Principal Technical Adviser have been selected. The selection of other consultants involved in project activities is expected soon, as well as the start-up of field activities.

**(36) PD 8/92 Rev.2 (F) Study on the Growth of Native Species of Commercial Interest in Honduras**

**Budget and Funding Sources:**

Total Budget:	\$947,467
Government of Japan:	\$972,467
Government of Honduras:	\$ 25,000

**Implementing Agency:** National School of Forestry Science (ESNACIFOR) through the National Center for Applied Forestry Research (CENIFA)

**Session of Approval:** ITTC Session XIII, November 1992, Yokohama

**Starting Date and Duration:** September 1994 (5 years - first phase)

The Project was approved by the Council at its Thirteenth Session in November 1992. Complete financing for this project was pledged during the XVI ITTC in Cartagena de Indias in May 1994. A technical meeting was held with representatives from the Executing Agency (ESNACIFOR), the Honduran Ministry of Natural Resources, and the Conservation Officer on 1 July 1994 to discuss details concerning project start-up. As a result, the workplan and budget were updated and submitted to ITTC for approval.

The Agreement was signed on 30 September 1994, and the first installment of funds were transferred on 7 October. The Executing Agency selected and placed the Chief of Operations. The Dendrology Consultant was chosen and is expected to carry out an assessment on potential species to be included in the study in February 1995.

**(37) PD 9/92 Rev.1 (F) Forest Management in Islas de la Bahía, Honduras, Central America**

**Budget and Funding Sources:**

Total Budget:	\$755,082
Government of Japan:	\$425,000
Government of the United States:	\$222,619
Government of Denmark:	\$ 75,000
APRODIB:	\$ 32,463

**Implementing Agency:** Asociación Pro-Desarrollo de Islas de la Bahía (APRODIB)

**Session of Approval:** ITTC Session XIII, November 1992, Yokohama, Japan

**Starting Date and Duration:** To be determined (3 years)

The first project review was carried out from 27-30 June 1994 in conjunction with the second Steering Committee. The review team visited participant communities to get an overview of proposed and on-

going practices. The review team also held meetings with village Forestry Development Committees organized by the project to learn about their plans for managing natural and forest resources.

Headway has been made in organizing communities to form Forestry Development Committees to take charge of project activities at the village level. Communities are carrying out their own environmental needs assessment survey to help define the most appropriate practices. Most communities are highly motivated, but there remains to be problems due to an unequal distribution of wealth among people occupying lands in any given watershed.

In very short time, the project has established a central nursery and has initiated seedling production. These seedlings are being raised with a significant amount of community input, and is combined with raising environmental awareness and training. The project will be close to attaining its goal of producing 180,000 seedlings for the 1994 planting season. Progress has also been made in formalizing agreements with individual land owners for undertaking project activities, the formation of a credit committee to strengthen wood using micro-enterprises and planning for the use of consultants.

The Steering Committee's second meeting was held immediately after completing the review to discuss the workplan and review team's findings. The Steering Committee concluded that the project was basically on track, but needed to define certain strategies to facilitate project implementation. The review team and Steering Committees major recommendations are summarized as follows:

- The need for developing broad based forest management plans to define strategies for watershed management.
- Specify strategies for preventing and controlling fires, the future development of community nurseries, and the development of individual watershed management plans.
- The Executing Agency needs to establish a clear policy for the level of assistance it will provide to community groups, small and large individual land owners.
- Streamline the use of local consultants by transferring duties to the project's permanent technical staff.

(38) PD 10/92 Rev.1 (F) **Books and a Data-Base on the Major and Minor Commercial Timbers of South-East Asia Volume 5(1) and Volume 5(2) within the Prosea Program**

Budget and Funding Sources:

Total Budget:	\$ 1,664,550
Government of Japan:	\$ 1,068,041
The European Community:	\$ 507,368
Tropenbos Foundation:	\$ 150,000

Implementing Agency: The Prosea Foundation

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: March 1993 (2 years)

The first output of the project: Volume 5(1) of the Handbook: *Timber Trees: Major Commercial Timbers* (hardbound cover) was published in Wageningen-Netherlands in February 1994. This 600 page volume, covers 47 genera of timber compiled in 51 articles. The paper-back edition is also available and has been disseminated in South East Asia. The fourth Steering Committee Meeting was held in Bogor on 11 October 1994 and was attended by an ITTO representative. The Steering Committee reviewed on-going work for Volume 5 (2): *Minor Commercial Timber*. The project has also published leaflets and brochures of selected species for the field level purposes.

The editorial team appointed for Volume 5(2) is composed of Lemmens (the Netherlands), Soerianegara (Indonesia) and Wong Wing Chong (Malaysia), together with eight associate editors. To date, about 75% of expected manuscripts have been received. This volume will be the final output of the project which will consist of 600 pages covering 63 genera and 550 species. The handbook will be illustrated with 120 line-drawings and wood-anatomical photograph, and will include tables on wood properties.

The databank contains a checklist of about 6000 South-East Asian plant species with their uses and is developed as BASELIST database. CATALOG and PREPHASE are the literature databases which are used to give editors and authors access to up-to-date information. The literature databases has grown to 13,796 records since March 1993. The CATALOG database has increased to 52,000 records, of which 5,750 pertain to timber trees. The PREPHASE database currently has 24,296 records, of which 4,473 are related to timber trees. Moreover, the databases serving as directories to research organizations and scientists (ORGANYM/PERSONYM) were also developed under this project. Additionally, the TEXTFILE database contains the complete texts of the PROSEA books which offers the option for electronic publishing (CD-ROM). Another ITTO supported project "Tree Flora of Sabah and Sarawak" ( PD 186/91 Rev.2 ) has made extensive use of this databank.

**(39) PD 11/92 Rev.1 (F) Development and Dissemination of Re-forestation Techniques of Mangrove Forests**

**Budget and Funding Sources:**

Total Budget: \$815,850

Government of Japan: \$815,850

**Implementing Agency:** The Japan Association for Mangroves (JAM) in Cooperation with the National Mangrove Committee of Thailand (Thai NATMANCOM)

**Session of Approval:** ITTC Session XII, May 1992, Yaoundé, Cameroon

**Starting Date and Duration:** August 1993 (42 months)

The main objective of this project is to research and refine techniques for mangrove re-forestation. This is being done by establishing four pilot sites in four mangrove areas degraded by different causes. Furthermore, four case studies are being researched and presented from the neighboring countries of Malaysia, Bangladesh, Vietnam and Indonesia. To disseminate findings, National Mangrove Committees from the various Asian countries have sent representatives to project workshops to share experiences generated from the pilot sites and case studies. The project also plans to generate documentation and audio-visual materials on re-forestation practices.

The first workshop on re-forestation of mangroves was organized by Japan Association for Mangroves in cooperation with National Mangrove Committee of Thailand and ISME. It was held in Bangkok from 18 to 20 April 1994, and attended by a total of 26 participants representing 8 Asian countries and four international agencies. The Workshop discussed several technical and scientific aspects of mangrove management, followed by review on country reports from the participants. Some concrete recommendations on experimental approaches were suggested to be considered during project implementation. Following the Workshop, the second Steering Committee Meeting of the Project was held on 21 April 1994 in Bangkok to review the recommendations originating from the Workshop and to examine the modified financial plan submitted by the Executing Agency.

The third Steering Committee Meeting was held on 21 October 1994 in Yokohama to discuss project activities concerning case studies on mangrove and site selection for mangrove plantation. Four locations (each 3 ha) have been chosen in Nakhon Si Thammarat, in Ranong and in Phanga. These sites represent degraded mangroves areas caused by abandoned shrimp ponds, new mudflats, abandoned mining and areas cut over for charcoal production. Preparations are now under way for planting a total of 72,000 seedlings in the four pilot sites with the participation of local people.

(40) PD 14/92 Rev.1 (F) A Demonstration Program of Sustainable Utilization of Tropical Forests by Means of Differentiated Management in Hainan Island, China (Phase I)

Budget and Funding Sources:

PHASE I (Two years)

Total Budget: \$ 1,250,000

Government of Japan: \$ 1,250,000

Implementing Agency: The Department of Forestry of Hainan Province, China and the Chinese Academy of Forestry

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: December 1993 (5 years)

The second Steering Committee meeting was held in Haikou on 10 September 1994 to review progress in project implementation. The meeting reviewed the project's detailed work plan which includes six sub-projects throughout Hainan Province and in Beijing.

The project has established a permanent forest nursery with capacity of 3 million seedlings annually in the Zhanzhou region, in the western part of Hainan Island. Eucalyptus camadulensis, E. macolata and E. urophylla have been propagated by utilizing cuttings from superior clones as reproductive material. Acacia mangium and Pinus caribea are also raised in the nursery. To date, more than 730 ha of plantations of these species have been planted for demonstration purposes in surrounding areas. The project has also organized training events to strengthen the capacity of the local staff. A mission composed of Chinese specialists conducted a comparative study to Malaysia in August 1994.

In Bawangling, located in southwest Hainan, 2000 ha have been gazetted for sustainable natural forest management. The forest inventory has just been completed and experimental plots to develop regeneration techniques have been set up. Data is being collected, analyzed and stored in a software set up by the local GIS service. A preliminary management plan will be refined further with the cooperation of an expert from University of Guangzhou. The project is also developing an information center in Beijing to: 1) compile forestry reports, 2) publish a locally generated forestry journal and 3) disseminate technical reports for extension purposes.

(41) PD 26/92 Rev.2 (F,I) Development of Methods and Strategies for Sustained Management of Moist Tropical Forests in Cameroon

Budget and Funding Sources:

Total Budget: \$ 3,715,620

Netherlands/Tropenbos: \$ 1,473,990 (given directly to EA)

Government of Japan: \$ 1,138,687

Government of Denmark: \$ 100,000

Common Fund of Commodities: \$ 668,413 eq. to SDR 470,713

Government of Cameroon: \$ 334,530

Implementing Agency: Ministry of Environment and Forests of Cameroon and The Tropenbos Foundation of the Netherlands

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: July 1994 (5 years)

Two project Steering Committee meetings took place in Cameroon in August and October 1994 to clarify procedures of project implementation and resolve all outstanding matters in connection with the management of the project. The first installments of funds were released to both ONADEF and the Tropenbos Foundation in September 1994.

During 1994, progress in project implementation has been assessed as follows:

- The project has been established in Kribi and some equipment has already been purchased.
- Some researchers in The Netherlands and Cameroon have already been selected and started work on studies that will be conducted under the project. The rest of the researchers are still in the process of selection.

(42) **PD 37/92 Rev.1 (F) Preliminary Studies and Preparation of a Management Plan for the Bokoue Forest**

Budget and Funding Sources:

Total Budget:	\$ 1,802,492
Government of Gabon:	\$ 537,200
Government of Japan:	\$ 1,265,292

Implementing Agency: General Directorate of Water and Forests

Session of Approval: ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration: To be determined (2 years)

The Agreement regulating the implementation of the project was signed on 29 September 1994. The first installment of the ITTO contribution was released in October 1994. The first project Steering Committee meeting was held on 19 August 1994, with the participation of ITTO representatives where discussions were held concerning the allocation of project consultants and reviewing preliminary arrangements for project implementation. The selection of national and international consultants has just been completed and project activities are expected to start soon.

(43) **PD 39/92 Rev.1 (F) Dissemination and Training on ITTO Guidelines and Criteria**

Budget and Funding Sources:

Total Budget:	\$624,750
Government of the United States:	\$224,750
Government of Japan:	\$200,000
Government of Switzerland:	\$200,000

Implementing Agency: Fundação da Universidade Federal do Parana (FUNPAR) in coordination with the Brazilian Institute for Environment and Renewable Natural Resources (IBAMA)

Session of Approval: ITTC Session XIII, November 1992, Yokohama, Japan

Starting Date and Duration: February 1994 (18 months)

The agreement was signed on 24 February 1994, and the first installment of US\$ 200,000 was transferred on 31 March 1994.

Over the course of the year, the following activities have been undertaken:



- A detailed workplan was prepared and submitted to ITTO.
- Project consultants have been hired and support staff are in place.
- The *ITTO Guidelines for the Sustainable Management of Natural Tropical Forests* and *Criteria for the Measurement of Sustainable Tropical Forest Management* have been translated to Portuguese and 5,000 copies have been printed.
- A mailing list was developed for sending out the *Guidelines* and *Criteria*, as well as identifying candidates for workshops and training courses. The first mailing is planned for January 1995.
- Workshop preparations were initiated with the participation of government agencies and NGOs on the contents of ITTO's *Guidelines* and the implications on tropical forest management in Brazil.
- A data bank of forest management plans was completed for the states of Acre, Rondonia and Mato Grosso.
- Training materials were prepared to promote practices dealing with the sustainable management of tropical forests.

The first meeting of the Steering Committee was held in Curitiba on 13 December 1994. The Steering Committee reviewed the progress in project implementation and determined that the project is on track.

(44) PD 42/92 Rev.1 (F)      **Reforestation and Sustainable Management and Utilization in the Natural Cloud Forests of Jaen-San Ignacio**

Budget and Funding Sources:

PHASE I (one year)

Total Budget:	\$237,300
Government of Japan:	\$199,500
Government of Peru:	\$ 37,800

Implementing Agency:      National Forest Action Program (NFAP), Ministry of Agriculture

Session of Approval:      ITTC Session XIII, November 1992, Yokohama

Starting Date and Duration:      October 1993 (4 years)

The proposal specifies a one year planning phase (Phase I) and a three year implementational period (Phase II). The total project budget is calculated at US\$ 1,585,250, with a total ITTO contribution of US\$ 1,177,050. The first installment of US\$ 85,200 was transferred on 25 March 1994.

During the course of the year, progress made on project implementation has been as noted below:

- The project team was recruited by INRENA and the consultants were approved by ITTO.
  - A detailed operational plan was elaborated, reviewed and approved by the Steering Committee.
  - Field activities were initiated in the project's five components: reforestation, forest management, harvesting/timber processing, extension/training and applied research.
- \* Reforestation - The project staff has visited communities in the region to identify communities to participate in reforestation activities.
  - \* Forest Management - The Terms of Reference for contracting a local consulting firm to develop a forest management plan have been completed. The Executing Agency established an agreement for inter-institutional cooperation with the National Agriculture University, La Molina.
  - \* Timber Harvesting, Processing and Marketing - Some marketing information has been collected, but progress in identifying markets for locally processed timber products has not made much headway.

- \* Extension and Training - Target communities for participating in extension and training activities have been identified. Training materials have been prepared and presentations on the conservation of natural resources have been made in several communities. A radio program along this same topic has been elaborated and aired on local radio stations.
- \* Applied Research - Some adjustments to the workplan for applied research have been made. Species identification and phenological studies are also under way. The details on natural regeneration will be studied during the next six months.

- The project staff has spent most of its time visiting the project area to collect information and select sites. The staff also carried out an aerial reconnaissance.
- The first Steering Committee meeting was held on 15 July 1994. Aside from reviewing and approving the workplan, the Steering Committee defined its role and internal operating procedures.

**(45) PD 5/93 Rev.1 (F) Ten-Year Production of Treated Residual Dipterocarps Forest Stands.**

**Budget and Funding Sources:**

Total Budget:	\$ 53,864
Government of Japan:	\$ 11,664
Government of Philippines:	\$ 42,200

Implementing Agency: Department of the Environment and Natural Resources (DENR)

Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: February 1993 (2 years)

The Agreement was signed on 14 November 1993. The Forest Management Bureau of DENR has completed the boundary delineation of the permanent sample plots in Carmen, Surigao del Sur and St. Cruz Zambales. Data collection for the tenth year remeasurement has been initiated, and the implementing agency is compiling market prices for fuelwood and corresponding yarding/transport costs.

**(46) PD 6/93 Rev.2 (F) Manual and World Natural Mangrove Atlas for Mangrove Ecosystem Restoration**

**Budget and Funding Sources:**

Total Budget:	\$732,984
Government of Japan:	\$732,984

Implementing Agency: International Society for Mangrove Ecosystems (ISME)

Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: February 1993 (2 years)

The Project Coordinator initiated full-time work on the project beginning 1 February 1994. A Consultative Committee was formed of four well known specialists (plus the Project Coordinator) with expertise in critical areas dealing with mangrove rehabilitation and management. Furthermore, a complete literature search of data bases, biological and aquatic science abstracts was carried out for the past five years for references to mangrove papers. This search produced over 600 citations.

Most of the first year of implementation was taken up by international consultations and preparing draft formats. Details on progress throughout 1994 are outlined below:

- International Consultation - The Project Coordinator has contacted 31 specialists in mangrove ecosystems in respect to the project. As a result, the Executing Agency decided to constitute just one international advisory group rather than the two originally envisioned. All the experts in this advisory group were asked to comment on the nature of the three main project outputs: a non-technical manual on mangrove ecosystems, a world mangrove atlas and a technical manual on mangrove restoration. To date, 16 responses have been received. In addition, the Project Coordinator travelled to Europe to consult with the World Conservation Monitoring Center in Cambridge, and the International Institute for the Mapping of Vegetation in Toulouse to assess possible ways to collaborate on the development of the world mangrove atlas.
- Non-Technical Manual - An outline of this manual was drafted and distributed to experts for comments. Based on this feedback, the Project Coordinator has commenced to write the non-technical manual and hopes to have an initial draft completed for review by the time the workshop is convened in December. Quotes have been received for its design and printing of a 150 page, four color manual.
- World Mangrove Atlas - The project prepared a provisional synopsis for the World Mangrove Atlas in consultation with the WCMC. A contract has been drafted between ISME and the WCMC for producing the Atlas, with the WCMC contributing a great deal of information on mangroves from its own sources in addition to that provided by the project.
- Technical Manual - As a result of advice from the advisory group, a provisional synopsis for the technical manual has been prepared. There have been 10 offers to produce a case study chapter and invitations are about to be issued commissioning case studies.
- First Project Workshop - The first project workshop was held in Okinawa between 3-5 December 1994 and the second Steering Committee meeting took place in conjunction with the workshop. This first workshop provided an opportunity for mangrove specialists to review drafts of the three project outputs, and do some editing.
- Budget - The budget has been adjusted in light of the estimates that have been received for producing each one of the outputs. The Executing Agency submitted the revised budget to the ITTO Secretariat which was approved.

Progress on the project has been satisfactory and preparation of each of the project outputs is on schedule. The response from the international community for comments on various aspects of the project could be improved, and further attempts will be made to contact a wider audience.

(47) PD 11/93 Rev.1 (F) **A Strategy for the Sustainable Management and Harvesting of Forest Resources and Strengthening of Indigenous Territories in the Colombian Amazon**

Budget and Funding Sources :

Total Budget:	\$523,884
Government of Austria:	\$150,000
Government of Denmark:	\$ 50,000
Government of Norway:	\$ 50,000
Government of the United States:	\$ 88,643
Government of Colombia:	\$ 85,241
Puerto Rastrojo Foundation:	\$100,000

Implementing Agency: Puerto Rastrojo Foundation with the Cooperation of the National Institute of Renewable Natural Resources and Environment - INDERENA

Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: August 1993 (3 years)

A draft of the Agreement to regulate project implementation was sent to the Government of Colombia for review on 6 July 1993. The Agreement was signed on 15 June 1994 but the initiation of project activities was held up pending receipt of all pledges in ITTO's Special Project Account.

(48) **PD 20/93 Rev.1 (F)                      Development of National Guidelines for the Sustainable Management of Natural Tropical Forests in Cameroon**

**Budget and Funding Sources:**

Total Budget:	\$452,600
Government of Cameroon:	\$ 37,700
Government of Norway:	\$ 50,000
Government of Japan:	\$364,900

Implementing Agency: Office National de Développement des Forêts (ONADEF)

Session of Approval: ITTC Session XV, 10-17 November 1993, Yokohama, Japan

Starting date and Duration: February 1994 (2 years)

Over course of the year, progress in project implementation may be summarized as follows:

- The National Coordinator of the project has been designated.
- The Consultant in Forest Policy has been selected and started his assignment.
- Visits to pilot forest management projects and to institutions involved in forest management have been initiated.
- A first round table gathering ONADEF's forest management officers has taken place.
- The first draft of the workplan, including ideas presented by consultant and Cameroonian forester on forest management options has been developed and circulated among various interest groups.
- The first meeting of the project Steering Committee was held on 12 August 1994, with the participation of ITTO representatives. During the meeting, the Committee provided suggestions for the development of a detailed workplan.

(49) **PD 24/93 Rev.2 (F)                      Forest Management of Natural Forest in Malaysia - Phase II**

**Budget and Funding Sources:**

Total Budget:	\$950,258
Government of Switzerland:	\$283,779
Government of Japan:	\$283,779
Government of Malaysia:	\$382,700

Implementing Agency: Forestry Department Headquarters, Kuala Lumpur, Peninsular Malaysia

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: January 1994 (5 years)

The Agreement was signed on 15 December 1993 in Kuala Lumpur. This project is continuing the work initiated under PD 10/87 (F). Remasurements to monitor growth and yield have been completed in compartment 50 of the Sungai Lalang Forest and compartment 39 of Terengganu. Remasurements are currently underway in the other two study areas. Current activities include data verification, editing and a preliminary data analysis. The Secretariat has received final report for PD 10/87 and the first disbursement of funds were transferred to the Executing Agency towards the end of the year.

(50) PD 25/93 Rev.1 (F) Evaluation of the Progress Made by Ecuador Towards Achievement of ITTO Target 2000

Budget and Funding Sources:

Total Budget:	\$597,130
Government of Switzerland:	\$289,565
Government of Japan:	\$289,565

Implementing Agency: Ecuadorian Forest, Natural Areas and Wildlife Institute (INEFAN)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: June 1994 (2 years)

The Agreement was finalized and signed on 15 March 1994 in Tokyo, Japan. During its Fourteenth Session in Cartagena in May, the Committee approved of changes in the use of consultants in the project. The International Project Coordinator post was reclassified at the national post and the project added a Principal Technical Advisor for a 16 month period. In addition, the duration for consultancies with case studies was reduced from eight to three months, and the length of service for the computer expert was increased from five to 24 months. Minor adjustments were also made to the duration of other national level consultants.

Over the course of the year, the following has been accomplished:

- The Principal Technical Advisor and the Project Coordinator were contracted.
- A detailed workplan was developed and submitted to the Secretariat for approval.
- Case studies on policies/strategies for sustainable forest management were organized at the international level.
- Information was collected to assess areas that are under sustainable management.
- Preparations were underway for printing and distributing the *ITTO Guidelines for the Sustainable Management of Natural Tropical Forests* and *Criteria for the Measurement of Sustainable Tropical Forest Management*.

With project support, INEFAN drafted the basic strategies for attaining sustainable forest management and achieve ITTO's Objective 2000. These strategies are promoted by the Government of Ecuador with a legal backing of a Presidential Decree to guarantee the sustainable management of forest lands. The Decree outlines the role of rural communities, NGO's as well as promoting PLANFOR. It also allows for the creation of a Forest Guard and assigns the responsibility for the implementation of the terms in the Decree to INEFAN.

(51) PD 26/93 Rev.1 (F) Development of Bentuang Karimun Nature Reserve as National Park (Phase I)

Budget and Funding Sources:

Total Budget:	\$ 1,309,272
Government of Japan:	\$ 800,000
Government of Switzerland:	\$ 365,722
Government of Indonesia:	\$ 143,550

Implementing Agency: Directorate General of Forest Protection and Nature Conservation (PHPA)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: August 1994 (2 years)

The Agreement regulating the implementation of the project was signed in Jakarta on 12 August 1994. Thereafter, a joint committee with PD 106/90 Rev.1 (F) - Sarawak, Malaysia was convened in Jakarta to discuss the joint cooperation of the two trans-boundary projects. The launching ceremony Lanjak Entimau/Bentuang Karimun was held on 7 October 1994 in Batang-Ai, Sarawak to promote the joint efforts in biodiversity conservation areas of Indonesia-Malaysia. The Indonesian Ministry of Forestry is in the process of identifying the project personnel in the provincial level.

**(52) PD 32/93 Rev.2 (F) Rehabilitation of Logged-Over Forests in Asia/Pacific Region (Sub-Project III)**

**Budget and Funding Sources:**

Total Budget: \$558,779

Government of Japan: \$558,779

Implementing Agency: Japan Overseas Forestry Consultants Association (JOFCA)

Starting Date and Duration: April 1994 (2 years)

The agreement was signed on 17 March 1994, and the first disbursement was processed on 24 June 1994. The first Steering Committee meeting was held on 27 April and reviewed the draft work plan. The Steering Committee provided guidance on developing a methodology to refine the manual for the classification of logged over forests produced in Sub-Project II.

Sub-Project III will improve the linkage between the classification system for logged-over forests developed in Sub-Project II and satellite imagery analysis. The objective of this sub-project is to make the system more acceptable and usable to forestry agencies as a planning tool for rehabilitating logged-over forests.

Over the course of the year, the progress made on project implementation is as follows:

- Counterparts in forest management and remote sensing were assigned by the governments of the seven participating countries (Philippines, Malaysia, Thailand, Indonesia, India, Nepal and Papua New Guinea).
- A questionnaire was sent soliciting feedback from participant government forestry agencies on the classification system, manual and imagery analysis presented in the final report of Sub-Project II.
- Field tests were conducted in Indonesia (November 1994) and Nepal (December 1994) to evaluate the use of remote imagery in classifying logged over forests. The Ministry of Forestry in Indonesia organized a workshop at the outset of the field test to provide an opportunity for greater participation of its staff.

It took several months for participant governments to assign counterparts, however, now that all are in place, the project is progressing rapidly. The Governments of Indonesia and Nepal have been most cooperative in helping the Executing Agency carry out the field tests in their countries. The responses from the counterparts, plus the outcome of the field tests will be used to refine the use of remote sensing techniques as part of the classification system. A first of two workshops has been planned for August 1995, with the participation of counterpart governments.

**(53) PD 33/93 Rev.1 (F) Conservation, Management, Utilization and Integrated and Sustained Use of the Forests in the Chimanes Region, Beni Department, Bolivia**

**Budget and Funding Sources:**

Total Budget (Phase I):	\$ 2,092,518
Government of Bolivia:	\$ 500,998
Government of Japan:	\$ 700,000
Government of Switzerland:	\$ 321,520
Government of France:	\$ 150,000

Government of Denmark:	\$ 250,000
Government of the United States:	\$ 120,000
Government of Great Britain	\$ 50,000

**Implementing Agencies:** Center for Forest Development, Bolivia, in cooperation with the Ministry of Sustainable Development

**Session of Approval:** ITTC Session XVI, May 1984, Cartagena de Indias

**Starting Date and Duration:** December, 1994 (3 years - phase I)

This proposal was evaluated and recommended by the Sixth Expert Panel in August 1993. During its XIV Session in May 1994, the Permanent Committee requested the Bolivian delegation to amend the Project Document for PD 33/93 (F) to incorporate the final evaluation recommendations into the follow-on project. This was done and PD 33/93 Rev.1 (F) was approved and funded during the XVI ITTC in Cartagena. The Agreement was signed in December 1994

**(54) PD 36/93 Rev.1 (F) Securing the Implementation of Improved and/or New Established Nurseries in Egypt**

**Budget and Funding Sources:**

Total Budget:	\$301,730
Government of Egypt*/	£178,000
Government of Japan:	\$301,730
*/ In kind in local currency	

**Implementing Agency:** Undersecretary for Afforestation, Ministry of Agriculture and Land Reclamation

**Session of Approval:** ITTC Session XV, November 1993, Yokohama

**Starting Date and Duration:** November 1994 (1 year)

The project was approved by the Council at its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account. During the Sixteenth ITTC held in Cartagena de Indias, Colombia, the Government of Japan pledged an amount of \$301,730, thus securing the full financing of the project. The Agreement regulating the implementation of the project was signed on 28 October 1994. The first and only installment of ITTO contribution (US\$274,000) was released on 9 November 1994.

**(55) 29/94 Rev.1 (F) Seminar and Study Tour on Biodiversity Conservation in Natural Forest in Miyazaki**

**Budget and Funding Sources:**

Total Budget:	\$141,500
Government of Japan:	\$141,500

**Implementing Agency:** Japan Convention Services, Inc.

**Session of Approval:** ITTC XVI, May 1994, Cartagena de Indias, Colombia

**Starting date and Duration:** May 1994 (1 year)

The Government of Japan appointed the Japan Conventions Services, Inc. to be the Implementing Agency after following the appropriate procedures for awarding contracts. Three Steering Committee meetings were held in May, July and August with the participation of the Government of Japan, the Forestry Agency, Japan Conventions Services and members of the Secretariat. The Steering Committee decided on strategies for implementing the project and guided the work of the Implementing Agency.

The Study Tour and Seminar were carried out from 4 - 7 November 1994 with participants from both producer and consumer countries. The Study Tour visited Kirishima National Park in the Miyazaki Prefecture to observe how Japan manages the forest for biodiversity conservation. The day following the Study Tour, a Seminar was held. A Chairman and Rapporteur were selected before hand to lead and support the sessions. Five presentations were given, two from Japan and one from each of the ITTO three Producer Regions.

Many of the Committee members had an opportunity to attend this event. The proceedings from the Seminar will be drafted by the Rapporteur and presented to the Committee during its Sixteenth Session in Accra, Ghana.

### 3.2.4 Projects under Preparation for Implementation

#### 3.2.4.1 Projects with Complete Financial Allocations

Two projects in the field of Reforestation and Forest Management, which have been approved by the Council and for which financing is available, had still not become operational at the end of 1994. ITTO's financial commitment for these projects is \$1,056,762.

- (1) **PD 18/92 Rev.1 (F) Research-Development Associated with Management Operations in the Closed Forest of Côte d'Ivoire: Determination of a Forest Typology Related to Silvicultural Systems**

Budget and Funding Sources:

Total Budget:	\$ 772,546
Government of Côte d'Ivoire:	\$ 472,546
Government of Japan:	\$ 300,000

Implementing Agency: SODEFOR/CTPT

Session of Approval: ITTC Session XII, May 1992, Yaoundé, Cameroon

Starting Date and Duration: To be determined (3 years - phase I)

The budget for this project was reduced to US\$ 300,000 during the Council's XVII Session to become fully funded by the government of Japan. The project document has been subsequently reviewed to take into account the reduced budget and will be reviewed by the IX Expert Panel in February 1995.

- (2) **PD 2/93 Rev.1 (F) Integrated Pilot Management of the Ngoua II Fores North - Phase I: The Preparation of the Management Plan**

Budget and Funding Sources:

Total Budget:	\$945,146
Government of Congo:	\$188,384
Government of Japan:	\$756,762



Implementing Agency: Direction Générale des Eaux et Forêts - Ministère des Eaux et Forêts

Session of Approval: ITTC Session XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (18 months)

The project was approved by the Council during its Fourteenth Session in May 1993. Financing was made available by the Government of Japan during the XVII Council Session in November 1994. The draft agreement has been prepared and sent to the Implementing Agency.

### 3.2.4.2 Projects Awaiting Financing

During 1994, the Council approved seven projects for which full financing was not allocated by the end of the year. This makes a total of 15 Projects pending financing when adding on the seven projects approved during 1994. A total \$11,966,196 is required for the implementation of these Projects. Financing pledged by Member Countries for this purpose amounted to \$150,000 at the end of 1994.

- (1) **PD 48/92 Rev.2 (F) Biotechnological Development using Forest Species in the Zulia Basin, Municipality of Zulia, North Santander Department, Cimitarigua Community**

Budget and Funding Sources:

Total Budget:	\$ 1,362,502
Government of Colombia:	\$ 201,278
University of Javeriana	\$ 209,785
To be determined:	\$ 951,439

Implementing Agency: INDERENA and the Javeriana University

Session of Approval: ITTC XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (5 years)

The Project was approved by the Council at its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

- (2) **PD 49/92 Rev.3 (F) Biological Control of Pathogenic Micro-Organisms in Forest Plantations of the Pamplonita and Arauca Basins, North Santander Department, Negavita Community**

Budget and Funding Sources:

Total Budget:	\$ 1,519,490
Government of Colombia:	\$ 187,940
University of Javeriana	\$ 198,820
To be determined:	\$ 1,132,730

Implementing Agency: INDERENA and the Javeriana University

Session of Approval: ITTC XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (5 years)

The Project was approved by the Council at its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

(3) **PD 50/92 Rev.3 (F) Conservation and Integrated Development in the La Macarena Special Management Area**

Budget and Funding Sources:

Total Budget:	\$ 2,345,858
Government of Colombia:	\$ 759,074
To be determined:	\$ 1,586,784

Implementing Agency: INDERENA

Session of Approval: ITTC XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

(4) **PD 3/93 Rev.1 (F) Management and Conservation of the Forest of Bangou - Phase I: Development of the Management Plan**

Budget and Funding Sources:

Total Budget:	\$999,048
Government of Congo:	\$200,684
To be determined:	\$798,364

Implementing Agency: Direction Générale des Eaux et Forêts

Session of Approval: ITTC XIV, May 1993, Kuala Lumpur, Malaysia

Starting Date and Duration: To be determined (18 months)

The project was approved by the Council during its Fourteenth Session in May 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution became available in the Special Account.

(5) **PD 12/93 Rev.3 (F) Integrated Forest Fire Management in Indonesia - Phase I: National Guideline on the Protection of Tropical Forests Against Fire**

Budget and Funding Sources:

Total Budget:	\$ 1,030,024
Government of Indonesia	\$ 93,500
Government of Japan	\$ 100,000
To be determined:	\$ 836,524

Implementing Agency: Directorate General of Forest Protection and Nature Conservation (PHPA), Ministry of Forestry, Indonesia

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (2 years)

The Project was approved by the Council at its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

(6) **PD 21/93 Rev.1 (F) Forest and Farmers: Sustainable Coexistence**

Budget and Funding Sources:

Total Budget (Phase I):	\$ 1,356,579
Government of Thailand	\$ 313,095
Implementing Agency	\$ 115,576
To be determined:	\$ 927,908

Implementing Agency: Save the Children and Thai Royal Forestry Department

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (3 years - phase I)

The Project was approved by the Council at its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

(7) **PD 37/93 Rev.1 (F) Silvicultural Management in the Forests of Bajo San Juan**

Budget and Funding Sources:

Total Budget:	\$884,199
Government of Colombia	\$157,500
To be determined:	\$726,699

Implementing Agency: National Institute for Renewable Natural Resources and Environment (INDERENA)

Session of Approval: ITTC Session XV, November 1993, Yokohama

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

(8) **PD 40/93 Rev.1 (F) Improvement of Data Collecting, Processing and Application Techniques for Sustainable Forest Management**

Budget and Funding Sources:

Total Budget:	\$940,841
Government of Malaysia	\$406,800
To be determined:	\$534,041

Implementing Agency: Forest Research Institute of Malaysia (FRIM)  
Session of Approval: ITTC Session XV, November 1993, Yokohama  
Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Fifteenth Session in November 1993. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

**(9) PD 8/94 Rev.2 (F) Evergreen Club of Ghana/ITTO Youth in Forestry Project**

Budget and Funding Sources:

Total Budget:	\$102,015
Government of U.S.A.	\$ 25,000
Government of Ghana	\$ 50,000
To be determined:	\$ 52,015

Implementing Agency: Evergreen Club of Ghana  
Session of Approval: ITTC Session XVI, May 1994, Cartagena de Indias, Colombia  
Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Sixteenth Session in May 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

**(10) PD 23/94 Rev.1 (F) Rehabilitation of Fire Affected Forests in East Kalimantan**

Budget and Funding Sources:

Total Budget:	\$ 1,516,450
Government of Indonesia	\$ 510,969
To be determined:	\$ 1,005,450

Implementing Agency: Agency for Forestry Research and Development, Indonesian Ministry of Forestry  
Session of Approval: ITTC Session XVI, May 1994, Cartagena de Indias, Colombia  
Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Sixteenth Session in May 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

**(11) PD 26/94 Rev.1 (F) Conservation and Sustainable Management of Mangrove Forest Genetic Resources - Phase II: Establishment of Four Conservation Centers, Human Resources Development and Preparation of Guidelines for the Sustainable Management of Tropical Tidal Forests**

Budget and Funding Sources:

Total Budget:	\$529,800
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Government of India	\$150,000
To be determined:	\$379,800

Implementing Agency: M.S. Swaminathan Research Foundation, Center for Research on Sustainable Agriculture and Rural Development (CRSARD)

Session of Approval: ITTC Session XVI, May 1994, Cartagena de Indias, Colombia

Starting Date and Duration: To be determined (2 years)

The Project was approved by the Council at its Sixteenth Session in May 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

(12) **PD 28/94 Rev.1 (F) Continuation of the Publication of the Journal "Bosques y Desarrollo" and Organization of a Communication and Information Service**

Budget and Funding Sources:

Total Budget:	\$321,674
Government of Indonesia	\$ 34,000
To be determined:	\$287,674

Implementing Agency: Asociación Bosques y Desarrollo

Session of Approval: ITTC Session XVI, May 1994, Cartagena de Indias, Colombia

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Sixteenth Session in May 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

(13) **PD 33/92 Rev.4 (F) The Establishment of a Demonstration Area for Sustainable Use in the Wood Resource Base of the Forest Enterprise in N'Lobo**

Budget and Funding Sources:

Total Budget:	\$ 2,565,295
Government of Cameroon	\$ 1,040,820
To be determined:	\$ 1,524,475

Implementing Agency: Office National de Developpement des Forets (ONADEF), Russian State Association "Lesproekt"

Session of Approval: ITTC Session XVII, November 1994, Yokohama

Starting Date and Duration: To be determined (5 years)

The Project was approved by the Council at its Seventeenth Session in November 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

**(14) PD 22/93 Rev.4 (F) Forest Management, Community Development and Sustainable Utilization in Si-Kop Forest Area, Coastal Province, Cameroon****Budget and Funding Sources:**

Total Budget:	\$873,602
Government of Cameroon	\$148,500
To be determined:	\$725,102

Implementing Agency: Office National de Développement des Forêts (ONADEF)

Session of Approval: ITTC Session XVII, November 1994, Yokohama

Starting Date and Duration: To be determined (2 years)

The Project was approved by the Council at its Seventeenth Session in November 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

**(15) PD 2/94 Rev.2 (F) Dissemination of Silvicultural Experiences with Promising Forest Species in the Peruvian Amazon Region****Budget and Funding Sources:**

Total Budget:	\$690,268
Government of Cameroon	\$218,050
To be determined:	\$472,218

Implementing Agency: Peruvian Amazon Research Institute (IAP) through its Jenaro Herrera Research Center (CIJH)

Session of Approval: ITTC Session XVII, November 1994, Yokohama

Starting Date and Duration: To be determined (3 years)

The Project was approved by the Council at its Seventeenth Session in November 1994. Financing was not allocated at that time, but the Council authorized the Executive Director to start implementation as soon as earmarked funds for the total ITTO contribution become available in the Special Account.

**3.3 NON-PROJECT ACTIVITIES****3.3.1 The Economic Case for Natural Forest Management****Budget and Funding Sources:**

Total Budget:	\$219,000
(for the Asia/Pacific region)	
Government of Australia:	\$ 50,000
Government of Japan:	\$169,000

Implementing Agency: Forest Research Institute of Malaysia - FRIM

The Final Report consists of two volumes was submitted to the Fifteenth Session of PCF. The report highlights the relative importance of the forestry sector in overall economic development of the participant countries especially in terms of generating revenues and employment opportunities. The report also highlights the impact of logging on the values of timber, non-timber, water, and soil resources as well as carbon sequestration through diverse scenarios. The activity is now considered completed.

#### 4. FOREST INDUSTRY

In 1994, ten project proposals which had been evaluated by the Panel of Experts for technical appraisal of project proposals were included in the Forest Industry Committee's agenda for consideration:

- PD 19/93 Rev.2 (I): Establishment of a Common Service Facility and Training Center for Rubberwood Processing  
(Government of Philippines)
- PD 20/94 (I): Development and Extension on the Rubberwood Processing Technology  
(Government of People's Republic of China)
- PD 21/94 (I): Manpower Development of Sarawak Forest Sector  
(Government of Malaysia)
- PD 30/94 (I): Value-Added Utilization of Tropical Timbers of Fast Growing Non-Coniferous Species  
(Government of Japan)
- PD 33/94 (M,I): Improvement in the Quality, Efficiency and Competitiveness of the Forest Industry from the Central American Region  
(Government of Panama)
- PD 36/94 (I): Establishment of a Community-Based Forest Enterprise  
(Government of Philippines)
- PD 39/94 (I): Technical Training School for Guyana  
(Government of Guyana)
- PD 41/94 (I): Survey, Bio-Ecology, Prevention and Control of Insect Pests and Disease Organisms of Logs, Rattans and Bamboos Imported from Other Countries  
(Government of Philippines)
- PD 47/94 (I): Industrial Utilization of Lesser-Known Forest Species in Sustainable Managed Forests  
(Government of Honduras)
- PD 48/94 (I): Utilization, Demonstration and Promotion of Industrial Use of Certain Lesser-Known Species (LKS) in the Northwest Region of Ecuador  
(Government of Ecuador)

The Committee was informed by the respective submitting countries that, taking into account the Expert Panel recommendations, projects [PD 19/93 Rev.2 (I), PD 21/94 (I), PD 33/94 (M,I), PD 36/94 (I), PD 39/94 (I), PD 41/94 (I), PD 47/94 (I), and PD 48/94 (I)] are being revised by the proponents and could eventually be resubmitted for consideration in future sessions.

Two project proposals PD 30/94 (I): Value-Added Utilization of Tropical Timbers of Fast Growing Non-Coniferous Species and PD 20/94 (I) Development and Extension on the Rubberwood Processing Technology, were replaced by pre-project proposals presented by the submitting countries. The Committee decided on the implementation of the proposed pre-project activities which were designed to reassess and reformulate the project documents.

The scope and status of on-going projects, as well as of projects completed in 1994 are briefly summarized in sections 4.2.1 and 4.2.2.



#### 4.1 PRE-PROJECTS

Three pre-project proposals were evaluated by the Committee in the two Sessions of 1994. All of which were for implementation. These pre-projects are:

- (i) PPD 6/94 Rev.1 (I): Development and Extension of Rubberwood Processing Technology (\$ 26,375)  
Submitted by the People's Republic of China.
- (ii) PPD 7/94 Rev.2 (I): Pre-project for the Establishment of the AIMA Forest Corporation - CORFOAIMA (\$ 101,491)  
Submitted by the Government of Ecuador
- (iii) PPD 9/94 Rev.2 (I): Value-Added Wood Processing of Fast Growing Tropical Species (\$ 177,517)  
Submitted by the Government of Japan

The Council has allocated funds to finance the implementation of all three pre-projects.

##### 4.1.1 Completed Pre-Projects

Four pre-projects were completed and considered by the Forest Industry Committee in 1994:

- (i) PCI(VII)/5 Manpower Development of the Sarawak Forest Sector (\$ 151,184)  
Submitted by the Government of Malaysia

This pre-project study assessed the present and future workload requirements of the Sarawak Forest Department and determined the training needs of both the public and private sectors to assist in the development of manpower for the entire Sarawak forest and timber sectors. The pre-project study followed up on the recommendations of the ITTO Sarawak Mission, which found that manpower development was essential if the economic potential of the forest resources of Sarawak, its forest industries and other forest values were to be maintained. The implementation of the pre-project study was under the responsibility of the Forest Department of the State Government of Sarawak, Malaysia.

The pre-project allowed the preparation of a project proposal designed to provide a core of adequately and appropriately trained staff which would enable the reconstituted State Forestry Department to start an immediate, effective and efficient transition to sustainable forest management in all aspects.

The specific objectives of the project are:

- (i) to initiate the processes of building up the Forestry Department's capability for implementing the extension of forest management to full sustainability;
- (ii) to build up the in-service and in-country capability for training, re-training and continual training of the departmental and industrial workforce to the standards required for a sustainably managed forest sector.

The expected outputs include the Code of Forest Practice, and a quantified assessment of the re-deployment potential within the current staff of the Department that includes the nucleus of approximately 70 specially trained logging supervisors, wildlife, national parks and forest managers, and specialists needed to start the transition.

The design and implementation of planned training activities will rely upon inputs from international consultants and national officers, and involve training activities both in Sarawak and overseas. The project is essential to ensure long term, permanent forest development in Sarawak, Malaysia, as without the manpower to deliver sustainable forest management there will not be any.

The pre-project study has identified needed changes in the organization and operation in the private sector and provides a strategy for strengthening the Forestry Department's capacity. The pre-project study strongly points to the need for personnel of the Forestry Department at all levels to be given the respective appropriate exposure to the management of renewable resources on a commercial and business-like approach. Twenty four programs and training modules have been identified as relevant for implementation to achieve the necessary manpower to manage the Permanent Forest Estate.

- (ii) PCI(VII)/5 Development Work to Phase Out Trade of Unsustainably Produced Timber: Phase - 1 Assessment of Future Mahogany Supply and Alternative Industrial Operations for Sustainable Production (\$337,400)  
Submitted by the Government of Brazil

This pre-project carried out a preliminary assessment of the present situation and future prospects for the supply of Amazonian mahogany and explored alternative models for sustainable production. The study's immediate objectives were:

- (a) to analyze the supply and demand situation of mahogany, both for local and export markets;
- (b) to identify alternative models of production, including economic, social and environmental aspects, as well as organizational arrangements and institutional issues;
- (c) to evaluate the feasibility of the selected models; and
- (d) to prepare project proposals for follow-up action.

The study produced the following technical reports:

- (i) Forest Resources (Portuguese)
- (ii) Mahogany Production and Commercialization in Brazil (English)
- (iii) Mahogany Production in Indian Land (Portuguese)
- (iv) Mahogany International Market (Portuguese)
- (v) North American Markets (English)
- (vi) British Market (English)
- (vii) Public Policies and use of Forest Resources in the Amazon (Portuguese)

The pre-project study was implemented by FUNATURA, a Brazilian conservation NGO. The study's final report was made available and considered by the Forest Industry Committee in its Fourteenth Session in May 1994. The Committee held a comprehensive discussion on the results of the mahogany pre-project, which were presented by the representative of the implementing agency (FUNATURA) and the coordinating agency (IBAMA). The Committee commended the work carried out under the study, which contributed to a better understanding and knowledge of mahogany forest resources, silviculture, regeneration, industrial production and processing as well as marketing. The final report on the pre-project [PPR 29/93 (I)] including agreed amendments on the study recommendations and additional information on current rates of deforestation, has been printed and is available for distribution to interested parties.

- (iii) PCI(VII)/6 Institutional Strengthening of IBAMA'S Forest Products Laboratory (\$ 56,000)  
Submitted by the Government of Brazil

This pre-project study provided assistance in the planning of future research work of the Forest Products Laboratory (FPL) of the Brazilian Institute for Environment and Renewable Natural Resources (IBAMA). The study reviewed research and development activities of the laboratory with a view to adjust and improve its capability.

The implementation of the pre-project study allowed a critical analysis of the work carried out by the Laboratory during its twenty year existence and its relation with the industrial sector and other related research institutions. The major outputs of the study are the final pre-project report [PPR 33/94 (I)], which includes a detailed description of the study activities and findings, and a project proposal planning follow-up work to further strengthen IBAMA's FPL. The proposal includes the following main activities:

- (1) preparing a long term research program;
- (2) preparing and implementing training and incentive activities to develop and motivate FPL's staff; designing and establishing a data bank on timber and timber products; designing and implementing a program to improve dissemination of research results and extension services; and selecting and purchasing equipment to upgrade FPL's research facilities.
- (iv) PPD 42/91 (I)      **Technical and Economic Feasibility of Large-Scale Construction of Wooden House in Brazil (\$ 77,500).**  
Submitted by the Government of Brazil

The pre-project study reviewed timber species available in the Brazilian market and their use for wooden houses. The study has also reviewed current timber housing construction projects and assessed the constraints for wider and enhanced utilization of construction timber in Latin America. A technical roundtable was held 9 to 10 December 1993, when a broad range of topics related to housing were discussed, including the housing sector in Brazil, the use of wood in civil construction, systems of wood construction, innovative timber construction projects, technical standards, and economic, social and environmental aspects related to timber utilization in constructions.

The study made recommendations for the selected appropriate species for wood housing construction, identified innovative building solutions based on national and international experiences, analyzed legal, technical and economical constraints to wider utilization of wooden housing construction and carried out a preliminary assessment of the impact of large scale use of wood in housing in the resource base, in level of employment, and in energy consumption.

The implementing agency FUNPAR has made available the final pre-project report PPR 32/94 (I), which includes a detailed strategy for the implementation of a regional program to promote increased utilization of wood in housing construction in Latin America.

#### 4.1.2 Pre-Projects in Progress

Ten approved pre-projects are under implementation or under preparation for execution. Summaries of their status of development at the end of 1994 are given below:

- (i) PPD 40/91 (I)      **The Industrial Utilization and Marketing of Eucalyptus Plantations of the Province of Loja, Ecuador (\$ 57,000)**  
Submitted by the Government of Ecuador

This pre-project study is assessing the potential options and feasibility of industrial use of small logs from eucalyptus plantations in Loja. The assessment is taking into account the following aspects:

- (a) existing experiences and knowledge in eucalyptus processing and utilization;
- (b) production capability in Loja;
- (c) sites for pilot or demonstration processing units;
- (d) plantation management systems and logging methods;
- (e) markets and marketing possibilities; and
- (f) community organization and training requirements.

The study is also expected to reformulate an earlier Ecuadorean project proposal to assist local indigenous Loja communities in managing and utilizing their eucalyptus plantations. The reformulated proposal shall be designed with a focus on training, extension and demonstration activities. The implementing agency for this pre-project study is the Subsecretariat for Forestry and Renewable Natural Resources, Ministry of Agriculture and Livestock, Ecuador. The pre-project team, which includes an international consultant, is expected to conclude the study in June 1995.

- (ii) PPD 50/91 (I) Provision of Assistance for Reassessment and Reformulation of Zairian Project Proposals PD 205/91 (I) "National Saw Maintenance Centre" and PD 209/91 (I) "Study of Zairian Timber with a View to Promoting Certain Species" (\$ 44,000)  
Submitted by the Government of Zaire

In coordination with the Zairian TFAP follow-up unit, this pre-project is assisting the Government of Zaire in preparing project proposals for presentation to ITTO, under the following terms of reference:

- (a) Assess the wood production situation in Zaire, including the status and prospects for utilization and promotion of lesser-used species.
- (b) On the basis of the findings of activity (a) and taking account of the Zairian institutional capability and institutional support that may be needed, develop the project profile presented under PD 209/91 into a full project proposal.
- (c) Review and assess availability of appropriate saws and sawdoctoring training needs in Zaire and prepare recommendations for action to fill gaps, in light of ITTO priorities set up in the Action Plan. The planned activities may include the development of a full project proposal based on the profile presented under PD 205/91.

Work under item (a) and (b) above has been completed and the fully developed project proposal, PD 209/91 Rev.2 (I) - Study of Zairian Timber with a View to Promoting Certain Species, was approved for implementation by the ITTO Council. The completion of pre-project activities under item (c) above has been delayed due to internal difficulties in Zaire.

- (iii) PPD 5/91 (I) Pre-Feasibility Study on Harmonization of Tropical Plywood Standards (\$ 88,000)  
Submitted by the Government of Indonesia

Following a recommendation by the ITTO-sponsored World Conference on Tropical Plywood, the Government of Indonesia submitted and the Council approved a proposal to study the feasibility of developing appropriately harmonized tropical plywood standards for use in international trade. The objectives of the study are as follows:

- (a) Review plywood standards of major producing and importing countries.
- (b) Review and assess plywood standards adopted or likely to be adopted by major regional trade blocks such as the EEC and North America.
- (c) Consult major tropical plywood producers with a view to assess the feasibility of developing common standards that may appropriately meet the domestic markets as well as the requirements and standards of major importing markets.
- (d) Prepare recommendations and proposals for follow-up action if development of harmonized tropical plywood standards are deemed appropriate and feasible.

The study is being implemented by consultants selected by ITTO in consultation with selected relevant agencies. Consultants have been contacted, and a detailed workplan has been prepared. The study is expected to be completed in July 1995.

- (iv) PPD 2/92 Rev.1 (I) Sustainable Development of the Plywood Industry in Latin America (\$ 115,500)  
Submitted by the Government of Brazil

This pre-project will conduct a survey to provide updated information on the structure of the Latin American/Caribbean Plywood Industry. The study will analyze and make available information on location, raw material supply, production capacity, technology, employment, markets, etc., which are essential for planning further development of the plywood sector, particularly in a region where the industry has not developed as expected due to financial and marketing constraints. The implementation of this pre-project study is under the responsibility of the Brazilian Association of the Plywood Manufacturing Industry (ABIMCE). Work in the pre-project is expected to commence early in 1995.

- (v) PPD 8/92 Rev.2 (I) Creation of a Center for the Promotion of Lesser-Known Species in Europe (\$ 52,500)  
Submitted by the Government of Cameroon

This pre-project will study the feasibility of establishing a Center in Europe to undertake the promotion of lesser-known tropical timber species from all three producing regions. The proposal for establishing a promotion center has been in the ITTO agenda since 1988, when such a proposal was put forward as a result of an ITTO pre-project study on lesser-known species implemented by CTFT (France). This additional study was approved to assess the Center's feasibility and appropriateness. The implementation of the pre-project study is under the responsibility of the Office National de Developpement des Forets (ONADEF) in Cameroon.

The European Forest Institute was contracted in August 1994 to provide a consultant to assist in the implementation of the study.

In cooperation with ONADEF and other Cameroonian experts this consultant is also assisting in the reformulation of the provisional project document submitted as PD 5/92 (I) "Project for the Creation of a Center for the Promotion of Lesser Known Species".

The consultant has been responsible for technical assistance in the implementation of the pre-project Phase I, which will, through consultations with relevant agencies and timber industry and trade associations in Europe, assess the appropriateness of this marketing and trade channel as a viable option to promote import and consumption of African species in Europe.

- (vi) PPD 11/92 (I) Reviewing and Preparing Supporting Documents for Work on Guidelines for Sustainable Development of Forest Industries (\$ 157,200)

Following extensive discussions of a proposal contained in a paper entitled "ITTO Guidelines for Development of Sustainable Forest Industries: A Discussion Paper," put forward by the Chairman of the Forest Industry Committee, Prof. Nils Erik-Nilsson, a pre-project study was approved to establish the basis for further work on the Guidelines.

Specialized consultancy services were used to prepare a first draft of a document containing proposals on Guidelines for the Development of Sustainable Forest Industries. In preparing the first draft Guidelines, the consultants mainly took into account the enterprises' perspective but also included matters which relate to development of national policies.

A Panel of Experts to consider the first draft Guidelines for Sustainable Development of Forest Industries, prepared by the consultants, will be convened in January 1995 with 6 representatives each of producers and consumers, and one representative from trade NGOs, one from conservation NGOs, and one representative of a relevant United Nations organization. The Panel will consider and review the consultants' report and prepare a revised draft for further consideration by the Committee.

- (vii) PPD 9/93 Rev.2 (I) Expansion of the Production Capability of Small-Medium Scale Furniture Manufacturers for the Purpose of Increasing Malaysia's Exports of Value-Added Timber Products (\$ 62,760)  
Submitted by the Government of Malaysia

This pre-project will study the Malaysian production of furniture and furniture parts for export to consumer markets in Asian countries. The studies will focus on Malaysian small scale furniture industries and on possible subcontracting arrangements that could be encouraged between potential partners in Taiwan, Province of China and Japan. The study will also make recommendations on possible incentives and mechanisms to promote subcontracting and partnerships on furniture manufacturing. Contractual arrangements for the implementation of the pre-project are being finalized, and work is expected to commence early in 1995.

- (viii) PPD 6/94 Rev.1 (I)      Development and Extension of Rubberwood Processing Technology  
(\$26,375)  
Submitted by the People's Republic of China

This pre-project is assisting the Government of China in the reassessment and reformulation of the Chinese project proposal PD 20/94 (I) "Development and Extension on the Rubberwood Processing Technology". The study will provide Chinese scientists with the necessary inputs needed to review the literature on rubberwood processing and utilization and allow direct consultations and visits to rubberwood processing and utilization facilities in Southeast Asia. With the assistance of an expert from Southeast Asia, the pre-project will also survey the rubberwood utilization situation in China and design activities to disseminate in China the successful and appropriate processing and manufacturing practices that are common in Southeast Asia.

- (ix) PPD 7/94 Rev.2 (I)      Pre-project for the Establishment of the AIMA Forest Corporation -  
CORFOAIMA (\$110,491)  
Submitted by the Government of Ecuador

This pre-project will carry out a technical, economical and financial feasibility study on the establishment of a private forest enterprise for implementation of afforestation, reforestation and sustainable forest management activities. The study is expected to lead to the establishment of the enterprise and to the preparation of a project document to seek national and international financing for the enterprises's initial industrial afforestation and reforestation activities.

The pre-project will also include activities designed to study and to promote transfer of appropriate sawing technologies to the local forest communities operating in the areas selected by the pre-project for plantation and sustainable forest management activities.

Contractual arrangements for the implementation of this project are being finalized.

- (x) PPD 9/94 Rev.2 (I)      Value-Added Wood Processing of Fast Growing Tropical Species  
(\$177,517)  
Submitted by the Government of Japan

This pre-project will study the present status of technologies and techniques used to process plantation wood in ITTO producing countries with significant plantation resources. The study will survey knowledge and information available both in industrial plants and in relevant research institutions. The study will also undertake a study of the current and potential markets for selected plantation species from producing countries.

Contractual arrangements for the implementation of this project are being finalized.

## 4.2 PROJECTS

### 4.2.1 Completed Projects

#### 1. PD 13/92 (I): First Timber Industrialists Meeting in Central America

Budget and Funding Sources:

Total	\$ 21,000
Government of U.S.A.	\$ 21,000

Implementing Agency: National Institute for Renewable Natural Resources (INRENARE)

Starting Date and Duration: March 1993  
Planned - 6 months  
Actual - 9 months

This project promoted consultations among private sector timber industrialists in Central America by convening a regional meeting, as suggested at the TFAP-CA roundtable held in Honduras in September 1991. The objective of the meeting was to establish a Central American Timber Industrialists Network to facilitate the exchange of experiences between the different countries in the fields of management, industrial technology, harvesting and other aspects related to production forests in order to harmonize positions and consolidate proposals for regional cooperation. Five participants from each country in the region were invited, representing the primary industry, the secondary industry, the cellulose industry, the forest utilization sector, and the government sector. The Panamanian National Institute for Renewable Natural Resources (INRENARE) with the coordination of the Tropical Forestry Action Program of Panama hosted the series of workshops over a three day period that were designed to identify objectives and agree on program principles to promote regional forest development. The workshops were attended by a total of fifty-five representatives from both primary and secondary timber processing industries, logging and reforestation industries, and government forestry sectors.

The main output of the workshops was the "Panama Declaration", which canvasses a wide range of initiatives that should be taken to enhance sustainable forest development in the Central American region. A proposed Central American Chamber of Forestry will ensure that these initiatives are pursued. The most important points agreed in the declaration are:

- To create a Central America Chamber of Forestry that includes the governments of Belize, Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica and Panama, and the private business sector, having the objectives, among others, of sharing technologies, knowledge and marketing strategies;
- To recommend the creation and implementation of a strategic development plan that incorporates significant improvements in the efficiency and competitiveness of the region's wood industry with the participation of the private sector, financial organizations and cooperatives and with the respective governments as facilitators;
- To study the options for developing a system of Central American certification of forest products coming from sustainably managed forests, certified by technicians of the region and promoting international recognition;
- To standardize systems of species nomenclature, measurements, standards and grades for the commercialization of forest products from Central America which constitute the base for the promotion of free intra-regional trade;
- To create a forest product market intelligence system at a Central American level, which would be at the disposal of the forestry business sector and the Central American public in general;
- To create a system of education and dissemination about the forest industry in order to improve its image;
- To promote the export of wood products with the highest value possible and to promote the integration of the forest-industry-market system;
- To promote incentives for the sustainable management of natural forests;
- To promote long-term forest concessions in the national forests (giving priority to the wood industrialists of the region), involving local communities in their management and development;
- To solicit from the Central American governments a commitment that, within their political land reforms, they will not permit changes in the land use of forest lands;
- To strengthen the Central American forest services so that they are able to efficiently control and support the forestry sector.

**2. PD 137/91 Rev.2 (I): Strategy for a Sustainable Wood Industry Sector in Ecuador****Budget and Funding Sources:**

Total	\$468,523
Government of Japan	\$368,523
Government of U.S.A.	\$100,000

Implementing Agency: Subsecretariat for Forestry and Renewable Natural Resources  
Ministry of Agriculture and Livestock  
Government of Ecuador

Starting Date: March 1992

Duration: Planned - 11 months  
Actual - 19 months

This project involved the preparation of a basic plan for the sustainable development of Ecuadorean wood processing industries, based on a reliable assessment of the forest resources in the country and the long-term demand and supply outlook for forest products. The project concluded that Ecuador's total reliability on natural forests for wood supply is inadequate and may lead to shortage of industrial wood as early as the year 2013. The study makes recommendations and production forecasts at different levels of industrial investment and manufacturing and trade options which includes sawnwood, plywood, MDF, pulp and paper, and pulp log exports. The recommendations and projections for industrial development are based on the assumption that a substantial share of the country's wood supply will come from forest plantations to be established in the range of 20,000 hectares/year. This desirable scenario can be realized with the implementation of the recently approved (May 1993) National Plan for Promotion of Forest Plantations.

The project outputs include reports on: market studies (international and national); assessment of the current state of the wood industry; and sustainable forest production. Based on these studies, the project team designed proposals for the sustainable development of forest industries which includes the optimum production mix under three different raw material supply scenarios. The project also prepared programs and project profiles designed to contribute to appropriate forest industry development on:

- (i) silviculture and plantation development;
- (ii) forest management of natural forests;
- (iii) national forest inventory;
- (iv) vocational and managerial training;
- (v) establishment of cooperatives to optimize production and trade;
- (vi) marketing;
- (vii) timber standardization and quality improvement;
- (viii) incentives and other measures for manufacturing high value-added products; and
- (ix) industrial financing.

The project final technical report is being summarized for printing and distribution to all interested parties in Ecuador.

**3. PD 63/89 Rev.1 (I): Low-Cost Houses From Small Diameter Trees, Plantation Thinnings and Tree Tops and Branches****Budget and Source of Funding:**

Total	\$ 2,465,005.23
Government of Japan	\$ 563,654.00
Government of the Netherlands	\$ 236,351.23
Government of the Philippines	\$ 1,665,000.00 (in kind)



Implementing Agency: Forest Products Research and Development Institute (FPRDI)

Starting Date: May 1991

Duration: Planned - 36 months  
Actual - 38 months

This 3-year project implemented a research and development program to improve processing of logging residues and silvicultural thinnings and their utilization as housing materials. The project studied low capital and labor intensive technologies to allow the use of these raw materials for manufacturing lumber, finger-jointed pieces, plywood and wood cement/gypsum boards, which were used in suitably designed low-cost houses. Appropriate drying and preservation techniques for the construction materials proposed were also researched. Model houses were built with the construction materials researched by this project. A feasibility study on the establishment of small scale community-based enterprises and assessment of socio-economic benefits followed and completed the program. The strategy adopted in carrying out the project led to implementation of activities in four main areas:

- (1) Generation of appropriate technologies. This included R&D on the following:
  - (a) lumber production;
  - (b) drying;
  - (c) preservative treatment;
  - (d) cement-bonded boards;
  - (e) plywood; and
  - (f) production of wider and longer boards from short and narrow pieces.
- (2) Development of house designs and construction systems. This consisted of:
  - (a) design and preparation of materials for one and two bedroom housing units; and
  - (b) construction of model houses to showcase the technologies developed.
- (3) Socio-economics of producing raw materials including construction. This involved a study of the feasibility of establishing an enterprise to process the above materials for housing components.
- (4) Promotion and dissemination of developed technologies. This included radio interviews, press releases, technology fora, industry dialogues, preparation of audio-visual aids and information kits about the project.

The main technologies developed by the project and other major project results include the following:

- (i) Appropriate sawmilling method for small diameter trees, plantation thinnings and forest residues.

The technology provides an economical and efficient method for converting small diameter logs and residues into lumber. This involves appropriate machinery and log breakdown pattern to optimize lumber recovery and at the same time minimize or prevent a major problem associated with the conversion of small hardwood logs into lumber - the tendency to warp excessively during the drying process.

- (ii) Development of a low-cost, stress grading machine appropriate for commercial operation.

A simple lumber stress grading machine that can be fabricated locally was developed. It can predict the basic stresses of wood with acceptable precision by using the deflection criteria established for each grade.

- (iii) Non-pressure treatment including preservatives to be used for timber treatment.
- (iv) Construction of a 1000 bd. ft. capacity lumber dryer with two energy sources - solar and furnace.

The developed kiln saves at least 30 to 35% of the cost for generating heat energy. The kiln design is suited to rural areas and most kiln components are locally available.

- (v) A 2' x 2' and 2' x 4' size plywood produced from tops and branches.

The project developed a system using a 60 cm rotary veneer lathe, a furnace-type veneer dryer and a cold press for the production of small-size plywood from small diameter logs. Smaller-sized plywood produced in this low-cost plant are deemed as appropriate as commercial plywood for use as partition, ceiling and kitchen cabinet materials.

- (vi) Appropriate method of producing cement bonded boards.

Woodwool cement boards were developed in the project using wood-bonded with ordinary portland cement and some additives, and then cold-pressed under low pressure and ambient temperature. The wood-cement board is an energy-saving material that is suitable for Philippines' climate and socio-economic conditions.

- (vii) Wide boards from shorts and narrows through lamination and finger jointing.

- (viii) Development of several low-cost house designs and construction of demonstration houses.

- (ix) Training videos on the actual preparation of housing components and construction of demonstration houses.

- (x) Investors' fora.

Meetings were organized to promote appropriate technologies developed by the project on the processing/production of lumber, veneer and plywood, cement-bonded boards; designs and construction systems for low cost houses using raw materials from small diameter trees, plantation thinnings, tree tops and branches; and to identify potential users of these technologies.

- (xi) Socio-economic benefit analysis on the utilization of the materials and technologies for housing.

In conclusion, the project specific objectives have been attained, leading to commercial applications of developed technologies. The government has shown interest in using the technologies developed, particularly the cement-bonded board (CBB), in its low cost housing program. The CBB is now being used by the government in the construction of about 2000 dwelling units to relocate slum settlers in Manila. Also, the Confederation of Real Estate Builders Association is interested in using CBB in their housing programs. However, the panel product is not yet available in the market, although three CBB plants are being planned by the private sector based on the technology generated in the project.

#### 4. PD 154/91 Rev.2 (D): Integrated Development of Timber and Timber Product Marketing Structure in Ecuador

##### Budget and Source of Funding:

Total	\$244,000
Government of Japan	\$244,000

Implementing Agency: Corporación Andina de Fomento en Coordinación con el Ministerio de Agricultura y Ganadería del Ecuador

Starting Date: August 1992

Duration: Planned - 18 months  
Actual - 25 months

This 18-month project studied the current timber marketing structure in Ecuador in order to improve commercialization of timber products in the national and international markets. Consultants appointed by the implementing agency assessed the timber marketing situation in Ecuador and prepared a proposal for the development and implementation of a strategy aiming at further developing the marketing and trade of Ecuadorean forest products. The project produced three technical documents:

- (i) Forest Resources Situation and Forest Products Commercialization in Ecuador (142 pages);
- (ii) Timber Markets and Marketing in Ecuador (124 pages); and
- (iii) Executive Summary and Proposals for Further Work (84 pages).

The project reviewed all aspects of timber commercialization in Ecuador and studied in detail the production, transport and trade of logs, sawnwood, firewood and charcoal. The project also produced important information on timber market outlets in Ecuador and on timber products available in the country, and reviewed the country's external timber trade. Project outputs also included several recommendations and proposals to improve timber commercialization in Ecuador, presented in five project profiles entitled:

- (i) Use of Satellite Information for Forest Resource Monitoring;
- (ii) Establishment of a System for Monitoring Transport of Forest Products;
- (iii) Establishment of Central Timber Processing and Reprocessing Units;
- (iv) Feasibility Study on the Sustainable Management and Harvesting of Primary Forests in Ecuador; and
- (v) Survey of Forest Industry and Timber Trade Enterprises.

5. **PD 155/91 Rev.2 (I): Sustained Forest Industry Development in the Andean Group Countries**

Budget and Source of Funding:

Total	\$184,000
Government of Japan	\$ 84,000
Government of the U.S.A.	\$100,000

Implementing Agency: Andean Development Corporation in coordination with the Ministry of Agriculture, Ecuador

Starting Date: August 1992

Duration: Planned - 12 months  
Actual - 24 months

The project prepared and convened a subregional seminar to promote appropriate policies and measures for the development of sustainable forest industries in the Andean countries. The seminar was convened on 9-11 February, 1994 in Quito, Ecuador. Topics covered during the seminar included:

- (i) promotion of a better integration between the forest resource base and the forest industry;
- (ii) efficiency, productivity and profitability in the Andean Forest Industry, including analysis of constraints and development potential;
- (iii) promotion of secondary processing and value-added manufacturing; and
- (iv) analysis of the situation for sustainable forest development in the Andean Subregion.

A major component of the seminar was the presentation and discussion on sustainable forest enterprises. Three forest industry companies from the Latin American/Caribbean region had their operations assessed, particularly in regard to their social, economical and environmental feasibility and sustainability. Other themes explored through invited papers included:

- (i) political and institutional aspects in the forest sectors of five Andean countries;
- (ii) strategies for sustainable industry in the region; and
- (iii) the industrial utilization of new species.

Four working groups met during the seminar and agreed on the following major conclusions and recommendations:

1. Working Group on Policies and Strategy.

- (i) The group recommends a forest policy that effectively contributes to country development and national budget. The State, besides the activities of promotion and supervision, must provide information and coordinate surveys in the sector.
- (ii) Forest management must be based on land use capacity and aiming at higher profitability. A more pragmatic and flexible relation with international aid is recommended.

2. Working Group on Appropriate Forest Industries Development.

- (i) The group recommends the promotion of multi-purpose industrial plants. Universities and industries must integrate their research and training must be oriented to entrepreneurs and users.
- (ii) The development strategy should consider the full utilization of forest and trees oriented for final products and markets and search for integration in the manufacturing chain.
- (iii) It is also suggested the industry utilize new groups of species in order to achieve higher value-added production according to the market and to continue the search for preferential conditions of financing and give incentives to foreign investment.

3. Working Group on Secondary Processing and Small Scale Industry Development.

- (i) The group recommends more technical support to the artisanal and small scale industries, access to new technologies, and preferential credits channelled through community structures.
- (ii) Development should include the promotion of reforestation in order to supply the needs of small and medium scale industries and to give value to the local communities work related to wood production as well as other products, such as oils, seeds, resins, etc.

4. Working Group on New Tools for Sustainable Industrial Development.

- (i) The group expressed concern for the establishment of a certification system for sustainable management. The impact that this certification system could have on the social, economic and political conditions of the countries with tropical forests is not clear.

- (ii) Recommendation specific to ITTO include:

Certification should be studied within the Andean area, using mechanisms such as the Amazonian Cooperation Pact, the Andean Pact and others; ITTO should study new cooperation mechanisms between producers and consumers, particularly those that concern the search for financial resources for forest development activity.

Five hundred copies of the seminar processing and seminar executive summary were printed and are being disseminated.

#### 4.2.2. Projects Under Implementation

##### 1. PD 3.a/87 Rev.2 (I): **Enhancing Locally the Value of Lesser Known Species (Manufacture of Blockboards from Lesser Known Species in Cameroon)**

**Budget and Funding Sources:**

Total	\$397,000
Government of Cameroon	\$ 80,000 (in kind)
Government of Japan	\$159,000

Implementing Agency: Office National de Developpement des Forets (ONADEF)  
Centre Technique Forestier Tropical (CTFT)

Starting Date: September 1990

Proposed Duration: 12 months (exceeded)

This 12-month project is to facilitate transfer to Cameroon technologies for processing raw materials from lesser-known species into a manufactured stable product (edge-glued panel). A research center in Cameroon (ONADEF, formerly CENADEFOR), assisted by the "Centre Technique Forestier Tropical" (France) is responsible for the project development activities. Two hundred edge-glued panels were manufactured and used in school furniture, kitchen and dining room tables, and other products. The panels' performance in these products was evaluated. The project also organized a two day training sessions aimed at promoting and raising the interest of the private sector in manufacturing and using edge-glued panels. Twenty-five craftsmen received training on the manufacturing process. Additional activities underway include:

- (i) testing the experimental panel for manufacturing doors and housing components;
- (ii) market studies;
- (iii) marketing and product promotion activities; and
- (iv) construction of a demonstration house.

Implementation of activities (ii) - (iv) above has been delayed and the project is now expected to be completed in mid 1995.

##### 2. PD 4/87 Rev.1 (I): **Training in Planning and Management of Forest Industries in Developing Countries**

**Budget and Funding Sources:**

Total	\$ 2,182,630
FINNIDA	\$ 1,772,500
Government of Japan	\$ 205,065
To be pledged	\$ 205,065

Implementing Agency: Forestry Training Program (FTP) with the assistance of FAO and ITTO

Starting Date: October 1989

Proposed Duration: 4.5 years

This 4.5 year project is implementing - in Africa, Latin America/Caribbean and Asia/Pacific - training programs with the aim of increasing and improving the appropriateness and contribution of existing and new timber-based industries to regional and sub-regional development. The project includes: (1) a survey of the training materials and review of the curricula of the existing training institutions specializing in

forest industries; (2) preparation of appropriate training materials and further-training proposals necessary for forest industries planning, management and operation; (3) designing and holding six seminars to improve the knowledge and skills of about 120 managers of forest industry enterprises and representatives of public agencies from producing regions; and (4) designing and implementing at the national level six complementary and further-training programs on training skills and planning and management of appropriate forest industries.

The project included the following main components, all of which have been properly implemented:

- (i) establishment of the expert network in participating countries (concluded);
- (ii) surveying training needs in planning and management of forest industries (concluded);
- (iii) preparation of guidelines for planning and management of appropriate forest industries and methodology for their evaluation (concluded); and
- (iv) training workshops (near completion).

The project has prepared and printed the following technical documents:

- (i) Planning Forest Industries in Developing Countries;
- (ii) Training in Planning and Management of Forest Industries in Developing Countries (text and slide presentation); and
- (iii) Course Notes and Cases for Group Work.

Because of budget problems the number of training workshops held under the project was reduced from 12 to 10.

The table below lists the completed training workshops, including the final one held in Indonesia in October 1994:

YEAR	REGIONAL TRAINING WORKSHOP	NATIONAL TRAINING WORKSHOP
1991	Accra/Ghana, Panama City/Panama	
1992	Belem/Brazil, Abidjan/Cote d'Ivoire	Kumasi/Ghana, Quito/Ecuador
1993		Yaounde/ Cameroon, Belem/Brazil
1994	Kuala Lumpur/Malaysia	Jakarta/Indonesia

The completion report on this project will be available at the Committee spring Session in 1995.

### 3. PD 12/87 (I): Research on Utilization of Tropical Timber in Construction

Budget and Funding Sources:

Total	\$494,422
FRIM	\$220,538 (in kind)
Government of Japan	\$273,884

Implementing Agency: The Forest Research Institute of Malaysia, FRIM

Starting Date: January 1991

Proposed Duration: 5 years

This project consists of a research program in timber housing construction being carried out by the Forest Research Institute of Malaysia, to increase and improve the utilization of timber in housing and

building construction in the country. Research emphasis is on timber use and performance in load bearing applications. Expected outputs include several technical papers, manuals and design guides. The contractual agreement for project implementation was finalized in September 1990. As of December 1994 the following activities had been completed:

- (i) recruitment of a research scientist;
- (ii) research equipment selection and purchase, including hydraulic jacks, hydraulic loading control systems and load cells;
- (iii) studies on selection and definition of construction standard sized components (wall panels, roof rafters, joints, etc.) and preparation of an Information Paper on this subject;
- (iv) studies and testing on timber joints and fasteners;
- (v) designing, manufacturing and testing trussed rafters;
- (vi) preparation of four technical reports for publication, namely: (i) Selection of Standard Sized Components; (ii) Strength of Nailed Joints in Mengkulang; (iii) Strength of Metal Plate (Punched-Plate) Joints in Mengkulang; and (iv) Strength of Bolted Joints in Mengkulang;
- (vii) design and construction of a steel framework testing rig for testing full scale housing components;
- (viii) testing of housing component; and
- (ix) construction of a model house.

Work is in progress to build a model of a second prefabricated house designed by FRIM under the project. The scale of this model is one quarter size, slightly bigger than the first model (1:5 scale). This second model house would show more clearly a step-by-step procedure in assembling the house components. Following the completion of the preliminary guide book on the construction of a prefabricated house, work has now commenced to write a more detailed illustrated manual.

#### 4. PD 47/88 Rev. 2 (D): Utilization of Lesser Used Species as Alternative Raw Materials for Forest-Based Industries

Budget and Funding Sources:

Total	\$ 2,263,993	
Government of the Philippines	\$ 1,500,000	(in kind)
Government of Japan	\$ 763,993	

Implementing Agency: The Forest Products Research and Development Institute (FPRDI)

Starting Date: February 1993

Proposed Duration: 5 years

This 5-year project is promoting the utilization of 20-24 lesser-known species from the Philippines through research and dissemination of information on wood characteristics and technical properties, as well as by manufacturing and testing selected products. The project became operational in February 1993 with nomination of the Project Coordinator, Assistant Project Coordinator and 23 study leaders, in addition to 8 research assistants and 6 research aides.

A total of twenty-one research and development studies have been under implementation in 1994. These studies focus on investigations of the physical, mechanical, anatomical and chemical properties of lesser-used/lesser-known species (LUS/LKS) collected from selected regions of the Philippines. Preliminary tests on the natural durability, sawmilling, seasoning, preservative treatment, machining, gluing, bending, finishing, pulping and papermaking properties were also conducted and encouraging results were obtained in most of the LUS/LKS tested.

Furthermore, for selected species, tests for the rotary veneer cutting and drying properties and their suitability for pallets, wood-cement boards and power poles have been conducted. The development of a field guide to facilitate identification of lesser-used Philippine woods is currently under preparation. This guide

is being prepared alongside studies on the effect of harvesting LUS/LKS on the collection of non-wood products by local communities.

**5. PD 60/89 (M,F,I): Fellowship and Related Assistance Program to Promote Tropical Forest Sector Development**

**Budget and Funding Sources:**

Total	\$ 1,110,553.27
Government of Japan	\$ 690,000.00
Government of the Netherlands	\$ 375,621.73
Government of Australia	\$ 44,931.54

Implementing Agencies: ITTO in cooperation with JICA and FAO.

Starting Date: 1989

Proposed Duration: 2 years with annual extensions

This project has been superseded by Phase II of the Fellowship Programme - PD 1/93 Rev.1 (M,F,I). However, PD 60/89 (M,F,I) will remain operational until all the ongoing Fellowships have been completed. During the history of the project, a total of 167 Fellowships were approved, of which 112 had been completed as of 11 October 1994, 34 are still operational, and 14 pending; 2 have been terminated for unavoidable reasons. Of the 14 pending Fellowships, there are 7 contracted to cooperating agencies.

**6. PD 73/89 (M,F,I): Assistance for Project Identification and Formulation**

**Budget and Funding Sources:**

Total	\$ 1,076,900
Government of Denmark	\$ 300,000
Government of Japan	\$ 616,900
Government of the U.K.	\$ 80,000
Government of the U.S.A.	\$ 100,000

Implementing Agency: ITTO

Starting Date: April 1990

Proposed Duration: 1 year with annual extensions

The objective of this project is to improve project identification and formulation capabilities of the responsible personnel in ITTO producer member countries in order to expand national absorption capacity for investment and aid in the forestry sector. The importance of the project was recognized in Council Decisions 2(X) and 2(XI), which remind and encourage Members to use the expert facility available under the project to enhance their ability to identify and formulate good projects. The project is closely linked to other ITTO activities, in particular, the Expert Panel and the Project Cycle consultancies, which together comprise a multiple approach to seeking excellence in the structure and implementation of the project cycle. The project itself has organized training workshops, conducted a special country mission, and funded several independent consultancies to assist Members with project formulation.

At its Thirteenth Session, the Council approved an extension to enable training workshops to be conducted in the use of the ITTO Manual for Project Formulation and the Manual for Project Monitoring, Review and Evaluation. Full funding was pledged for this work at the Fourteenth Session and the documents were published and distributed in all three official languages, enabling the secretariat to commence searching for an appropriate institution to conduct the workshops. The ITTO secretariat called



for tenders for the consultancy services and selection of an appropriate proposal was effected in September 1994.

7. PD 94/90 Rev.3 (I): **The Integration of Forest-Based Development in the Western Amazon - Phase II - Technology for Sustainable Utilization of Raw Forest Materials**

Budget and Funding Sources:

Total	\$ 3,425,000
Government of Brazil	\$ 1,550,000 (in kind)
Government of Japan	\$ 1,575,000
Government of Switzerland	\$ 300,000

Implementing Agency: State of Acre Technology Foundation (FUNTAC)

Starting Date: April 1993

Proposed Duration: 3 years

This 3-year project will plan and initiate the industrial processing and utilization of timber and non-timber raw materials to be sustainably produced in the Antimari State Forest (Acre, Brazil). The proposed forest industry development will be based on the results of the socio-economic and environmental studies and preliminary forest management guidelines prepared in the project phase I [ITTO project PD 24/88 (F), Integration of Forest-Based Development in the Western Amazon - Phase I - Forest Management to Promote Policies for Sustainable Production].

Following additional studies on watershed basins, ecosystems, community organization and assistance, processing and marketing of rubber and Brazil nut, management of timber stands, and preliminary marketing research, the forest management plan, including a preliminary logging plan, was finalized in December 1993. The plan was reviewed by an inter-agency panel of forest management experts in 1994, and will be presented to the Brazilian Forestry Agency (IBAMA).

Following a recommendation of the steering committee, the implementing agency and project staff intensified the work to organize the local communities with a view to optimize their participation in the finalization and implementation of the forest management plan. The National Rubbertappers Association was sub-contracted to assist in the organization of the local communities.

The land tenure remains the major immediate problem to be solved by the implementing agency and Brazilian government. Continuation of the project with the implementation of the forest management plan is depending on the conclusion of the legal process to establish the Antimari State forest.

In its Fourteenth Session, the Permanent Committee on Forest Industry considered in detail the land tenure situation. The Committee urged the implementing agency (FUNTAC) and other relevant agencies in Brazil to take the necessary action to complete the legal process to establish the Antimari State Forest, and agreed that the Antimari Forest Management Plan cannot be implemented if the land tenure problem persists.

The Brazilian government further informed the Committee that consultations will be undertaken between the Brazilian federal and Acre state governments and an official position will be brought to the attention of the Committee at its next session in the spring of 1995.

**8. PD 102/90 (I): Development of Waferboard Products from Potential Tropical Wood Species for Building Pre-Fabricated Houses**

Budget and Funding Sources:

Total	\$371,858.02	
Government of Japan	\$ 72,480.02	
INPA	\$299,378.00	(in kind)

Implementing Agency: Amazonia National Research Institute (INPA), Forest Products Department (DPF)

Starting Date: November 1992

Proposed Duration: 18 months

This 18-month project is implementing a research program on the utilization of Amazonian tropical species for manufacturing waferboard for construction use. Boards were experimentally produced with three different species. Variables studied were resin content and pressing time. The boards' strength and dimensional stability properties were analyzed. The experimental boards manufactured under optimum conditions will be used as wall and flooring materials in a prototype house where they will be compared with commercial plywood panels.

Though the project had been slightly delayed because of mechanical problems with the press, blender and particle/wafer dryer, the manufacturing and testing of boards, and the preparation of structural wood components have been completed and the project is now entering its final phase in which a prototype house will be built.

**9. PD 107/90 (I): Strategies for Sustainable Wood Industries in Sarawak**

Budget and Funding Sources:

Total	\$519,398.50	
State Government of Sarawak	\$ 56,821.00	(in kind)
Government of Japan	\$447,407.50	
Government of Australia	\$ 15,170.00	

Implementing Agency: Ministry of Resource Planning, State Government of Malaysia (through the Forest Department and the Sarawak Timber Industry Development Corporation)

Starting Date: December 1992

Proposed Duration: 13 months (extended)

This 13-month project is preparing a sector plan for the development of forest industries in Sarawak. The project is developing the proposed plan through the following steps:

- (i) review and update market studies;
- (ii) determine the current (and currently proposed) capacity of the wood processing industry;
- (iii) determine forest management units and assess their production potential;
- (iv) determine the product mix which will optimize the economic return to the State; and
- (v) recommend changes to enable the forest sector to produce the optimum product mix.

Most basic studies have been completed and the following intermediate outputs are currently available:

- (a) An assessment of the forest resource and alternative scenarios for utilizing this resource; the scenarios describe a range of options leading to sustainable resource use;
- (b) Details on the capacity and capability of the existing wood based industries, and on current production and employment in the industry;
- (c) Market outlook for Sarawak timber products;
- (d) Studies into cost of logging and timber transport; and
- (e) A set of linear programming models for assessing sector planning alternatives.

Various industry development scenarios, with regard to log flow utilization, type of industry and industry location, were outlined for testing in the models, and the effects of costs (land rent and logging and transport costs), process and market potential were assessed for these scenarios. In the assessments, contributions of the options to gross state product, employment, state revenue, investment requirements, returns to investment and net foreign exchange earnings were estimated.

Policy instruments - incentives and disincentives - which would be required for achieving and securing the continued acceptance of the various development options were identified and their steering capacity assessed. A request for government guidance with regard to key policy issues, for the development of a final plan, was prepared and submitted to the Forest Department. Sections of the sector plan were compiled in preliminary draft form and distributed to the Forest Department and the State Timber Industries Development Corporation for comments and advice.

The data collecting activities have been completed and the quality and coverage of the data is sufficiently good for national planning purposes. The testing of development options and of the impact on the development of various incentives and disincentives is well established. The project has progressed well in its technical aspects, but still it is lagging behind in the policy development aspects. Secondary industry development also needs to be considered in the Plan and for this purpose, information on costs of producing further processed wood products and on markets for these products will be collected.

The project is now expected to be completed in early 1995.

#### 10. PD 108/90 Rev.1 (I): Forest Industry Development Studies

Budget and Funding Sources:

Total	\$ 535,000	
Government of Japan	\$ 475,000	
Government of PNG	\$ 60,000	(in kind)

Implementing Agency: Forest Authority, Papua New Guinea

Starting Date: July 1992

Proposed Duration: 2 years

This 2-year project implemented forest industry development studies with a view to assess the possibilities of increasing socio-economic benefits through establishing appropriate forest industries in Papua New Guinea. The project surveyed the existing timber industries of PNG and prepared a forest industry development plan. Reports prepared by the project include:

- (i) a core report containing salient points of each of the technical reports and a brief analysis on the socio-economic impact of the proposed strategy for forest development for use by decision makers in drafting and/or confirming forest policy and national forestry development guidelines; and
- (ii) six separate working documents providing technical details and analyses based on field studies of:

- sector background working papers and a forest sector review;
- case studies of the industrial processing sector;
- a review and projection study of harvesting and transportation systems;
- a study of financial and economic incentives in the management of PNG's forest resources;
- a domestic market study; and an
- international market study.

Fifty copies of a draft report summarizing the above documents were produced and distributed to various parties involved in the forest sector for comments and questions. The draft final report has been accepted by the PNG Forest Authority. A national round-table was held on February 16 and 17, 1994 to discuss the report with representatives from industry, donor agencies and forestry institutions. The implementing agency has informed that the project has been completed and that the final report will be available early in 1995.

**11. PD 109/90 Rev.4 (I): Assistance to Modernization, Restructuring and Development of Based Industries in Cote d'Ivoire**

Budget and Funding Sources:

Total	\$ 2,917,400	
Government of Japan	\$ 680,400	
Government of Cote d'Ivoire	\$ 2,237,000	(in kind)

Implementing Agencies: Societe de Developpement des Plantations Forestieres  
Ministry of Agriculture and Animal Resources

Starting Date: May 1993 (estimated)

Proposed Duration: 3 years

This 3-year project will provide Cote d'Ivoire with an overview on which the planning and execution of a detailed forest sector development plan can be based. A technical and economic assessment of existing timber industries will be carried out to link industry development to sustainable wood supply from five selected forest management units. Project implementation started in April 1994. Project work so far has been concentrated in the following areas:

- (i) identification and recruitment of project personnel;
- (ii) designing inventory methodology and industry surveys; and
- (iii) identification of forest management units to be studied in the project.

**12. PD 133/91 Rev.1 (I): Technological and Dendrological Study on Schinopsis (Anacardiaceae) in Chiquitania and the Bolivian Chaco**

Budget and Funding Sources:

Total	\$218,125	
Government of Bolivia	\$ 88,225	(in kind)
Government of Japan	\$129,900	

Implementing Agency: Forestry Development Center, assisted by the General Directorate of Standards and Technology

Starting Date: July 1992

Proposed Duration: 18 months

This 18-month project is implementing a systematic and comprehensive research study on the identification and utilization of the *Schinopsis* species in Eastern Bolivia. The major activities planned have been already implemented and include:

- (i) dendrological studies;
- (ii) gathering of samples from the forest;
- (iii) preparation of test samples;
- (iv) determination of wood physical and mechanical properties;
- (v) wood anatomy descriptions;
- (vi) determination of wood tannin content;
- (vii) initiation of field tests on timber durability; and
- (viii) designing and setting-up plots for the regeneration studies.

A seminar was convened to present and discuss the project results. The project is expected to be completed early in 1995.

**13. PD 143/91 Rev.2 (I): Non-Wood Tropical Forest Products: Processing, Trade and Collection**

Budget and Funding Sources:

Total	\$374,000
Government of Japan	\$150,000
Government of U.S.A.	\$200,000
Government of Norway	\$ 24,000

Implementing Agency: FUNATURA with the cooperation of IBAMA, EMBRAPA, INPA, MPEG, SUDAM, UFPA and FCAP

Starting Date: September 1993

Proposed Duration: 2 years

This 2-year project is studying the non-wood forest products of a selected pilot tropical forest area (Tapajós National Forest) in Santarem in the East Brazilian Amazon. The project is surveying both existing and potentially important commercial products and assessing their role in the local and regional economies. The study will also focus on assessment of further processing possibilities with the objective of adding value to products which are mostly traded by the local communities with little or no processing at all. The project became operational in September 1993.

The bibliographical research, which will establish the basis for the other parts of the project has been completed. Information has been collected on 640 non-wood forest species in Amazonia. This first survey provided the basis for establishing the project data bank containing taxonomic and use information. On the project component covering research and studies, the following products have been identified for further consideration:

- (i) Sucuuba Milk (*Plumeria sucuuba*): species of high medicinal interest, for the treatment of ulcers and gastritis. For the pharmacological studies, the Pluridisciplinary Center for Chemical, Biological, and Agricultural Research - CPQBA of the University of Campinas, SP has already been contacted.
- (ii) Andiroba oil: extracted from seeds of *Carapa guianensis*, for use as a special lubricant (for tools, and lathing) and as a base for natural soaps.
- (iii) Cumaru: setup for a simple system of extracting seeds of *Dipterix odorata* ("tonka beans") which could be assimilated by collectors of non-wood products in the Amazon Region.
- (iv) Natural Rubber: a proposal for a simple system for the processing of latex of *Hevea brasiliensis*, adding value to the raw material while it is still with the rubber tappers.

- (v) Balata: a return to its production with methods which are not destructive to the tree (*Mimusops bidentata*).
- (vi) Brazil Nut: dissemination of techniques of producing oil from Castanha do para (*Bertholetia excelsa*).

Three of these products have already been selected for further studies: sucuuba milk, and iroba oil and tonka beans. The project is also planning a socio-economic survey in the study area (Santarem, East Amazonia). IBGE Foundation - Brazilian Institute for Geography and Statistics, which is the specialized government organization responsible for census and socio-economic surveys, is assisting in the studies, which will collect information on and from producers, traders and industries involved with non-wood forest products.

#### 14. PD 150/91 Rev.1 (D): Identification and Nomenclature of Commercial Tropical Timber Species in the Andean Sub-Region

##### Budget and Funding Sources:

Total	\$ 1,057,000
Government of Japan	\$ 550,000
INIAA	\$ 507,000 (in kind)

Implementing Agencies: National Agriculture and Agro-Industrial Research Institute (INIAA), assisted by Forestry Agencies in the Andean Sub-Region countries

Starting Date: February 1993

Proposed Duration: 3 years

The objective of this 3-year project is to harmonize nomenclature for major commercial timber species in the Andean Subregion and prepare a practical manual for their dendrological and anatomical identification. The study will include work on 100 species identified in the project proposal. The project will also plan and implement training activities to promote proper identification of species and use of harmonized nomenclature.

The project became operational in February 1993. As of December 1994 the following activities had been completed:

- (i) selecting and engaging the participating research centers in the Andean countries;
- (ii) selection and appointment of an international consultant to assist with the dendrology work;
- (iii) final selection of the tropical species to be covered by the project;
- (iv) elaboration and agreement on species identification methodology and reporting format;
- (v) initial coordination with relevant public and private entities;
- (vi) selection and inspection of timber sampling areas;
- (vii) marking, felling, sample selection and codification of timber specimens;
- (viii) specimen delivery to participating national research laboratories; and
- (ix) improving research facilities and installing computer databases in the national research laboratories.

The project field work was completed in July 1994, and researchers have since concentrated on laboratory work and on preparation of technical reports which will constitute the basis for assembling a practical handbook for species identification. Following a suggestion of the project steering committee, information is also being collected on forest inventories, species availability and commercial potential.

**15. PD 152/91 Rev.1 (I): Harmonization of Technical Tropical Timber Standards in the Andean Sub-region**

**Budget and Funding Sources:**

Total	\$478,000	
Government of Japan	\$316,000	
INIAA	\$162,000	(in kind)

**Implementing Agencies:** National Agriculture and Agro-industrial Research Institute (INIAA)  
Technical Standards and Industrial Technological Research Institute (ITINTEC)

**Starting Date:** February 1993

**Proposed Duration:** 2 years

This 2-year project is promoting standardization as a means of improving the quality of Andean tropical timber products and increasing export timber supply and access to consumer markets. The specific objectives of the project (phase I) are:

- (i) to identify the main reasons for the limited use of technical standards in the field of forest products in the Andean Sub-region and to suggest actions to ensure effective use of standards; and
- (ii) to promote and encourage the use of the sawnwood grading rules of the U.S. National Hardwood Lumber Association (NHLA) in the five Andean Subregion countries.

The assessment of standardization policies and constraints to use of standards, and the identification and assessment of options to promote use of appropriate standards are underway in each of the five participating Andean countries. Preparations for a course to provide training in the use of the standards adopted by the U.S. National Hardwood Lumber Association (NHLA) were made throughout the first half of 1994 and this course, designed to provide training to national instructors, was conducted in Lima in November 1994. The course was, prepared with the assistance of an expert from the NHLA, and will be followed by similar training events in each of the participating countries.

**16. PD 179/91 Rev.1 (I): Industrial Utilization and Improved Marketing of Some Ghanaian Lesser-Used Species from Sustainably Managed Forests**

**Budget and Funding Sources:**

Total	\$ 1,134,180
Government of Ghana	\$ 148,907 (in kind)
Government of Japan	\$ 865,273
Government of U.S.A.	\$ 120,000

**Implementing Agencies:** Forestry Research Institute of Ghana  
Ghana Timber Export Development Board

**Starting Date:** April 1993

**Proposed Duration:** 3 years

This three-year project is implementing industrial utilization and marketing research activities to promote production, trade and consumption of products manufactured with lesser-used Ghanaian tropical timber species for which inventory data and technical properties information are available. While the project will focus on product development research and market studies, research on the environmental

impact of harvesting lesser-used species at various intensity levels is also included. Dissemination of the technologies developed and other project results to forest industries of Ghana and selected countries in the region will occur through training workshops, seminars, and publications.

The project became operational in June 1993. A comprehensive review of the literature on the properties and areas of utilization of the 14 selected lesser-used species has been carried out. A survey has been conducted on ten selected mills/companies to determine (1) the extent to which the lesser-used species are being processed into value-added products, (2) the level of interest and willingness of the companies to participate in the project, and (3) to ascertain the managerial and technological experience of each of the companies.

Exploratory interviews in consumer countries with managers of companies which have been long-time buyers of Ghana wood and wood products have been carried out in the United Kingdom and in the United States of America. The results of these exploratory interviews were combined with the information obtained during the literature review to provide the basis for developing the marketing framework for lesser-used tropical species marketing promotion.

The working and technical properties of 5 of the 14 selected species have been determined with the assistance of researchers from the University of Washington (U.S.A.).

Interim reports already made available include:

- (i) the industrial utilization and improved marketing of some Ghanaian lesser-used timber species from sustainably managed forests;
- (ii) Ghana hardwood gluability;
- (iii) veneer and plymilling studies; and
- (iv) sawmilling studies.

After reconnaissance surveys, three sites have been selected for environmental impact studies. These are Draw River Forest Reserve in the wet evergreen zone, Bura Forest Reserve in the moist evergreen zone and the Asukese Forest Reserve in the moist semi-deciduous zone.

Field work to assess the environmental impact of harvesting lesser-known species has been started with an assessment of the vegetation in fifteen plots. This includes species identification and measurement of tree diameter at breast height for each plant greater than 10 cm. diameter. Soil sampling to determine the soil nutrient content in these fifteen plots has also been completed.

This information has not been updated since April 1994 because no progress report was submitted by the implementing agency.

#### **17. PD 209/91 Rev.2 (I): Study of Zairian Timber with a View to Promoting Certain Species**

Budget and Funding Sources:

Total	\$695,116
Government of Japan	\$695,116

Implementing Agency: Center for Timber Promotion (Ministry for Environment)

Starting Date: May 1993 (estimated)

Proposed Duration: 5 years

This 5-year project will contribute to restructuring and strengthening the Zairian Center for Timber Promotion and assist with the implementation of research and marketing activities to promote the utilization and trade of Zairian lesser-known species. The activities include:



- (i) the renovation and equipping of CTP office and laboratory facilities;
- (ii) collection and information on Zairian species and establishment of a data bank;
- (iii) implementation of basic research on wood anatomy and mechanical strength;
- (iv) on-the-job training of Zairian staff on timber technology, marketing and data bank operations;
- (v) organization of market promotion events in major domestic outlets; and
- (vi) organization of overseas promotion missions and participation in international timber fairs.

Contractual arrangements for project implementation were finalized in February 1993. The implementing agency has been notified that ITTO is holding consultations with the donor country concerning the disbursement of project funds to allow project commencement.

**18. PD 17/92 Rev.4 (I): Technology Transfer/Commercialization of Selected Cocowood Utilization Technologies**

**Budget and Funding Sources:**

Total	\$ 1,966,983
Common Fund for Commodities	SDR 320,750
Government of Japan	\$ 320,238
Government of Philippines	\$ 1,200,000 (in kind)

Implementing Agency: Forest Products Research and Development Institute (FPRDI)

Starting Date: May 1994

Proposed Duration: 3 years

This project will promote technologies for processing and commercialization of cocowood materials for the production of housing components, furniture and other higher value-added products in the Philippines and other Asia/Pacific countries. It will review and update existing know-how on cocowood processing and utilization developed at the Forest Products Research and Development Institute to implement a technology transfer/commercialization program, including at least five pilot technologies for which feasibility studies will be made and relevant equipment produced and tested.

The project became operational in September 1994.

**19. PD 20/92 Rev.1 (I): The Identification, Properties and Uses of the Tropical Timber Imported to China from Africa**

**Budget and Funding Sources:**

Total	\$126,700
Government of China	\$ 40,000 (in kind)
Government of Japan	\$ 86,700

Implementing Agency: Research Institute of Wood Industry, Chinese Academy of Forestry (CRIWI)

Starting Date: November 1992

Proposed Duration: 3 years

This three-year project is producing technical and promotional material to assist Chinese importers and users to properly identify, process and utilize tropical timbers from Africa. The technical literature on African tropical timbers will be reviewed and technical data will be available in computer form for utilization by interested parties in China. The literature review will be complemented by research on wood anatomy and selected physical properties to be implemented in the CRIWI laboratories.

The project is the second phase of a comprehensive program that includes the study of species from Southeast Asia, Africa, and Latin America/Caribbean.

In June 1993, three scientists from CRIWI visited CIRAD of France and the Department of Forestry, Wageningen Agriculture University in the Netherlands for collection of wood specimens and information concerned. In November/December 1993, a study tour by three scientists was organized to visit the Ecole Polytechnique de Yaounde, Department of Forestry, the University Centre of Dschang in Cameroon, the Forest Research Institute of Ghana, the Timber Export Development Board in Takoradi, and timber mills in Ghana for collection of wood specimens and gathering information on the forestry resources and wood industry situation in Africa. The mission also collected and compiled data on timber exports, including prices, to provide to Chinese timber users appropriate information on the potential for trade with African producers.

The following work has been continuing at CRIWI: collection of information on important commercial timbers from Africa; collection of wood samples (180 specimens of African timbers have been collected); wood anatomical studies and observation and description of wood structure. Work has also progressed on the creation of the computer database. The analysis of research results and other project data is nearly completed and will provide the basis for the preparation and publication of a handbook entitled "Tropical Woods of the African Region." This handbook will be published in Chinese and will be an important tool in the promotion of trade and use of African species in China.

20. PD 46/92 (I):                   **World Conference on Tropical Plywood in the Latin America/Caribbean Region**

Budget and Funding Sources:

Total	\$223,650
Government of Japan	\$223,650

Implementing Agency: Ecuadorean Timber Industrialists Association (AIMA)  
Government Forestry Service, SUFOREN

Starting Date:                   September 1993

Proposed Duration:           20 months

This project is organizing and will convene a World Conference on Tropical Plywood in Quito, Ecuador, in a follow-up to a recommendation of the December 1991 World Conference on Tropical Plywood in Asia/Pacific Region [PD 70/89 Rev.2 (I)]. The conference will provide a forum for exchange of information, consultation and cooperation between producers and consumers of tropical plywood. The conference will focus on the following issues related to the tropical plywood industry:

- (i) global and regional supply and demand prospects;
- (ii) processing advances and improvement of quality, yield and waste reduction;
- (iii) industrial standardization;
- (iv) sustainability of forest resources and Year 2000 Objective;
- (v) updating and improvement of forest statistics;
- (vi) restructuring of the plywood industry in consuming countries;
- (vii) transfer of technology to producing countries; and
- (viii) improvement of information and access to markets in consuming countries.

The project will sponsor participation of 40 representatives of the government and private sector of ITTO member countries actively involved in production and trade of tropical plywood. The conference program has been developed, and the proposed agenda includes three sessions: a) trade and investment, b) resources and production, and c) technology. The Conference will be held on May 1995.

21. PD 1/93 Rev. 1 (M,F,D): ITTO Fellowship Program - Phase II

Budget and Funding Sources:

Total	\$906,488.00
Government of Japan	\$600,000.00
Government of Australia	\$110,551.01
To be pledged	\$195,936.99

Implementing Agency: ITTO Secretariat

Starting Date: 19 May 1993

Proposed Duration: 2 years

This two-year project continues the work begun under the first phase of the Fellowship Program [PD 60/89 (M,F,D)]. Its primary objective is the promotion of human resources development and institutional strengthening of the forestry sectors of member countries.

Fellowships are awarded preferentially to holders of technical diplomas, bachelor's degrees or master's degrees who are wishing to further their education through graduate or professional degree programs, conferences, study-tours, and other forms of academic study. Funds are not generally awarded for the conduct of Ph.D. research, except in cases where the thesis is of critical importance to ITTO. Selection criteria include conformity with the objectives of the Program and ITTO's Action Plan, expected benefits for the forestry sectors of producer member countries, and high probability of the candidate being able to publish his or her results in an ITTO publication or scientific journal, among others. The Program is administered by a Fellowship Program Officer, employed by ITTO and funded on a half-time basis by project funds.

A total of 83 Fellowships had been approved as of 30 December 1994, of which 13 had been completed, 45 are operational and 25 are waiting for their programs to start. The total Fellowship awards allocated so far are \$ 557,120.00 with the average award about \$ 6,700.00.

The number of fellowship applications submitted through this project has grown substantially. While this strong demand testifies to the importance of the program, it also put enormous pressure on the program administration. The Secretariat will introduce modifications on the application deadlines and on the format used to present applications to the Committees' Selection Panel responsible for the evaluation of fellowship applications. These measures will be introduced to facilitate the administration of the program.

22. PD 17/93 Rev.3 (M,F,D): ITTO Network for Information Sharing and Project Support

Budget and Funding Sources:

Total	\$ 1,826,000 (Phase I - \$ 913,000 and Phase II - \$ 913,000)
Government of U.S.A.	\$ 100,000
Government of Denmark	\$ 100,000
Government of Japan	\$ 713,000

Implementing Agency: ITTO Secretariat

Starting Date: May 1993

Proposed Duration: 3 years

This project is establishing a network service to increase availability and flow of information within ITTO member countries by establishing an ITTO presence in each of the three producing regions to improve

the effectiveness of ITTO activities in these regions. This will enhance the ITTO's profile, and enable greater dissemination of results of ITTO's projects and other activities.

The specific project objectives are:

- (i) Establish a service for collection and dissemination of information, and prepare and distribute a newsletter covering the three main fields of ITTO activities, namely reforestation and forest management, economic information and market intelligence, and forest industry.
- (ii) To improve ITTO's representation and to enhance specific aspects of ITTO's operational activities in producing regions, including the following:
  - (1) strengthen the secretariat's ability to monitor specific projects as requested and instructed by the Executive Director;
  - (2) facilitate and provide information and planning assistance to project preparation and evaluation in producing regions;
  - (3) represent ITTO in conferences, seminars and other meetings as instructed by the Executive Director; and
  - (4) facilitate efforts by member governments to collect and forward information to be used in the Council's annual review and assessment of the world tropical timber situation.

The project implementation requires sub-contracting regionally in Africa, Asia/Pacific and Latin America/Caribbean the provision of services related to the collection and editing of articles for publication of the newsletter; assistance to ITTO project monitoring and evaluation activities; and other activities to improve ITTO's presence and representation in the region. Through international bidding, a Brazilian company has been selected to provide these services in Latin America/Caribbean, and a Malaysian company was retained to provide the services in Asia-Pacific. The work to select a company in Africa has not been completed yet.

Under the newsletter project component, an editor, to be based in Yokohama, was appointed in October 1994 to assist in the publication of the "Tropical Forest Update". The operations for the production and distribution of the first two issues of the newsletter under this project were, in 1994, still under the partial responsibility of Anutech, ensuring a smooth transition.

## ANNEX 1

## STATUS OF MEMBERS AS AT 31 DECEMBER 1994

<u>Member</u>	<u>Provisional Signature</u>	<u>Provisional application</u>	<u>Ratification accession (a), acceptance (A) approval (AA)</u>
Australia			16 Feb 1988
Austria			6 Mar 1986 (a)
Belgium/Luxembourg	29 Jun 1984	28 Sep 1984	21 Feb 1986
Bolivia	1 Nov 1984	25 Jun 1985	
Brazil	31 Mar 1985	31 Mar 1985	
Cameroon	15 Apr 1985	14 Jun 1985	19 Nov 1985
Canada			21 May 1986 (a)
China			2 Jul 1986 (a)
Colombia			27 Mar 1990 (a)
Congo	7 Mar 1985		28 Mar 1985
Côte d'Ivoire	27 Mar 1985	27 Mar 1985	
Denmark	29 Jun 1984		28 Sep 1984
Ecuador	31 Mar 1985	31 Mar 1985	19 Jan 1988
Egypt	31 Mar 1985	31 Mar 1985	16 Jan 1986
European Union	29 Jun 1984	29 Mar 1985	
Finland	10 May 1984		13 Feb 1985
France	29 Jun 1984	29 Jun 1984	6 Aug 1985 (AA)
Gabon	26 Sep 1984	19 Mar 1985	18 Nov 1988
Germany	29 Jun 1984	29 Jun 1984	21 Mar 1986
Ghana	29 Mar 1985		29 Mar 1985
Greece	29 Jun 1984	28 Nov 1984	26 Jul 1988
Guyana			7 Oct 1992 (a)
Honduras	27 Sep 1984	29 Mar 1985	
India			19 Feb 1986 (a)
Indonesia	13 Jun 1984		9 Oct 1984
Ireland	29 Jun 1984		4 Oct 1984
Italy	29 Jun 1984		29 Mar 1985
Japan	28 Mar 1984		28 Jun 1984 (A)
Liberia	8 Mar 1984		29 Mar 1985
Malaysia	14 Dec 1984		14 Dec 1984
Myanmar			16 Nov 1993 (a)
Nepal			3 Jul 1990 (a)
Netherlands	29 Jun 1984	20 Sep 1984	29 May 1987 (A)
New Zealand			5 Aug 1992 (a)
Norway	23 Mar 1984		21 Aug 1984
Panama			3 Mar 1989 (a)
Papua New Guinea			27 Nov 1986 (a)
Peru	31 Mar 1985	31 Mar 1985	
Philippines	31 Mar 1985	31 Mar 1985	
Portugal			3 Jul 1989 (a)
Republic of Korea			25 Jun 1986 (a)
Spain	27 Feb 1985	24 Apr 1985	1 Apr 1986
Sweden	23 Mar 1984		9 Nov 1984
Switzerland	30 Apr 1985		9 May 1985
Thailand			9 Oct 1985 (a)
Togo			8 May 1990 (a)
Trinidad & Tobago	29 Apr 1985		9 May 1986
Union of Soviet Socialist Republics	28 Mar 1985		20 May 1985 (A)
United Kingdom	29 Jun 1984		18 Sep 1984
United States of America	6 Apr 1985	26 Apr 1985	25 May 1990 (A)
Venezuela			31 March 1994 (a)
Zaire			20 Nov 1990 (a)

ANNEX 2

PROFESSIONAL MEMBERS OF THE ITTO SECRETARIAT  
AS AT 31 DECEMBER 1994

- Dr. B.C.Y. Freezailah  
Executive Director
- Mr. J.E.K. Aggrey-Orleans  
Assistant Director  
Economic Information and Market Intelligence
- Dr. Manoel Sobral Filho  
Assistant Director  
Forest Industry
- Mr. Lachlan A.J. Hunter  
Assistant Director  
Management Services
- Mr. Charles L. Vanpraet  
Assistant Director  
Reforestation and Forest Management
- Mr. Gary R. Burniske  
Conservation Officer  
Reforestation and Forest Management
- Mr. Takeichi Ishikawa  
Projects Manager  
Forest Industry
- Dr. Steven E. Johnson  
Statistician  
Economic Information and Market Intelligence
- Mr. Charas Mayura  
Finance/Administrative Officer  
Management Services
- Mr. Emmanuel Ze Meka  
Projects Manager  
Reforestation and Forest Management
- Mr. John J. Leigh  
Systems Analyst  
Economic Information and Market Intelligence
- Dr. Douglas C. Pattie  
Projects Manager  
Forest Industry
- Dr. Efransjah  
Projects Manager  
Reforestation and Forest Management
- Mr. Alistair Sarre  
Editor/Newsletter Coordinator  
Forest Industry

### ANNEX 3

#### 1994 ITTO PUBLICATIONS

##### *General Information*

1. GI - 6 Annual Reports 1993 (E)
2. GI - 7 Annual Review and Assessment of the World Tropical Timber Situation, 1993 (E,F,S)
3. GI - 8 Reports of the Sessions of the International Tropical Timber Council and Permanent Committees on Reforestation and Forest Management (PCF), Forest Industry (PCI), and Economic Information and Market Intelligence (PCM)  
ITTC(XV) & PC(XIII) - Cartagena, Colombia, 18-25 May 1994(E,F,S)  
ITTC(XVI) & PC(XIV) - Yokohama, Japan, 9-16 November, 1994 (E,F,S)

##### *Reports of Seminars, Workshops and other Meetings*

4. SRS-15 Proceedings of the Seminar on Development of Forest Industry in the Andean Group Countries (with executive summary), 1994

##### *Pre-Project Reports*

5. PPR 30/94 (I) Manpower Development of Sarawak Forest Sector, Forest Department, State Government of Sarawak, Malaysia, 1994 (E)
6. PPR 31/94 (F) Economic Case for Natural Forest Management Vol. 1 and Vol. 2, 1994
7. PPR 32/94 (I) Technical and Economic Feasibility of Large-Scale Construction of Wooden Houses in Brazil, 1994

##### *Other Publications*

8. OP - 13 PROSEA: Plant Resources of South-East Asia 5 (1) Timber Trees: Major Commercial Timbers, 1994

##### *Serial Publications*

10. Market News Service (started in June 1990) - Bi-weekly
11. ITTO Forest Management Update (started in April 1991) - Bi-monthly

Note: Most ITTO publications (roughly 80%) are done in house (re: editing, lay-out, typography and reproduction).

ANNEX 4

SCHEDULE OF OFFICIAL TRAVEL AND PARTICIPATION AT CONFERENCES

1. Administration

*Executive Director*

- 4-28 January 1994 Attended the Fourth Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, and the Second Special Session of the ITTC, Geneva, Switzerland.
- 3-11 February 1994 Visited Indonesia and Malaysia for consultations with Government authorities
- 3-10 April 1994 Visited Philippines to hold consultations with Government officials and to address the Opening Session of the International Workshop on Plantation Establishment Methods. Attended and addressed the Seminar on Trade of Timber from Sustainably Managed Forests, held in Kuala Lumpur, Malaysia, on 5 and 6 April 1994.
- 17-22 April 1994 Attended the Intergovernmental Working Group on Global Forests (IWGGF) held in Kuala Lumpur from 18 to 21 April 1994.
- 27 April - 1 May 1994 Visited China to hold informal consultations with Government authorities.
- 8-25 May 1994 Sixteenth Session of the International Tropical Timber Council, Cartagena de Indias, Colombia.
- 1-10 June 1994 Visited Rome to attend the UCBT Annual Meeting and to hold informal consultations with FAO officials. Visited Malaysia and Indonesia for consultations with relevant authorities.
- 6-7 July 1994 Visited Malaysia to hold informal consultations with Government authorities.
- 12 August 1994 Visited Indonesia to hold informal consultations with Government authorities.
- 11-21 September 1994 Visited La Paz, Bolivia for informal consultations with Government officials.
- 3-16 October 1994 Attended the Intergovernmental Working Group on Global Forests held in Hull, Canada. Attended and addressed the Joint Inauguration Ceremony of Lanjak-Entimau/Bentuang-Karimun Biodiversity Conservation Area in Longhouse Batang Air Resorts, Sri Aman Division, Malaysia.
- 12-24 December 1994 Visited Thailand to attend the First Steering Committee Meeting of PD 202/91 Rev.1 (F) and for informal consultations with Government authorities. Visited Myanmar to hold informal consultations with Government officials.



*Assistant Director for Management Services*

- 18-28 January 1994                      Serviced the Second Special Session of the ITTC, Geneva, Switzerland.
- 15-22 February 1994                      Participated in the Common Fund for Commodities Consultative Committee Meeting to present ITTO's projects for funding, Amsterdam, The Netherlands.
- 10-25 May 1994                              Serviced the Sixteenth Session of the ITTC and the Fourteenth Sessions of the Permanent Committee, and the Working Party on Certification of All Timbers and Timber Products, Cartagena de Indias, Colombia.
- 11-15 July 1994                              Consultations with officials of UNCTAD, Geneva, Switzerland.
- Discussions with officials of the Common Fund for Commodities, Amsterdam, The Netherlands.
- Discussions with officials of J. van Breda & Co., Int'l. (on ITTO's Provident Fund), Antwerp, Belgium.
- 13-20 September 1994                      Represented ITTO at the Forest Product Certification System Conference, Pacet-Puncak, W. Java, Indonesia; and
- Consultations with Resident Adviser for Project PD 89/90 (F), Jakarta, Indonesia.
- 8-19 December 1994                        Preparations for holding the Eighteenth Session of the ITTC and Sixteenth Sessions of the Permanent Committees, Accra, Ghana.

*Finance/Administrative Officer*

- 10-25 May 1994                              Serviced the Sixteenth Session of the ITTC and the Fourteenth Sessions of the Permanent Committees, and the Working Party on Certification of All Timbers and Timber Products, Cartagena de Indias, Colombia.
- 7-19 December 1994                        Preparations for holding the Eighteenth Session of ITTC and Sixteenth Sessions of the Permanent Committee, Accra, Ghana.

**2. Economic Information and Market Intelligence**

*Assistant Director*

- 8-26 January 1994                        Attended and serviced the Fourth Part of the U.N. Conference for the Negotiation of a Successor Agreement to the ITTA, 1983, Geneva, Switzerland and Special Session of the ITTC.
- 3-11 February 1994                        Attended Steering Committee Meeting on PD167/91 Rev.1 (M), Brasilia, Brazil.
- 6-15 April 1994                              Consultation in Abidjan (Côte d'Ivoire) on cooperation and in Libreville (Gabon) on PD 36/92 (M).
- 17-22 April 1994                              Attended the First Meeting of Inter-Governmental Working Group on Forests (IGWGF) Kuala Lumpur, Malaysia.

- 7-27 May 1994 Attended and serviced the Sixteenth Session of ITTC, Cartagena, Colombia and ITTO Workshop on Forestry and Timber Trade Statistics, Cali, Colombia.
- 12-18 June 1994 Attended and serviced the ITTO Demonstration Workshop under PD 28/93 Rev.3 (M), Manila, Philippines
- 21-29 June 1994 Attended Indo-U.K. International Workshop on Forestry, New Delhi, India.
- 8-13 August 1994 Attended the 16th Ministerial Meeting of African Timber Organization (ATO), Yomoussoukro, Côte d'Ivoire.
- 7-17 October 1994 Attended the Second Meeting of the Inter-Governmental Working Group on Forests (IGWGF), Hull, Canada.
- 23 November - 4 December 1994 Attended the 19th Meeting of TFAP Forestry Advisors Group, Rome, Italy.
- 8-18 December 1994 Participated in the Indonesia/CIFOR Policy Dialogue on Science, Forests and Sustainability, Bali, Indonesia.

*Statistician*

- 13-21 January 1994 Attended Advisory Group Meeting of PD 31/92 Rev.1 (M) and monitored PD 9/93 Rev.1 (M), Oosterbeek and Wageningen, Netherlands.
- 9-25 May 1994 Attended and serviced the Sixteenth Session of the ITTC, Cartagena, Colombia.
- 11-19 June 1994 Attended and monitored the Workshop under PD 28/93 Rev.3 (M), Manila, Philippines.
- 3-16 August 1994 Attended and monitored the Workshop under PD27/93 Rev.1 (M), Cap Esterias, Gabon.
- 12-13 September 1994 Attended IUFRO conference on Growth and Yield of Tropical Forests, Tokyo Agricultural University.
- 26 November - 3 December 1994 Attended and monitored the Workshop under PD27/93 Rev.1 (M), Kuala Lumpur, Malaysia.

*Systems Analyst*

- 25 May-4 June 1994 Attended and monitored the workshop under PD 27/93 Rev.1 (M), Cali, Colombia.
- 10-23 May 1994 Attended and serviced the Sixteenth Session of the ITTC, Cartagena, Colombia.
- 8-16 December 1994 Attended and monitored the workshop under PD 27/93 Rev.1(M), Kuala Lumpur, Malaysia.

### 3. Reforestation and Forest Management

- 20 April - 1 May 1994 Attend Steering Committee Meeting for PD 11/92 Rev.1, Thailand; Attend Steering Committee Meetings for PD 104/90 Rev.2 and PD 105/90 Rev.1, Malaysia; Attend Steering Committee Meeting for PD 10/92 Rev.1, Indonesia.
- 11-22 May 1994 Sixteenth Session of the International Tropical Timber Council, Cartagena, Colombia.
- 1-27 July 1994 Attend Review Meeting for PD 68/89 Rev.1, Brazil; Attend Review Meeting for PD 95/90 and Steering Committee Meeting for PD 42/92 Rev.2, Peru; Attend Steering Committee meeting for PD 128/91 Rev.2, Panama.
- 8-26 August 1994 Attend Steering Committee Meetings for PD 26/92 Rev.1 and PD 20/93 Rev.1, Cameroon; Attend Steering Committee Meetings for PD 37/92 Rev.1 and PPD 6/92 Rev.1, Gabon; Attend Steering Committee Meeting for PD 204/91 Rev.1, Togo.
- 13-14 September 1994 Attend Steering Committee Meeting for PD 29/94 Rev.1, Miyazaki, Japan.
- 4-6 November 1994 Attend Seminar of PD 29/94 Rev.1, Miyazaki, Japan.

#### *Conservation Officer for Reforestation and Forest Management*

- 17-22 January 1994 Project Review for PD 128/91, Panama.
- 23-27 January 1994 Final Evaluation for PD 156/91 Rev.2, Ecuador.
- 28 January - 9 February 1994 Project Review for PD 176/91 Rev.1, Meetings on PD 138/91 Rev.2 and PD 25/93 Rev.1, Ecuador.
- 1-15 April 1994 Final Evaluation for PD 34/88 Rev.1 (F,I), Bolivia.
- 9-26 May 1994 Sixteenth Session of the International Tropical Timber Council, Cartagena, Colombia.
- 26 June - 1 July 1994 Project Review for PD 9/92; Meetings for PD 8/92, Honduras.
- 3-11 July 1994 Attend Steering Committee Meeting for PD 172/91; Project Review Meetings for PD 171/91, PD 11/93, and PPD 11/93, Colombia.
- 26-30 July 1994 Attend Steering Committee Meeting for PD 103/90, Nepal.
- 31 July - 5 August 1994 Final Evaluation for PD 157/91, India.
- 3-18 December 1994 Attend Steering Committee Meetings for PD 68/89, PD 99/90, and PD 39/93; Pre-project Review Meetings for PPD 3/92 and PPD 47/91, Brazil.

#### *Projects Manager for Reforestation and Forest Management (Africa Region)*

- 30 January - 8 February 1994 Attend Steering Committee Meeting for PD 77/90, Congo; Attend Steering Committee Meeting for PD 15/87 Rev.2, Gabon.

- 9-24 May 1994 Sixteenth Session of the International Tropical Timber Council, Cartagena, Colombia.
- 17-23 July 1994 Mid-Term Evaluation for PD 162/91 Rev.1, PNG.
- 4-27 August 1994 Attend Steering Committee Meetings for PD 26/92 Rev.2 and PD 20/93 Rev.1, Cameroon; Attend Steering Committee Meeting for PD 37/92 Rev.1 and Review of PPD 6/92 Rev.1, Gabon; Attend Steering Committee Meeting for PD 204/91 Rev.1, Togo.
- 7-23 October 1994 Attend Steering Committee Meetings for PD 26/92 Rev.2 (extraord.), PD 131/91 Rev.2 and PD 52/89 Rev.4, Cameroon; Final Evaluation for PD 184/91 Rev.1, Egypt.
- 30 November - 13 December 1994 Attend Steering Committee Meeting for PD 15/87 Rev.2 and Review for PPD 6/92 Rev.1, Gabon; Participate in Meetings related to the Revision of PD 18/92 Rev.2, Côte d'Ivoire.

*Projects Manager for Reforestation and Forest Management (Asia Region)*

- 30 January - 9 February 1994 Attend workshop for PD 84/90, Indonesia; Attend Steering Committee Meeting for PD 106/90 Rev.1, Sarawak, Malaysia.
- 11-26 April 1994 Attend workshop and Steering Committee Meeting for PD 130/91 Rev.1, Philippines; Attend workshop and Steering Committee Meeting for PD 11/92 Rev.1, Thailand; Attend Steering Committee Meeting for PD 10/92 Rev.1, Indonesia.
- 9-24 May 1994 Sixteenth Session of the International Tropical Timber Council, Cartagena, Colombia.
- 20 June - 2 July 1994 Attend Steering Committee Meeting for PD 106/90, Sarawak, Malaysia; Attend Steering Committee Meetings for PD 185/91 Rev.1 and PD 186/91 Rev.2, Malaysia; Monitoring for PD 115/90 Rev.1, PD 10/87, and PD 24/93 Rev.2, Malaysia.
- 1-11 August 1994 Project Review for PD 89/90, Indonesia.
- 8-11 September 1994 Monitoring and Steering Committee Meeting for PD 14/92 Rev.1, P.R.China.
- 2-14 October 1994 Attend Steering Committee Meeting for PD 120/91 Rev.4, Sabah, Malaysia; Attend Steering Committee Meeting for PD 10/92 Rev.1, Indonesia; Attend Launching Ceremony for PD 106/90 and PD 26/93.
- 7-19 December 1994 Attend CIFOR Workshop on "Evaluating Criteria and Indicators for the Sustainable Management Forests", Bogor, Indonesia; Attend Steering Committee Meetings for PD 115/90 Rev.1, PD 185/91 Rev.2, and PD 24/93 Rev.2.

**4. Forest Industry**

*Assistant Director*

- 4-28 January 1994 Attended the Fourth part of the United Nations Conference for Negotiation of a Successor Agreement to the ITTA and the Second Special Session of the ITTC held in Geneva, Switzerland.

- 7-12 February 1994 Participated in the steering committee and monitoring meetings on project PD 94/90 Rev.3 (I), in Rio Branco, Acre, Brazil.
- 10-21 April 1994 Visited Canberra, Australia, for consultations with ANUTECH on the implementation of project PD 17/93 Rev.3 (M,F,I); attended and addressed a Rainforest Conference in Sydney, Australia; participated in the steering committee meeting on project PD 107/90 (I), Kuching, Sarawak; and participated in a monitoring meeting on project PD 12/87 (I), Kuala Lumpur, Malaysia.
- 8-25 May 1994 Serviced the Sixteenth Session of the ITTC and Fourteenth Session of the Permanent Committee on Forest Industry, Cartagena, Colombia June 1994.
- 18-23 August 1994 Visited Malaysia for consultations with Gaya Tunas Sdn. on implementation of PD 17/93 Rev.3 (I) and with the Malaysian Plywood Manufactures Association on the implementation of PPD 5/92 (I).
- 18-28 September 1994 Participated in a monitoring meeting on project PD 102/90 (I), Manaus, Brazil; and attended and addressed the Second International Conference on Tropical Timber and Plywood, Belem, Brazil.
- Projects Manager (Mr. T. Ishikawa)*
- 4-28 January 1994 Attended the Fourth part of the United Nations Conference for Negotiation of a Successor Agreement to the ITTA and the Second Special Session of the ITTC held in Geneva, Switzerland.
- 8-25 May 1994 Serviced the Sixteenth Session of the ITTC and Fourteenth session of the Permanent Committee on Forest Industry, Cartagena, Colombia.
- 4-5 December 1994 Attended the Ampère International Symposium, Ibaragi University, Japan.
- Projects Manager (Dr. D. Pattie)*
- 14-20 February 1994 Participated in a forest industry workshop in Port Moresby, Papua New Guinea for dissemination of results of project PD 108/90 Rev.1 (I): "Forest Industry Development Studies".
- 21-25 February 1994 Participated in steering committee meetings for PD 47/88 Rev. 2 (I) and PD 63/89 Rev.1 (I) in Los Banos, Philippines.
- 24-28 March 1994 Participated in the steering committee meeting for PD 179/91 in Kumasi, Ghana.
- 8-25 May 1994 Serviced the Sixteenth Session of the ITTC and Fourteenth session of the Permanent Committee on Forest Industry, Cartagena, Colombia.

ANNEX 5

CONTRIBUTIONS TO THE SPECIAL ACCOUNT DURING FINANCIAL YEAR 1994  
(in U.S. dollars)

	1994	1993
<b>PRE-PROJECT SUB-ACCOUNT:</b>		
Australia	\$33,185.00	\$15,960.00
Austria	\$20,000.00	\$0.00
Canada	\$56,472.60	\$38,759.69
Denmark	\$35,982.50	\$0.00
Finland	\$36,000.00	\$0.00
The Netherlands	\$28,800.00	\$10,000.00
Sweden	\$0.00	\$57,127.86
Switzerland	\$36,000.00	\$19,525.00
United Kingdom	\$51,196.54	\$197,542.00
U.S.A.	\$415,910.00	\$26,909.96
European Union Commission (EUC)	\$84,770.00	\$0.00
Private - Pilot Club of Yokohama	\$971.08	\$0.00
Private - Others	\$4,777.84	\$0.00
<b>Total:</b>	<b>\$804,065.56</b>	<b>\$365,824.51</b>
	<b>1994</b>	<b>1993</b>
<b>PROJECT SUB-ACCOUNT</b>		
Australia	\$84,109.12	\$81,331.94
Denmark	\$674,985.00	\$175,000.00
Japan (*)	\$16,506,467.87	\$12,678,186.66
The Netherlands	\$365,426.00	\$65,872.26
Norway	\$89,992.00	\$15,000.00
Switzerland	\$703,053.00	\$150,000.00
United Kingdom	\$115,090.00	\$196,962.00
U.S.A.	\$1,885,996.00	\$371,000.00
Common Fund for Commodities	\$156,876.01	\$0.00
Japan Lumber Importers Association (JLIA)	\$97,133.00	\$88,890.00
Private - Ito Yokado Corp.	\$49,066.75	\$39,272.12
Association of Wood Laminating Technology	\$0.00	\$85,763.29
<b>Total:</b>	<b>\$20,728,194.75</b>	<b>\$13,947,278.27</b>

(\*) Part of funds were later allocated to Pre-Project Sub-Account.

ANNEX 6

ADMINISTRATIVE BUDGET - 1994

Estimated Expenditures for the Financial Year 1994  
(in United States dollars)

[Post Adjustment Multiplier: 165.6; U.N. Rate of Exchange US\$1.00 = Yen 106]

		<u>Estimated Total</u>
A.	<b>SALARIES AND BENEFITS</b>	
A1.	Salaries .....	1,335,788
A2.1	Staff Assessment .....	283,930
A3.	Post Adjustment .....	1,099,409
A4.	Rental Subsidy .....	125,911
A5.	Education Grant (incl. Education Travel) .....	127,357
A6.	Dependency Allowance .....	73,742
A7.	Home Leave .....	66,473
A8.	Language Allowance .....	4,000
A9.	Overtime .....	40,000
A10.	Mobility & Hardship Allowance .....	17,069
A11.	Separation Benefits .....	0
A12.	Removal Costs .....	6,000
A13.	Repatriation/Recruitment Travel .....	10,000
	Component Total:	<u>\$2,905,749</u>
B.	<b>INSTALLATION COSTS</b>	
B1.	Assignment Grant .....	17,706
B2.	Lumpsum Benefit .....	13,898
	Component Total:	<u>\$31,604</u>
C.	<b>OFFICIAL TRAVEL</b>	
C1.	Transportation/Tickets .....	127,500
C2.	DSA & Travel Expenses .....	49,540
	Component Total:	<u>\$177,040</u>
D.	<b>SOCIAL SECURITY</b>	
D1.	Provident Fund .....	214,459
D2.	Accident/Health Insurance .....	27,781
D3.	Japanese National Scheme .....	47,820
	Component Total:	<u>\$290,060</u>

\*/ Payable by Japan (not included in total estimates) and applied to Staff Members who are Japanese nationals or permanent residents in Japan only.

		<u>Estimated Total</u>
E.	<b>SPECIAL ACTIVITIES</b>	
E1.	Consultants .....	70,000
E2.	Workshops and Meetings .....	20,000
E3.	Other Activities .....	-
	<b>Component Total:</b>	<u>\$90,000</u>
F.	<b>DATA PROCESSING</b>	
F1.	Computer Software and Servicing .....	23,000
F2.	Communications, User Charges and Supplies .....	35,000
F3.	Training and Staff Development .....	15,000
	<b>Component Total:</b>	<u>\$73,000</u>
G.	<b>OTHER COSTS</b>	
G1.	Communications .....	65,000
G2.	Publications .....	40,000
G3.	Transport .....	30,000
G4.	Library .....	15,000
G5.	Supplies .....	45,000
G6.	Hospitality .....	13,000
G7.	Bank Charges .....	16,000
G8.	Audit .....	45,000
G9.	Miscellaneous .....	10,000
	<b>Component Total:</b>	<u>\$279,000</u>
H.	<b>COUNCIL MEETINGS</b>	
H1.	Costs not met by Japan .....	25,000
	<b>Component Total:</b>	<u>\$25,000</u>
I.	<b>COSTS MET BY JAPAN</b>	
I1.	Office, Equipment, Utilities .....	<u>**/</u>
I2.	Council Meetings .....	<u>**/</u>
I3.	Initial Travel .....	<u>**/</u>
I4.	Removal Costs .....	<u>**/</u>
I5.	Supporting Staff .....	<u>**/</u>
	<b>Component Total:</b>	<u>**/</u>
J.	<b>CONTINGENCY SPECIAL/RESERVE</b> .....	--
	<b>Component Total:</b>	--
	<b>GRAND TOTAL:</b>	<u><u>\$3,871,453</u></u>

\*\*/ Paid directly or reimbursable by Japan based on actual expenditures.



CONTRIBUTIONS TO THE ADMINISTRATIVE BUDGET FOR 1994

<b>PRODUCER MEMBERS</b>	<u>Contribution</u>
<b>Africa</b>	
Cameroon .....	47,600
Congo .....	47,600
Côte d'Ivoire .....	47,600
Gabon .....	49,300
Ghana .....	47,600
Liberia .....	47,600
Togo .....	47,600
Zaire .....	49,300
<b>Asia &amp; Pacific</b>	
India .....	57,800
Indonesia .....	292,400
Malaysia .....	238,000
Myanmar .....	57,800
Papua New Guinea .....	47,600
Philippines .....	42,500
Thailand .....	35,700
<b>Latin America</b>	
Bolivia .....	47,600
Brazil .....	243,100
Colombia .....	52,700
Ecuador .....	34,000
Guyana .....	34,000
Honduras .....	25,500
Panama .....	27,200
Peru .....	54,400
Trinidad & Tobago .....	25,500
<b>SUB-TOTAL:</b>	
<u>\$1,700,000</u>	
<b>NEW MEMBER</b>	
Venezuela .....	19,125

<b>CONSUMER MEMBERS</b>	<u>Contribution</u>
Australia .....	30,600
Austria .....	18,700
Canada .....	20,400
China .....	64,600
Egypt .....	25,500
European Union	
Belgium/Luxembourg .....	45,900
Denmark .....	20,400
France .....	79,900
Germany .....	62,900
Greece .....	23,800
Ireland .....	22,100
Italy .....	64,600
Netherlands .....	73,100
Portugal .....	30,600
Spain .....	44,200
United Kingdom .....	76,500
Finland .....	18,700
Japan .....	593,300
Nepal .....	17,000
New Zealand .....	17,000
Norway .....	18,700
Rep. of Korea .....	178,500
Russian Federation .....	22,100
Sweden .....	18,700
Switzerland .....	18,700
U.S.A. ....	93,500
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SUB-TOTAL:	\$1,700,000
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GRAND TOTAL:	\$3,400,000
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