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### **PROGRESS REPORT ON THE IMPLEMENTATION OF THE ITTO BIENNIAL WORK PROGRAMME FOR 2013-2014**

**[Decision 2(XLVIII)]**

**[Item 13a of the Provisional Agenda]**

This document is prepared pursuant to Council Decision 2(XLVIII), which requested the Executive Director to report on the implementation status of the ITTO Biennial Work Programme (BWP) for the years 2013 and 2014. The document contains the Work Programme activities as approved in Council Decision 2(XLVIII). The columns on 'Expected SAP Outcomes' and 'SAP Indicators' have been removed to allow inclusion of the additional column on the implementation status of all activities carried out or being undertaken by the Council, the Committees and the Secretariat during the biennium. For information on the columns on 'Expected SAP Outcomes' and 'SAP Indicators' please consult the BWP 2013-2014 as approved in Council Decision 2(XLVIII).

The Biennial Work Programme (BWP) 2013-2014 as approved in Council Decision 2(XLVIII) includes fifty-four activities grouped in accordance with the strategic priorities identified in the ITTO Strategic Action Plan 2013-2018 plus routine, administrative and financial activities. The activities are under the responsibility of the Council, the Committees and the Secretariat, including sixteen activities under 'regular session's work' with no cost implications, five activities funded from core budget, one activity funded by programme support (Activity 36, Expert Panel), one activity (Activity 26) funded by the TMT Thematic Programme and 31 activities seeking voluntary contributions.

The total funding sought under the BWP 2013-2014 was US\$9,766,590. This total includes the funding for IMM and additional funding of US\$ 330,000 sought for the implementation of the ITTO Knowledge Management Action Plan prepared under Activity 22. The funding is divided into US\$ 1,241,254 from the core budget, US\$ 280,000 from programme support, US\$ 15,626 from unearmarked funds, US\$ 20,000 from the Bali Partnership fund (for Activity 54) and US\$ 8,209,710 from voluntary contributions (see Table 1).

Table 1: BWP 2013-2014 Funding by Budget Source

Budget Source	US\$ sought	US\$ received
<b>Core Budget</b>	\$1,241,254	\$1,241,254
<b>Programme Support</b>	\$280,000	\$280,000
<b>Unearmarked Funds</b>	\$15,626	\$15,626
<b>Voluntary Contributions</b>	\$8,209,710	3,170,081
<b>BPF (Activity 54)</b>	\$20,000	\$20,000
<b>Total</b>	9,766,590	\$4,726,961

Table 2 shows the voluntary contributions sought by strategic priority of the ITTO Strategic Action Plan 2013-2018, SAP. Out of the total of US\$ 8,209,710 sought, the amount of US\$ 3,170,081 or 38.6% has been received.

Table 2: BWP 2013-2014 Voluntary Contributions sought/received by Strategic Priority

Strategic Priority/ Routine Activities	Voluntary Contributions sought			Voluntary Contributions received	
	2013	2014	Biennium Total	US\$	%
<b>Strategic Priority 1</b>	\$405,300	\$305,300	\$710,600	\$195,150	27.5 %
<b>Strategic Priority 2</b>	\$290,000	\$380,000	\$670,000	\$0	0.00 %
<b>Strategic Priority 3</b>	\$854,555	\$854,555	\$1,709,110	\$490,005	28.7 %
<b>Strategic Priority 4</b>	\$950,000	\$375,000	\$1,325,000	\$502,382	37.9 %
<b>Strategic Priority 5</b>	\$830,000	\$530,000	\$1,360,000	\$705,000	51.8 %
<b>Strategic Priority 6</b>	\$935,000	\$1,300,000	\$2,235,000	\$1,146,301	51.3 %
<b>Routine Activities</b>	\$50,000	\$150,000	\$200,000	\$131,243	65.6 %
<b>Total</b>	\$4,314,855	\$3,894,855	\$8,209,710	\$3,170,081	38.6 %

Table 3 shows the number of activities under each Strategic Priority and under Routine, Administrative and Financial Activities and includes the number and funding status of activities seeking voluntary contributions.

Out of the thirty-one activities seeking voluntary contributions, three (9.67%) have received full funding, fifteen (48.4%) have received partial funding and thirteen (41.9%) remain unfunded. None of the activities proposed under Strategic Priority 2 have received any funding.

Table 3: Funding status of BWP activities seeking voluntary contributions by Strategic Priority

Strategic Priority	Activities		Funding Status		
	Total	Seeking Vol. Cont.	Full funding	Partial funding	No funding
1. Promote Good Governance and Enabling Policy Frameworks for Strengthening SFM and Related Trade, and Enhancing SFM Financing and Investment	3	3	1	1	1
2. Strategic Priority 2: Increase the Contribution of Tropical Forests to National and Local Economies, Including through International Trade	4	4	-	-	4
3. Strategic Priority 3: Enhance the Conservation and Sustainable Use of Biodiversity in Tropical Timber Producing Forests	2	2	-	1	1
4. Strategic Priority 4: Reduce Tropical Deforestation and Forest Degradation and Enhance the Provision of Environmental Services	6	6	-	4	2
5. Strategic Priority 5: Improve the Quality and Availability of Information on Tropical Forests, Forest Product Markets and Trade	11 <sup>1,2</sup>	5	1	2	2
6. Strategic Priority 6: Build and Develop Human Resource Capacity to Implement SFM and Increase Trade in Forest Goods and Services from Sustainably Managed Forests	9	9	-	7	2
7. Routine, administrative and financial activities	19 <sup>3,4</sup>	2	1	-	1
	54	31	3	15	13

<sup>1</sup> *One activity funded under Thematic Programmes (TMT)*

<sup>2</sup> *Five activities funded from Core Budget*

<sup>3</sup> *One activity funded from Programme Support*

<sup>4</sup> *Sixteen activities regular sessions' work*

The categorization of activities by responsible body is reflected in Table 4. Out of eighteen activities seeking voluntary contributions and under responsibility of the ITTO Technical Committees, one activity (Activity 23) has received full funding, eight have received partial funding and nine have received no funding.

Table 4: Funding status of BWP activities by responsible body

Responsible Body	Activities		Funding Status		
	Total	Seeking Vol. Cont.	full	partial	no
1. Council	25	11	1	6	4
2. CRF	6	6	-	4	2
3. CFI	9	9	1	3	5
4. CEM	4	3	-	1	2
5. CFA	6	1	1	-	-
6. Council/CEM	1	-	-	-	-
7. Council/Joint Committees	1	1	-	1	-
8. Council/Committees	1	-	-	-	-
9. Joint Committees	1	-	-	-	-
	54	31	3	15	13

**Status, Progress, Achievements:**

Below a brief compilation of the progress made and achievements of activities that have received full or partial funding. For more details please refer to the respective activity in the Progress Report

**Strategic Priority 1: Promote good governance and enabling policy frameworks for strengthening SFM and related trade and enhancing SFM financing and investment**

Under this priority, three activities have been approved, all seeking voluntary contributions. One activity has received full funding, one activity has received partial funding and one activity remains unfunded (see Tables 2 & 3).

Activity 2 has commenced in Indonesia with partial funding received. An NGO, The Natural Resource Development Center (NRDC) has been selected as Executing Agency. NRDC is in the process of negotiating the implementation of the credit scheme with a lending bank, i.e. Agro BRI Bank. Two to three SFMEs in the Ciamis District of the West Java Province will be the first credit recipients.

Under Activity 3 the Meeting of the Congo Basin Forest Partnership (CBFP) was convened on 2 – 3 December 2013, at the Okoume Palace Hotel, Libreville, Gabon. The Meeting was organized by the Government of the United States of America in collaboration with other partners. Among other topics, the meeting provided for fruitful discussions on 'Developing Conservation-based Economic Opportunities: Framing the Issues – Ingredients for Success'. Proceedings of the meeting are available from the CBFP website.

**Strategic Priority 2: Increase the contribution of tropical forests to national and local economies including through international trade**

Under this priority, four activities have been approved, all seeking voluntary contributions. The four activities remain unfunded (see Tables 2 & 3).

**Strategic Priority 3: Enhance conservation and sustainable use of biodiversity in tropical timber producing countries**

Under this priority, two activities have been approved, both seeking voluntary contributions. One activity has received partial funding and one activity remains unfunded (see Tables 2 & 3).

Activity 8 continues to assist members to implement CITES listings of timber species. The ITTO-CITES cooperation will be presented to the Council under Item 10 of the provisional agenda, Document ITTC(L)/6

**Strategic Priority 4: Reduce tropical deforestation and forest degradation and enhance provision of environmental services**

Under this priority, six activities have been approved, all seeking voluntary contributions. Four activities have received partial funding and two activities remain unfunded (see Tables 2 & 3).

Under Activity 10, subactivity a, a C&I workshop for new members Benin and Mali was convened in March 2014. Subactivity b has supported the ITTO review of responses to the CFRQ, including the ITTO C&I reporting format which was part of the FAO Forest Resource Assessment 2015 reporting package. The expert meeting to be convened under subactivity b has been tentatively scheduled for late 2014, early 2015 following the approval of the revised ITTO SFM Guidelines.

Under Activity 12, the International Forum on Payments for Environmental Services of Tropical Forests was co-organized with the Food and Agriculture Organization of the United Nations (FAO), and Costa Rica's National Fund for Forest Finance (FONAFIFO) and hosted by the Government of Costa Rica in San José, Costa Rica, on 7–10 April 2014. Based on the insights gained at the Forum, a policy brief entitled "Rewarding

the service providers” has been prepared and widely distributed. The ITTO Tropical Forest Update features discussions of the International Forum on PES as a special edition (Volume 23 Number 1 2014). The outcomes of the Forum were presented at a FAO/ITTO joint side event during FAO's 22<sup>nd</sup> Session of the Committee on Forestry (23-27 June 2014, Rome, Italy). It is also expected that the outcomes of the International Forum on PES will be presented at side events at the IUCN World Parks Congress 2014 (12-19 November, Sydney, Australia) and ITTC-50.

Under Activity 14, in consultation with IUCN/GPFLR the best knowledge and practices in forest landscape restoration were collected in Ghana for Africa, Indonesia for Asia-Pacific and Mexico for Latin. MoUs with IUCN are pending review for a) consolidation of the findings in support of the establishment of a network of learning sites and b) preparation of outreach and communication materials based on the studies

Under Activity 15, Sub-activity b, meetings were attended and financial assistance was provided for the participation of three members from the Africa, Asia, and Latin America Regional Wildland Fire Networks at meetings in preparation for the 6th International Wildland Fire Conference to be held in 2015 in South Korea.

### **Strategic Priority 5: Improve the quality and availability of information on tropical forests, forest product markets and trade**

Under this priority, eleven activities have been approved. Five activities are funded from core budget and one activity (Activity 26) is funded under the TMT Thematic Programme. One activity (Activity 20) has sub-activities funded from the core budget and from voluntary contributions (partially funded). The remaining four activities are seeking voluntary contributions and one has received full funding, one has received partial funding and two remain unfunded.

The activities supported by the core budget include:

Activity 16: Publication of the ITTO Tropical Forest Update (TFU)

Activity 17: Preparation and conduct of the Annual Market Discussion in collaboration with the Trade Advisory Group (TAG)

Activity 18: Publication of the ITTO Tropical Timber Market Report under the Market Information Service (MIS)

Activity 19: Support to Enhance and Improve the ITTO statistical work and databases

Activity 20: Support for ITTO outreach activities

Activity 21: Conduct of the Biennial Review and Assessment of the World Timber Situation

All above activities have been fully implemented. Under Activity 20 several technical reports have been published, co-published and disseminated, including:

- Governing the forests: an institutional analysis of REDD+ and community forest management in Asia;
- Riding out the storm (TS-41);
- Towards a development strategy for the wood-processing industry in the Congo Basin;
- Indicating progress: uses and impacts of criteria and indicators for sustainable forest management (TS-42);
- Report on Environmental Product Declaration on meranti plywood in Indonesia and Malaysia
- Rewarding the service providers

Also under Activity 20 and in close coordination with Activity 22 (Knowledge Management) the re-development and improvement of the ITTO website and the synchronization & integration of the different ITTO web-based systems (e.g. OLMS, project database) are ongoing. A company has been selected and at the time of preparation of this report, activities have commenced. The effort also includes the development of a project search function, which has been released on the ITTO website in September 2014 and is now operational. Also, the new electronic newsletter ‘Tropical Forest News’ has been launched in 2014 and so far 3 issues have been published and circulated. New outreach materials such as posters and brochures highlighting the work of ITTO have been produced or are in preparation.

Following the presentation and approval of the report prepared under Activity 22 follow-up funding of US\$ 245.000 was pledged for the implementation of the Knowledge Management Strategy and Action Plan. While the main focus in 2014 has been on the re-examination of the ITTO information infrastructure and the

redevelopment of the ITTO website, the activity has also supported efforts to improve project learning, networking, and knowledge use and sharing, including the preparation and dissemination of the policy brief 'Rewarding the service providers' under Activity 12 and the publication of the 'Technical guide on the quantification of carbon benefits in ITTO projects' (Red-PA 069/11 Rev.1 (F)). A synthesis of the aggregated achievements of the ITTO Thematic Programmes on REDDES and TFLET towards the programmatic objectives is ongoing and the report is expected in December 2014.

The study on Environmental Product Declarations under Activity 23 is ongoing. The study for meranti plywood in Malaysia and Indonesia has been completed and the report can be downloaded from ITTO's homepage. The studies on khaya lumber in Ghana and ipe decking in Brazil are ongoing with the reports expected in early 2015.

While the funding of US\$300,000 requested under Activity 25 was not provided for the originally formulated activity, the objectives of the IMM and the establishment of a web site to report on its outputs are closely linked to the objectives of the original work proposed under this activity and therefore the IMM project was included under this BWP activity. In January 2014 a contract was signed between the EU and ITTO to undertake independent market monitoring (IMM) of FLEGT-licensed timber entering the EU market, providing for a four million euro grant from the EU over the period 2014-2018 (additional 375,000 euros will be provided as an ITTO in-kind contribution to the project over this period). US\$ 13,800 of the funds was allocated to the fundraising work under Activity 54 of this BWP.

The final report of Activity 26 to analyze the economic impact of governmental procurement (funded under the Thematic Programme on Trade and Market Transparency) has been revised taking into account member comments. It will be considered at the Forty-eighth session of the Committee on Economics, Statistics and Markets (CEM) and the Committee on Forest Industry (CFI).

**Strategic Priority 6: Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests**

Under this priority, nine activities have been approved, all seeking voluntary contributions. Seven activities have received partial funding, while two remain unfunded.

Funded Activities under this priority include:

Activity 27: Assistance for the participation of TAG and CSAG at the 49<sup>th</sup> and 50<sup>th</sup> ITTC – completed

Activity 28: ITTO involvement in UNFF and CPF – completed

Activity 30: ITTO Fellowship programme. The Council will receive the report on the implementation of the Fellowship Programme under Item 18 of the provisional agenda, [Document ITTC(L)/15]

Activity 31 to strengthen the capacity to promote efficient wood processing in producer countries by means of in-house training had been initialized under the BWP 2012-2013. Training was provided to 15 industries in Mexico (9) and Guatemala (6).

Activity 33 conducted a survey involving producers, consumers and others. Based on the responses received 'support to the development and marketing of value-added products' and 'more information on lesser-used timber species (LUS)' are the topics of major importance for the transfer of technology and know-how. A dedicated webpage to make available more information on ITTO LUS knowledge is under development

Under Activity 34 one statistical workshop was held in Haikou, Hainan, China from 1-3 April 2013 and a regional workshop for the Asia-Pacific region was held in Kunming, China, 17-19 September 2014. Both workshops were convened in collaboration with FAO and under ITTO's cooperation agreement with APFNet. Proceedings of the Hainan Workshop are available from the ITTO Secretariat and the ITTO website. Proceedings of the second workshop are in preparation. A survey undertaken in 2014 by the Chinese Academy of Forestry of plywood factories included 308 enterprises in 21 provinces. Preliminary data were received in September 2014 and the final report is expected in early 2015. The summary report of the

workshop in Kunming is expected in October 2014.

Under Activity 35 and based on Decision 4(XLIX), the revised ITTO Voluntary Guidelines for the Sustainable Management of Natural Tropical Forest have been adopted through the electronic no-objection procedure.

### **Routine, Administrative and Financial Activities**

Under this category, nineteen activities have been approved, including sixteen activities under 'regular sessions work', one activity funded from Programme Support in 2013 and the Core Administrative Budget in 2014 (Activity 36, Expert Panel) and two activities seeking voluntary contributions. Out of the latter one activity has received full funding and one activity remains unfunded.

Under Activity 36, the Forty-fifth, Forty-sixth, Forty-seventh and Forty-eighth Expert Panels have been convened in Yokohama, Japan on 4 - 8 February 2013, 29 July – 2 August 2013, 3 – 7 February 2014 and 4 – 8 August 2014 respectively. The reports of the Expert Panel for 2014 will be presented to the Joint Session of the Committees under Item 1 of its provisional agenda.

Under Activity 54 the Committee of Finance and Administration (CFA) will receive the report of the Working Group on Mobilizing New Funding and Partnerships for ITTO and its Objectives under Item 11 of its Provisional Agenda.

### **Summary of the contribution of BWP activities to the expected outcomes of the ITTO Strategic Action Plan 2013-2018:**

Strategic Priority 1: Promote good governance and enabling policy frameworks for strengthening SFM and related trade and enhancing SFM financing and investment

Activity 2 is contributing towards better managed forest sector with increased access to financing and investments. (Indicator: Resources for implementations of SFM)

Strategic Priority 2: Increase the contribution of tropical forests to national and local economies including through international trade

No funding has been pledged under this priority

Strategic Priority 3: Enhance the conservation and sustainable use of biodiversity in tropical timber producing forests

Activity 8 is contributing to 'Trade and utilization of timber and non-timber tropical forest species that is consistent with their conservation'. (Indicator: Number of commercial timber species and non-timber tropical forest species listed in CITES)

Strategic Priority 4: Reduce tropical deforestation and forest degradation and enhance provision of environmental services

The activities funded are contributing towards "Financial support for SFM is increased by payments for environmental services of tropical forests' and 'Increase in the area of forest under SFM and use of ITTO guidelines and C&I (Indicator(s): Number of countries with initiatives in place for payments of environmental services or similar mechanisms)

Strategic Priority 5: Improve the quality and availability of information on tropical forests, forest product markets and trade

The activities have addressed and contributed to all expected outcomes of Strategic Priority 5. The activities are contributing to provision of timely and more accurate data, better accessibility of ITTO data(bases) and it is expected that this will lead to an increase in the number of countries/stakeholders using this information for policy, market development and investment promotion (and other purposes). The full scale of improvements in terms of quality and availability of information is not yet assessable as the technical re-development of the website and the synchronization and harmonization of IT infrastructure is just starting at the time this report is prepared.

Strategic Priority 6: Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests

Capacity building has been provided through the ITTO Fellowship Programme, in-house training and workshops assisting member countries in terms of statistics and improved reporting. ITTO knowledge on lesser-used species will be made available through a new dedicated webpage currently under development. Support provided to TAG and CSAG is aiming at better collaboration between private sector and civil society. The approval of the revised ITTO Guidelines for the Sustainable Management of Natural Tropical Forest is contributing to Strategic Priority 4.

**Major Difficulties Encountered:**

For those activities which have received full or partial funding, no major difficulties have been encountered. The funding for some activities has though been received late so that the activities could not be completed by the time this report has been prepared.

The major difficulty encountered under the BWP 2013-2014 is the substantial number of activities with only partial or no funding. The 54 activities proposed and approved in Council Decision 2(XLVIII) under this BWP, include 31 activities seeking voluntary contributions. Only three activities or 9.7% have received full funding, fifteen or 48.4% have received partial funding and thirteen or 41.9% remain unfunded. Out of the total voluntary contributions of US\$ \$8,209,710 sought under this BWP, US\$3,170,081 or 38.6% have been received.

Notably, none of the four activities proposed under Strategic Priority 2 'Increase the contribution of tropical forests to national and local economies, including through international trade' has received any funding.

Out of eighteen activities proposed by the ITTO Technical Divisions and under responsibility of the Technical Committees only one has received full funding, eight have received partial funding, while nine remain unfunded.



**PROGRESS REPORT**

**BIENNIAL WORK PROGRAMME FOR 2013-2014**

**STRATEGIC PRIORITY 1: PROMOTE GOOD FOREST GOVERNANCE AND FINANCING FOR SUSTAINABLE FOREST MANAGEMENT**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>1. Render assistance to Producer Countries, on request, to identify, in each country, those factors which most severely limit progress towards achieving Objective 2000 and sustainable forest management and to formulate an action plan to overcome these constraints. <i>[ITTA, 2006 Article 1(d)]</i> <i>[ITTC Decision 2(XXIX)]</i></p>	<p>Conduct four technical diagnostic missions to ITTO producer member countries, especially new producer member countries under the ITTA 2006.</p> <p>Estimated cost: US\$400,000 Expected funding sources: Voluntary Contributions Year 2013–US\$200,000 Year 2014–US\$200,000</p>	<ul style="list-style-type: none"> <li>Four technical diagnostic missions dispatched to four member countries</li> </ul>	<p>Council</p>	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 200,000 Year 2014 US\$ 200,000</p> <p>This activity is pending funding</p>
<p>2. Demonstration and adoption of credit schemes for Small-Medium Forest Enterprises (SMFEs). <i>[ITTA, 2006, Article 1(g)]</i></p>	<p>The purpose of this activity is to demonstrate the lessons learned from ITTO project, PD 233/03 Rev.2 (I). This project found that SMFEs do not require a large amount of funding, but rather a small amount of seed money and technical assistance that will enable SMFEs to effectively manage their forests and increase their incomes. Through the project, a credit scheme for SMFEs has been developed with the high potential of replication and scaling-up. The activity will assist three ITTO selected producer countries in replicating the credit scheme for SMFEs.</p> <p>Estimated cost: US\$210,600 Expected funding sources: Voluntary Contributions Year 2013–US\$105,300 Year 2014–US\$105,300</p>	<ul style="list-style-type: none"> <li>The credit schemes for SMFEs replicated in three member countries</li> </ul>	<p>CFI</p>	<p>Funding received: US\$ 95,150 Funding pending: Year 2013 US\$ 10,150 Year 2014 US\$ 105,300</p> <p>This activity has been commenced with partial funding in Indonesia. An NGO, The Natural Resource Development Center (NRDC) has been selected. At present, the NRDC is negotiating the implementation of the credit scheme with a lending bank, Agro BRI Bank. Two to three SFMEs in the Ciamis District of West Java Province will be the first credit recipients.</p>

<p>3. ITTO Meeting of Partners of the Congo Basin Forest Partnership <i>[ITTA 2006, Article 15]</i></p>	<p>This activity will support the organization of a two-day meeting of CBFP Partners directly before or after the Forty-ninth Session of the Council scheduled for 25-30 November 2013 in Libreville, Gabon. Through this activity, the ITTO will be able to collaborate and contribute effectively and meaningfully to the work of the CBFP, and vice versa, participating in relevant work including on promoting forest governance and financing SFM.</p> <p>Expected funding sources: Voluntary Contributions Year 2013–US\$100,000</p>	<ul style="list-style-type: none"> <li>• Meeting successfully convened and collaboration on relevant CBFP work implemented</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 100,000 Funding pending: US\$ NIL</p> <p>The Meeting of the Congo Basin Forest Partnership was convened on 2 – 3 December 2013, at the Okoume Palace Hotel, in Libreville, Gabon.</p>
	<p><b>Sub-total 2013: US\$405,300</b> <b>Sub-total 2014: US\$305,300</b> <b>Biennium Sub-total: US\$710,600</b></p>			

**STRATEGIC PRIORITY 2: INCREASE THE CONTRIBUTION OF TROPICAL FORESTS TO NATIONAL AND LOCAL ECONOMIES THROUGH INTERNATIONAL TRADE**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>4. Support selected producing member countries to promote wood-based bioenergy using wood residues and waste. <i>[ITTA, 2006, Article 1(a), (c), (f), (p), (s)]</i></p>	<p>Based on the outcomes and recommendations of the International and Regional Fora on Wood-based Bioenergy using wood wastes and residues, the activity aims at further assisting selected member countries to develop their wood-based bioenergy.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2013–US\$40,000 Year 2014–US\$60,000</p>	<ul style="list-style-type: none"> <li>• Three project proposals from three member countries for developing wood-based bioenergy formulated</li> </ul>	CFI	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 40,000 Year 2014 US\$ 60,000</p> <p>This activity is pending funding</p>
<p>5. Promoting roles of non-timber forest products for sustainable forest management and improved livelihood in tropical countries. <i>[ITTA, 2006, Article 1(f), (l), (q)]</i></p>	<p>To follow up on the recommendations of the ITTO International Conference on NTFPs and Services and experiences from the implementation of ITTO's NTFPs projects, there is a need to further assist member countries in developing collaborative activities oriented toward establishing a regional NTFPs network among countries in each region.</p> <p>Estimated cost: US\$200,000 Expected funding sources: Voluntary Contributions Year 2013–US\$100,000 Year 2014–US\$100,000</p>	<ul style="list-style-type: none"> <li>• Three project proposals from three member countries for the promotion of NTFPs formulated</li> </ul>	CFI	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 100,000 Year 2014 US\$ 100,000</p> <p>This activity is pending funding</p>
<p>6. Study on policies and measures toward the development of sustainable forest industry in ITTO producing member countries. <i>[ITTA, 2006, Article 1(c), (f), (i), (m)]</i></p>	<p>The development of the wood added processing sector in most tropical timber producer countries continues to be slow, thereby limiting earnings of countries and returns to forest communities. Sustainable forest industry development contributes to national economies, community development as well as a green economy and sustainable development.</p> <p>An updated baseline study on policies and measures for the development of sustainable forest industry in ITTO producer member countries will be carried out. On the basis of the updated study, guidelines for sustainable forest industry will be established.</p>	<ul style="list-style-type: none"> <li>• Guidelines for sustainable forest industry developed</li> </ul>	CFI	<p>Funding received: US\$ NIL Funding pending: US\$ 150,000</p> <p>This activity is pending funding</p>

	Estimated cost: US\$150,000 Expected funding sources: Voluntary Contributions			
7. Engineered Wood Conference. [ITTA, 2006, Article 1(a), (f), (i)]	<p>In the last few years, there have been a number of new developments in the production and application of engineered wood, which have expanded the use of timber and timber products and enhanced their values. Such developments include wood-plastic composites, wood-cement board, glulams, thermal modification, impregnation, chemical modification and cross-laminated timber, which offer wider use of timber in end-uses like large-scale construction, decorative works, furniture production, packaging, etc.</p> <p>An international conference will be convened under the activity to share information and perspectives among a wide range of participants (architects, designers, academics, investors, forest owners and managers, as well as those from the forest industries and governments of ITTO member countries) on all the above technological advances and implications for the further development of tropical timber industries, including promoting investments in tropical forests and contributing to SFM.</p> <p>Estimated cost: US\$220,000 Expected funding sources: Voluntary Contributions Year 2014–US\$220,000</p>	<ul style="list-style-type: none"> <li>• One international conference convened and proceedings published as a technical series document.</li> </ul>	CFI	<p>Funding received: US\$ NIL Funding pending: Year 2014 US\$ 220,000</p> <p>This activity is pending funding</p>
	<p><b>Sub-total 2013: US\$290,000</b> <b>Sub-total 2014: US\$380,000</b> <b>Biennium Sub-total: US\$670,000</b></p>			

**STRATEGIC PRIORITY 3: ENHANCE THE CONTRIBUTION OF TROPICAL TIMBER PRODUCING FORESTS TO THE CONSERVATION AND SUSTAINABLE USE OF BIODIVERSITY**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>8. Enhance cooperation between ITTO and CITES. <i>[ITTA, 2006, Article 15]</i> <i>[ITTC Decisions 3(XVI), 7(XXXIV), 2(XXXVII), 5(XLVI)]</i></p>	<p>Continue to assist Members to implement CITES listings of timber species. Pursuant to Decision 5(XLVI) on "Multi-Donor Mechanism to Facilitate Enhanced Cooperation between ITTO and CITES", the European Commission's further grant in the amount of US\$6,127,451 (EUR 5,000,000) was approved in early 2012. This grant will extend over a period of four years and will allow continued implementation of the ITTO-CITES capacity building programme which commenced in 2006. Matching ITTO contributions from other donors in the amount of US\$ 3,063,725 (EUR 2,500,000) during the four-year period are required under the contract with the EC, with US\$ 800,060 (EUR 652,849) already pledged during 2011-2012, leaving a balance of EUR 1,847,151 to be sought over the remaining 3 years of the EC grant. The amount sought from donors during this biennium is therefore two-thirds of this amount (EUR 1,231,434) or approximately \$750,000 per year at prevailing exchange rates (note that US dollar/Euro exchange rates will be updated to reflect prevailing rates at the time the actual contributions are received).</p> <p>Matching ITTO contributions: US\$1,509,110 (EUR 1,231,434)</p> <p>Expected funding sources: Voluntary Contributions Year 2013–US\$754,555 (EUR 615,717) Year 2014–US\$754,555 (EUR 615,717)</p>	<ul style="list-style-type: none"> <li>• Three countries with improved inventory designs</li> <li>• Three tracking/monitoring systems established</li> <li>• Three regional training/experience workshops conducted</li> <li>• Reduced number of trade suspensions of CITES listed timber species</li> <li>• An international workshop convened</li> </ul>	<p>Council</p>	<p>Funding received 2013: US\$ 490,005 (non-EC donors) Funding pending 2013: US\$ 264,550</p> <p>Funding received 2014: US\$ NIL Funding pending 2014: US\$ 754,555</p> <p>See document ITTC(L)/6 for a complete progress report on this activity.</p>
<p>9. Facilitate the application of the <i>ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in</i></p>	<p>Pursuant to Decision 6(XLVI), ITTO is required to promote the application of the Biodiversity Guidelines at a range of scales in partnership with timber producers, local communities and other stakeholders. In cooperation with other international organizations, civil society organizations and others, the activity will</p>	<ul style="list-style-type: none"> <li>• Three project proposals in three member countries in three tropical regions formulated</li> <li>• One partnership</li> </ul>	<p>CRF</p>	

<p><i>Tropical Timber Production Forests. [ITTA, 2006, Articles 1(m), (r)] [ITTC Decision 6(XLVI)]</i></p>	<p>encourage members and timber producing companies to adapt and make use of the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests wherever appropriate in their work, including in ITTO project proposals and reporting.</p> <p>(a) Support will be provided to interested member countries and forest concessionaires to formulate proposals to adapt and implement the Guidelines at forest management unit level, as well as for the dissemination of the Guidelines in relevant fora.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2013–US\$50,000 Year 2014–US\$50,000</p> <p>(b) Attendance at CBD, IUCN and other meetings where biodiversity conservation in tropical forests will be on the agenda.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2013–US\$50,000 Year 2014–US\$50,000</p>	<p>established</p>		<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 50,000 Year 2014 US\$ 50,000</p> <p>This sub-activity is pending funding</p> <p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 50,000 Year 2014 US\$ 50,000</p> <p>This sub-activity is pending funding</p>
	<p><b>Sub-total 2013: US\$854,555</b> <b>Sub-total 2014: US\$854,555</b> <b>Biennium Sub-total: US\$1,709,110</b></p>			

**STRATEGIC PRIORITY 4: REDUCE TROPICAL DEFORESTATION AND FOREST DEGRADATION AND ENHANCE PROVISION OF ENVIRONMENTAL SERVICES**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>10. Continue to monitor progress in the application of criteria and indicators for sustainable forest management. [ITTC Decisions 3(XXVI), 5(XXX), 9(XXX), 4(XXXIV)]</p>	<p>Regular Sessions' work, which includes monitoring the implementation of Decision 4(XXXIV) under which 28 national workshops to promote application of C&amp;I have already been implemented.</p> <p>(a) Make provision for additional 2-3 national workshops on C&amp;I under Decision 4(XXXIV), incorporating related topics such as auditing, certification, international reporting requirements, etc. into the workshop curricula.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions</p> <p>(b) Convene an expert meeting to review the ITTO C&amp;I in the light of experience gained in compiling the SFM Tropics reports, recommendations from national C&amp;I workshops, revision of ITTO guidelines and policy papers, the review of field level implementation of the C&amp;I carried out in 2010-2011 and developments in international forestry (e.g. climate change). Print the revised C&amp;I following Council approval.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions</p> <p>(c) Participate in international C&amp;I related meetings/discussions/initiatives, including the CPF Task Force on Streamlining Forest</p>	<p>(a)</p> <ul style="list-style-type: none"> <li>• Two to three national C&amp;I training workshops convened</li> </ul> <p>(b)</p> <ul style="list-style-type: none"> <li>• Expert meeting convened and C&amp;I revised</li> </ul> <p>(c)</p> <ul style="list-style-type: none"> <li>• Relevant meetings attended</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 50,000 Funding pending: US\$ 50,000</p> <p>A C&amp;I workshop for new members Benin and Mali was convened in March 2014. Consultations are also underway with FAO to identify other countries that would benefit from a (collaboratively funded) workshop during 2014 in order to improve responses to the Collaborative Forest Resources Questionnaire (CFRQ, see 10c below). Additional workshops will require the remaining budget balance of this activity to be provided.</p> <p>Funding received: US\$ 50,000 Funding pending: US\$ 50,000</p> <p>This activity was awaiting Council approval of the revised SFM Guidelines which were approved on a no-objection basis in July 2014. The expert meeting will tentatively be convened in Switzerland in late 2014 or early 2015 if sufficient funds are pledged.</p> <p>Funding received: US\$ 55,000 Funding pending: US\$ NIL</p>

	<p>Reporting, initiatives to take advantage of synergies between ITTO and FAO forest reporting (SFM Tropics and FRA) and relevant meetings of other C&amp;I processes.</p> <p>Estimated cost: US\$50,000 Expected funding sources: Voluntary Contributions</p>			<p>This activity has supported ITTO review of responses to the CFRQ referred to in 10a, including the ITTO C&amp;I Reporting Format which was part of the FAO FRA 2015 reporting package. It has also supported ITTO participation in FAO-led training workshops for CFRQ respondents in Africa and Asia during 2013. Remaining funds were used to facilitate ITTO participation in the Pan-European Forum on C&amp;I Implementation held in Vienna in October 2013. During 2014 this activity provided for ITTO checking of CFRQ data to be presented for ITTO producer members in the 2015 FAO Forest Resource Assessment and the next ITTO SFM Tropics report to be proposed in the 2015/2016 BWP. Co-funding may also be provided for a printed summary of CFRQ data to be published by FAO to ensure that ITTO receives broad recognition for its inputs to this work.</p>
<p>11. In cooperation with relevant organizations, continue to study the implications of climate change for tropical forests and the contribution of tropical forests to the mitigation of the effects of climate change. [ITTA, 2006, Articles 1(f), (p)] [ITTC Decision 1(XXXVIII)]</p>	<p>Support is required for ITTO to provide information for members interested in formulating and implementing an integrated forest sector response to climate change, and for participation in the global debate related to the role of tropical forests in climate change mitigation and adaptation, including:</p> <ul style="list-style-type: none"> <li>• Attendance at UNFCCC meetings where tropical forests will be brought to debate;</li> <li>• Facilitate the participation of ITTO member countries in events where the theme of forests and climate change will be high in the agenda, to make sure that ITTO producer member countries are well informed, actively involved, and benefit from possible incentives for sustainable forest management in the tropics;</li> <li>• Organization of a side event at UNFCCC COPs on the role of sustainable forest management in the tropics to support climate change mitigation and adaptation, and to restore degraded tropical</li> </ul>	<ul style="list-style-type: none"> <li>• Participation in two UNFCCC COPs and the organization of side events</li> <li>• Participation in four selected forest and climate change related meetings</li> </ul>	<p>Council</p>	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 50,000 Year 2014 US\$ 75,000</p> <p>Using limited resources available from other sources ITTO supported the following activities:</p> <p>Co-organization of two side events at the UNFCCC COP 19, Warsaw, Poland, 11-22 November 2013, i.e. 'Development of REDD+ safeguards systems by sharing lessons learned from field experiences' jointly with the Japan International Cooperation Agency (JICA) and 'Facilitating private-sector participation in REDD+ activities' with the Forestry and Forest Products Research Institute (FFPRI) of Japan and JICA.</p> <p>Dr Jürgen Blaser updated the 49<sup>th</sup> ITTC on REDD+ policy process in UNFCCC/SBSTA and COP-19 under Item 14 of the provisional agenda.</p>



	<p>forests;</p> <ul style="list-style-type: none"> <li>• In collaboration with CPF members, organization of a Discussion Forum at Forest Days to be held in parallel with UNFCCC COPs;</li> <li>• Taking into account the CPF Strategic Framework on Forests and Climate Change, participate in CPF related initiatives on forests and climate change to bring up tropical forest perspectives; and</li> <li>• Participation of ITTO Secretariat in selected REDD+ meetings such as REDD+ Partnership meetings to discuss technical and financial issues relating to REDD+.</li> </ul> <p>Estimated cost: US\$125,000 Expected funding sources: Voluntary Contributions Year 2013–US\$50,000 Year 2014–US\$75,000</p>			<p>Co-sponsoring the International Seminar ‘REDD+ Implementation and Sustainable Forest Management’, 6-7 February 2014 at United Nations University (UNU), Tokyo, Japan.</p> <p>Presentation of the REDDES Thematic Programme and forest-based climate change mitigation projects at REDD+ Partnership Workshop and Meeting (October 8-11, 2013, Palangkaraya, Indonesia); and CBD Capacity-building workshop for Mesoamerica on ecosystem conservation and restoration to support achievement of the Aichi Biodiversity Targets (25 - 28 August 2014, San José, Costa Rica)</p>
<p>12.Promote the understanding of the contribution of environmental services to the sustainable management of tropical forests. <i>[ITTA, 2006, Articles 1(g), (j), (m), (q), (r), (s)]</i></p>	<p>Organize an International Forum on Environmental Services with the aim of enhancing the capacity of members to develop strategies to strengthen the contribution of forest environmental services in the implementation of sustainable forest management, and cooperating with relevant institutions and processes to this end. The Forum shall cover aspects related to conservation of tropical forest ecosystems, existing experiences and knowledge on payment for environmental services (PES), forest carbon as an emerging forest commodity, equity and gender balance in benefit sharing, and others.</p> <p>Estimated cost: US\$300,000 Expected funding sources: Voluntary Contributions</p>	<ul style="list-style-type: none"> <li>• International Forum on Environmental Services convened in 2014</li> </ul>	<p>CRF</p>	<p>Funding received: US\$ 232,382 Funding pending: US\$ NIL</p> <p>The International Forum on Payments for Environmental Services of Tropical Forests was co-organized with the Food and Agriculture Organization of the United Nations (FAO), and Costa Rica's National Fund for Forest Finance (FONAFIFO) and hosted by the Government of Costa Rica in San José, Costa Rica, on 7–10 April 2014. The forum explored how payments for the environmental services provided by tropical forests can support forest owners and managers to improve incomes and support SFM. More than 150 people from 60 countries attended from governments, regional and international development partners, civil-society organizations and the private sector. Presentations, background information and the Forum summary can be found at: <a href="http://www.fao.org/forestry/84884">www.fao.org/forestry/84884</a>.</p> <p>Based on the insights gained at the International</p>

				<p>Forum on PES, a policy brief entitled "Rewarding the service providers" has been prepared and widely distributed. It sets out the rationale for, and the constraints faced by, PES schemes, and key recommendations for scaling them up. It can be found at <a href="http://www.itto.int/policypapers_guidelines/">http://www.itto.int/policypapers_guidelines/</a>.</p> <p>ITTO Newsletter, TFU features discussions of the International Forum on PES as a special edition (Volume 23 Number 1 2014).</p> <p>The outcomes of the International Forum on PES were presented at FAO/ITTO joint side event during FAO's Twenty-second Session of Committee on Forestry (23-27 June 2014, Rome, Italy). It is expected that the outcomes of the International Forum on PES will be presented at side events to be organized at the IUCN World Parks Congress 2014 (12-19 November, Sydney, Australia) and ITTC-50.</p>						
<p>13. Review and update the <i>ITTO Guidelines for the Establishment and Sustainable Management of Planted Tropical Forests</i> to take into account recent developments in tropical forestry. [ITTA, 2006, Articles 1(j), (m)]</p>	<p>Assess, review and update the ITTO Guidelines for the Establishment and Sustainable Management of Planted Tropical Forests (ITTO document PS 4, 1993), taking into account new developments emphasizing the role of tree planting in the tropics, including timber supply, energy production, provision of environmental services, restoration potential, as well as the potential of agroforestry and trees outside forests to provide forest goods and services.</p> <p>Estimated cost: US\$250,000 Expected funding sources: Voluntary Contributions Year 2013–US\$150,000 Year 2014–US\$100,000</p>	<ul style="list-style-type: none"> <li>Revised ITTO Guidelines developed by 2014</li> </ul>	CRF	<table> <tr> <td>Funding received:</td> <td>US\$ NIL</td> </tr> <tr> <td>Funding pending:</td> <td>Year 2013 US\$ 150,000</td> </tr> <tr> <td></td> <td>Year 2014 US\$ 100,000</td> </tr> </table> <p>This activity is pending funding</p>	Funding received:	US\$ NIL	Funding pending:	Year 2013 US\$ 150,000		Year 2014 US\$ 100,000
Funding received:	US\$ NIL									
Funding pending:	Year 2013 US\$ 150,000									
	Year 2014 US\$ 100,000									
<p>14. Promote the implementation of guidelines for the management of</p>	<p>(a) Support to the establishment of a network of learning sites for forest landscape restoration in collaboration with Global Partnership on Forest Landscape Restoration (GPFLR) to promote the</p>	<p>(a)</p> <ul style="list-style-type: none"> <li>Establishment of network learning sites supported</li> </ul>	CRF	<table> <tr> <td>Funding received:</td> <td>US\$100,000</td> </tr> <tr> <td>Funding pending:</td> <td>US\$ NIL</td> </tr> </table> <p>The progress made in the implementation of this</p>	Funding received:	US\$100,000	Funding pending:	US\$ NIL		
Funding received:	US\$100,000									
Funding pending:	US\$ NIL									

<p>secondary tropical forests, the restoration of degraded tropical forests and the rehabilitation of degraded forest land. [ITTA, 2006, Articles 1(j), (m)] [ITTC Decisions 1(XXXV), 4(XXXV)]</p>	<p>consolidation of best knowledge and best practices in forest landscape restoration in selected countries of Asia, Africa and Latin America in line with of the ITTO Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests.</p> <p>Estimated cost: US\$100,000 (US\$50,000 already pledged under Activity 43 of the 2012-2013 BWP)</p> <p>Expected funding sources: Voluntary Contributions Year 2013–US\$50,000</p> <p>(b) The sub-activity will allow for ITTO participation in major international restoration forums in order to work with many partners in the tropics and with international organizations engaged in the implementation of rehabilitation and restoration activities in degraded forests in the tropics and serve as an ITTO contribution to the achievement of the Bonn Challenge, a global call for the restoration of 150 million ha by 2020 using a forest and landscape restoration approach.</p> <p>Estimated cost: US\$50,000 Expected funding sources: Voluntary Contributions Year 2013–US\$25,000 Year 2014–US\$25,000</p>	<p>(b)</p> <ul style="list-style-type: none"> <li>• Two partnerships on Bonn Challenge established</li> </ul>		<p>sub-activity, can be summarized as follows:</p> <ul style="list-style-type: none"> <li>- In consultation with IUCN as the hosting organization of GPFLR, national consultants were identified and hired and the best knowledge and practices in forest landscape restoration were collected in 3 ITTO member countries (1 country per producing region: Ghana for Africa, Indonesia for Asia-Pacific and Mexico for Latin; and</li> <li>- A Memorandum of Understanding was prepared and submitted to IUCN for its review in order to consolidate the findings from national studies described above in support of the establishment of network of learning sites.</li> </ul> <p>Funding received: US\$ 25,000 Funding pending: Year 2013 US\$ 25,000 Year 2014 NIL</p> <p>A Memorandum of Understanding was prepared and submitted to IUCN for its review, as described above, also to:</p> <ul style="list-style-type: none"> <li>- Prepare outreach and communication materials based on the best knowledge and practices in forest landscape restoration gained through national studies; and</li> <li>- Participate in the 2<sup>nd</sup> Global Landscape Forum (GLF) to be held in conjunction with the UNFCCC COP 20 in December 2014 in order to organize a discussion forum in collaboration with CBD secretariat and FAO, as well as IUCN.</li> </ul>
<p>15. Contribute appropriately to national and international efforts in the area of prevention and management of</p>	<p>(a) Review and update the ITTO Guidelines on Fire Management in Tropical Forests to take into account scientific insights into the state of forests and forest protection in the tropics in the last 15 years and the progress made in fire management research and development globally.</p>	<p>(a)</p> <ul style="list-style-type: none"> <li>• Revised ITTO Guidelines published in 2014</li> </ul>	<p>CRF</p>	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 50,000 Year 2014 US\$ 100,000</p> <p>This sub-activity is pending funding</p>

<p>fire in relation to tropical timber-producing forests. [ITTA, 2006, Article 1(m)] [ITTC Decision 6(XXXIII)]</p>	<p>Estimated cost: US\$150,000          Expected funding sources: Voluntary Contributions          Year 2013–US\$50,000          Year 2014–US\$100,000</p> <p>(b) Make provisions for ITTO's contributions to the United Nations International Strategy for Disaster Reduction (UNISDR) Global Wildland Advisory Group, and the related Global Wildland Fire Network (GWFN) / Global Fire Monitoring Center (GFMC), and provide support for the Africa, Asia, and Latin America Regional Wildland Fire Networks and other inter-institutional cooperation efforts in their preparatory meetings for the 6th International Wildland Fire Conference to be held in 2015 in South Korea.</p> <p>Estimated cost: US\$150,000          Expected funding sources: Voluntary Contributions          Year 2013–US\$75,000          Year 2014–US\$75,000</p>	<p>(b)</p> <ul style="list-style-type: none"> <li>• Assistance to three preparatory fora in three ITTO producing regions provided</li> </ul>		<p>Funding received: US\$ 50,000          Funding pending: Year 2013 US\$ 45,000          Year 2014 US\$ 55,000</p> <p>The ITTO Secretariat participated at the meeting of the South Korea Conference Organizing Committee (SKCOC) and the International Liaison Committee (ILC), that was held in Seoul, Korea, on 21-23 October 2013, at which the organization of the 6th International Wildland Fire Conference (2015) and other forest fire related matters were discussed. The Secretariat also participated and provided financial assistance for the participation of three members from the Africa, Asia, and Latin America Regional Wildland Fire Networks at the Joint Meetings of the UNISDR Wildland Fire Advisory Group (WFAG), the International Liaison Committee (ILC) and the South Korea Conference Organizing Committee (SKCOC) held on 27-30 June 2014 at the Global Fire Monitoring Center (GFMC) in Freiburg, Germany, in preparation for the 6th International Wildland Fire Conference to be held in 2015 in South Korea.</p>
	<p><b>Sub-total 2013: US\$950,000</b>  <b>Sub-total 2014: US\$375,000</b>  <b>Biennium Sub-total: US\$1,325,000</b></p>			

**STRATEGIC PRIORITY 5: IMPROVE THE QUALITY AND AVAILABILITY OF INFORMATION ON TROPICAL FORESTS, TIMBER MARKETS AND TRADE**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>16. Continue to publish the ITTO Tropical Forest Update (TFU). [ITTA, 2006, Articles 27, 28]</p>	<p>Regular Sessions' work.</p> <p>Estimated cost: US\$520,000 Expected funding sources: Core Operational Costs Year 2013–US\$260,000 Year 2014–US\$260,000</p>	<ul style="list-style-type: none"> <li>Up to four issues of TFU published and distributed in three ITTO working languages both in 2013 and 2014</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 520,000 Funding pending: Year 2013 US\$ NIL Year 2014 US\$ NIL</p> <p>This activity was included in the Core Operational Costs of the Administrative Budgets for 2013 and 2014, and includes funds for the TFU and (if possible) other publications.</p> <p>During 2013 three editions of volume 22 of the TFU, were published and distributed in the three official languages of the Organization. The final issue of volume 22 was published in early 2014. Topics covered in the 2013 editions included a meta-evaluation of ITTO's project work, timber tracking and sustainable forest industries. For the year 2014 and at the time of preparation of this report, two issues of the TFU (22-4 and 23-1) were published and distributed. Topics covered under these editions included C&amp;I and environmental services. Two more issues are under preparation for publication and distribution in 2014.</p>
<p>17. Collaborate with the Trade Advisory Group (TAG) in organizing and holding the ITTO Annual Market Discussion on the world tropical timber trade during Sessions of the ITTC in 2013 and 2014. [ITTA, 2006, Articles 1(e), (h)]</p>	<p>Regular Sessions' work. The theme for the Annual Market Discussion will be determined at the previous years' Council Session.</p> <p>Estimated cost: US\$70,000 Expected funding sources: Core Operational Costs Year 2013–US\$35,000 Year 2014–US\$35,000</p>	<ul style="list-style-type: none"> <li>ITTO Annual Market Discussions convened in 2013 and 2014</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 70,000 Funding pending: Year 2013 US\$ Nil Year 2014 US\$ Nil</p> <p>The Secretariat collaborated with the TAG in the preparations and conduct of the ITTO Annual Market Discussion 2013 on the theme 'Trade Approaches to Meeting Market Demands for Legality' in conjunction with the Forty-ninth Session of ITTC, Libreville, Gabon from 25 to 30 November 2013. The 2014 Market Discussion on the theme "Domestic and Emerging International Markets – A Changing Market Landscape" is being arranged in liaison with the TAG.</p>

<p>18. Continue to publish the ITTO Market Information Service (MIS). [ITTA, 2006, Articles 27, 28]</p>	<p>Regular Sessions' work.</p> <p>Estimated cost : US\$400,000 Expected funding sources: Core Operational Costs Year 2013–US\$200,000 Year 2014–US\$200,000</p>	<ul style="list-style-type: none"> <li>• Up to forty-four TTMRs published in 2013 - 2014</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 400,000 Funding pending: Year 2013 US\$ Nil Year 2014 US\$ Nil</p> <p>With the approved financing of US\$200,000 under Core Operational Costs of the Administrative Budget for 2013, the publication of the Tropical Timber Market Report (TTMR) resumed in January 2013. Twenty-two issues of the TTMR were published in 2013. The provision of the same amount for 2014 has allowed publication to continue, with an additional 23 issues planned by the end of the year.</p>
<p>19. Enhancement of statistical work and databases on statistics. [ITTA, 2006, Article 27]</p>	<p>Regular Sessions' work. The Committee will make provisions for and consider the results of activities to improve statistical databases, maintain access to international forest products trade databases and to maintain involvement in the Intersecretariat Working Group on Forest Statistics and Joint Forest Sector Questionnaire Process.</p> <p>Estimated cost: US\$40,000 Expected funding sources: Core Operational Costs Year 2013–US\$20,000 Year 2014–US\$20,000</p>	<ul style="list-style-type: none"> <li>• Participation in two meetings of the Inter-secretariat Working Group in 2013 and 2014</li> <li>• Updating and refinement of JFSQ</li> </ul>	<p>Council and CEM</p>	<p>Funding received: US\$ 40,000 Funding pending: Year 2013 US\$ Nil Year 2014 US\$ Nil</p> <p>With the approved financing of US\$20,000 under Core Operational Costs of the Administrative Budget for 2013, ITTO participated in the meeting of the Inter-secretariat Working Group on Forest Statistics (IWG) held in Rome, Italy from 14 to 15 February 2013 to consider revisions to be proposed to the harmonized system of customs classification and preparations for the distribution of JFSQ. The provision of the same amount for 2014 has allowed participation in the IWG meeting convened in Luxembourg from 22 to 24 January 2014 and also for a subscription to the Global Trade Atlas to facilitate ITTO's statistical analyses of timber trade.</p>
<p>20. Further enhance public relations, education and outreach activities to best convey the achievement of the objectives of the Organization. [ITTA, 2006, Article 1] [ITTC Decision</p>	<p>Continue to ensure that ITTO reaches as wide an audience as possible by:</p> <p>(a) Undertaking regular communications and outreach activities including, inter alia, continuing to improve the ITTO website; updating the ITTO website in the three official languages; publishing and disseminating relevant ITTO reports, including Annual Reports; editing, producing and disseminating public relations materials (posters,</p>	<p>(a)</p> <ul style="list-style-type: none"> <li>• Up to four new technical series documents published and disseminated</li> <li>• Two Annual Reports</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 330,075 Funding pending: Year 2013 US\$ NIL Year 2014 US\$ NIL</p> <p>Subsequent to the approval of the BWP 2013-2014, the Council approved new Core operational cost under the administrative budgets for the</p>

<p>5(XXVII)]</p>	<p>calendars, etc).</p> <p>Estimated cost: US\$121,254          Expected funding sources: Core Operational Costs          Year 2013–US\$60,627          Year 2014–US\$60,627</p>	<p>in three languages published</p> <ul style="list-style-type: none"> <li>• Photo database enhanced</li> <li>• Regular updating of ITTO website</li> </ul>	<p>years 2013 and 2014, which is broken down as US\$ 131,400 for 2013 and US\$198,675 for 2014 for this activity.</p> <p>During the biennium the following technical reports were published or co-published and disseminated (funding for such publications may have come from different sources):</p> <ul style="list-style-type: none"> <li>• Governing the forests: an institutional analysis of REDD+ and community forest management in Asia;</li> <li>• Riding out the storm (TS-41);</li> <li>• Towards a development strategy for the wood-processing industry in the Congo Basin;</li> <li>• Indicating progress: uses and impacts of criteria and indicators for sustainable forest management (TS-42);</li> <li>• Report on Environmental Product Declaration on meranti plywood in Indonesia and Malaysia; and</li> <li>• Rewarding the service providers.</li> </ul> <p>Two editions of ITTO annual report for the years 2012 and 2013 were published and disseminated in the three official languages plus Japanese.</p> <p>Regular updates were carried out to increase the stock of photos of the ITTO photo database which contains more than 400 albums.</p> <p>During the biennium, the ITTO website (www.itto.int), which is available in English, French, Spanish and Japanese, was updated regularly. The website contains a wide range of information on ITTO's work, such as top stories, news, calls for proposals, vacancy announcements, information for the International Tropical Timber Council and its committees, publications, a statistical database, the MIS, ITTO fellowships, the thematic programmes, collaboration with the CBD and CITES, and events.</p>
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			<p>In 2013, the website had a total of 188,705 sessions. In 2014, (as of the end of August) the website had a total of 111,256 hits</p> <p>Efforts are being undertaken to re-develop the ITTO website for easier navigation and improved user-friendliness. Requirements for a new website were identified and a request for proposal (RFP) for a new ITTO website and integration of web-based systems was published on the ITTO website on 23 May 2014. Following the technical and financial assessment of the proposals received, a company was selected on 16 July 2014, and at the time of preparation of this report activities to redevelop the website have just started. The effort also includes the development of a <i>project search function</i> to be released on the ITTO website (release expected in September 2014). The <i>project search function</i> will allow public consultation of all ITTO projects under the status of completed, operational and pending finance. In addition, the <i>project search function</i>, will provide a brief summary of the aim of the project(s) and will allow download relevant project related documents (i.e. project document, completion report, technical report(s), ex-post evaluation report and promotional material(s) –if available, unedited and in the original language of submission–) for all projects that were declared as completed from the year 2000 an onwards.</p> <p>Under this activity a new electronic newsletter “<i>Tropical Forest News</i>” was released in 2014; at the time of preparation of this report 3 issues have been published and distributed. New outreach materials in English, French, Spanish, and Japanese such as posters and brochures highlighting the work of ITTO have been produced, including a brochure on the SAP 2013-2018, a brochure on the ITTO-CDB Collaborative Initiative, a general brochure, posters on SFM as</p>
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	<p>(b) Participating in, convening side events and exhibiting ITTO outreach materials at relevant international events during the biennium (e.g. TICAD V in June 2013, Rio Convention COPs and related events during 2013-2014 not covered elsewhere, UNFF 10 in 2013, FAO COFO in 2014 and relevant Regional Forestry Commissions in 2013-2014, IUFRO World Congress in 2014, etc).</p> <p>Estimated cost: US\$200,000          Expected funding sources: Voluntary Contributions          Year 2013–US\$100,000          Year 2014–US\$100,000</p>	<p>(b)</p> <ul style="list-style-type: none"> <li>• Participation and side events/booths at up to six international fora</li> </ul>	<p>an unifying theme, climate change, sustaining forest-sustaining people, efficient wood processing technologies, ITTO-CBD Collaborative Initiative, etc.</p> <p>During the biennium, videos from ITTO projects and activities were uploaded in the ITTO YouTube channel at <a href="http://www.youtube.com/user/ittosfm">www.youtube.com/user/ittosfm</a>, including:</p> <ul style="list-style-type: none"> <li>• PD 406/06 Rev.1 (M): Establishment of a national forest and timber marketing statistics system (Ecuador);</li> <li>• PD 433/06 Rev.3 (I): Residue management in the wood-flooring industry (Brazil);</li> <li>• PD 512/08 Rev.2 (I): Utilization of lesser-used timber species in Peru; and</li> <li>• Four videos of the ITTO-CITES programme.</li> </ul> <p>Part of the funds under this activity will be used to cover ITTO’s participation at XXIV IUFRO World Congress and CBD COP 12 (October), IUCN World Park Congress (November), and UNFCCC COP 20 (December).</p> <p>Funding received: US\$ 130,000          Funding pending: Year 2013 US\$ NIL          Year 2014 US\$ 70,000</p> <p>This activity primarily funded ITTO’s involvement in the TICAD V meeting in 2013 and partially covered Secretariat participation in UNCCD and UNFCCC CoPs (September and December 2013, respectively) as well as the Yokohama Kokusai Festa (October 2013). As for the year 2014, the funds will be used to partially cover ITTO’s participation at XXIV IUFRO World Congress and CBD COP 12 (October), IUCN World Park</p>
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				Congress (November), and UNFCCC COP 20 (December).
21.Undertake the biennial review and assessment of the world timber situation. [ITTA, 2006, Article 28]	<p>(a) Publication of the annual review and assessment of the world timber situation for 2012 in 2013</p> <p>Estimated cost: US\$40,000 Expected funding sources: Core Operational Costs Year 2013–US\$40,000</p> <p>(b) Consideration of the draft elements for the biennial review and assessment of the world timber situation for 2013-2014</p> <p>Estimated cost: US\$50,000 Expected funding sources: Core Operational Costs Year 2014–US\$50,000</p> <p>(c) Publication of the biennial review and assessment of the world timber situation for 2013-2014 in 2015</p> <p>Estimated cost: US\$40,000 Expected funding sources: Core Operational Costs Year 2014–US\$40,000</p>	<p>(a)</p> <ul style="list-style-type: none"> <li>Annual review and assessment for 2012 published in 2013</li> </ul> <p>(b)</p> <ul style="list-style-type: none"> <li>Draft elements considered at the Fiftieth Session of the Council in 2014</li> </ul> <p>(c)</p> <ul style="list-style-type: none"> <li>Biennial review and assessment published in 2015</li> </ul>	Council	<p>Funding received: US\$ 40,000 Funding pending: US\$ NIL The annual review and assessment of the world timber situation for 2012 was published in July 2013.</p> <p>Funding received: US\$ 50,000 Funding pending: Year 2014 US\$ NIL The draft elements for the first ever biennial review and assessment of the world timber situation for 2013-2014 will be considered by the ITTC at its Fiftieth Session in 2014.</p> <p>Funding received: US\$ 40,000 Funding pending: Year 2014 US\$ NIL The publication of the biennial review and assessment of the world timber situation for 2013-2014 will be released in 2015.</p>
22.Develop an ITTO knowledge management strategy and knowledge management guidelines [ITTA, 2006, Articles 1(c), (r)]	<p>Two consultants will be contracted to develop an ITTO strategic framework and guidelines required for developing an integrated knowledge management system which is contributing to take advantage to use lessons learned and build modular learning approaches to further strengthen/improve the effectiveness of future project work. The system will be robust enough to be used in a context of dramatic transformations that are changing the practices in forestry and in the use of forest products. The strategy will show how ITTO will be more agile in devising appropriate innovations and improving its systems and its institutional readiness for continuous learning and sharing.</p> <p>Estimated cost: US\$150,000 Expected funding sources: Voluntary Contributions Year 2013-US\$150,000</p>	<ul style="list-style-type: none"> <li>ITTO knowledge management strategy</li> <li>ITTO knowledge management system</li> </ul>	Council/Joint Committees	<p>Funding received: US\$ 395,000 Funding pending: Year 2013 NIL Year 2014 US\$ 85,000</p> <p>The report of the consultants including the Draft ITTO Knowledge Management Strategy and Action Plan was presented at the 49<sup>th</sup> ITTC, Libreville, Gabon and approved, completing the activity originally proposed under this BWP. Additional funding of US\$ 245,000 was pledged for immediate implementation of the Action Plan. In 2014 the emphasis has been on improved knowledge sharing and dissemination, i.e. the re-examination of the ITTO information infrastructure and the redevelopment of the ITTO website in close collaboration with Activity 20. In addition, financial support has been provided for activities</p>

	<p>*Year 2014-US\$330,000 *Additional Funding requested at the 49<sup>th</sup> ITTC for implementation of the KM Action Plan</p>			<p>to improve project learning, networking, and knowledge use and sharing, including the preparation and dissemination of the policy brief 'Rewarding the service providers' under Activity 12 and the publication of the 'Technical guide on the quantification of carbon benefits in ITTO projects' (Red-PA 069/11 Rev.1 (F)). A synthesis of the aggregated achievements of the ITTO Thematic Programmes on REDDES and TFLET towards the programmatic objectives is ongoing and the report is expected in December 2014. A follow-up activity "Implementation of the ITTO Knowledge Management Strategy and Action Plan" has been included the Draft BWP 2015-2016, partially using funds pledged under the BWP 2013-2014.</p>
<p>23. Development of Environmental Product Declaration (EPD) for three tropical wood products. [ITTA, 2006, Articles 1(a), (f), (s)]</p>	<p>This activity will compile Environmental Product Declarations (EPDs) through the development of a Life Cycle Inventory database and Life Cycle Assessment (LCA) reports for three products, namely meranti plywood, ipe decking and khaya lumber representing three important products from the three tropical regions.</p> <p>Estimated cost: US\$180,000 Expected funding sources: Voluntary Contributions</p>	<ul style="list-style-type: none"> <li>LCA reports, carbon footprint and EPD developed for three products</li> </ul>	CFI	<p>Funding received: US\$ 180,000 Funding pending: US\$ NIL</p> <p>The study on EPD for meranti plywood in Malaysia and Indonesia has been completed. The report of the study can be downloaded from ITTO's homepage. Another two EPD studies on khaya lumber in Ghana and ipe decking in Brazil are on-going utilizing remaining funds.</p>
<p>24. Review of the timber market in two significant tropical timber importing countries. [ITTA, 2006, Articles 1(e), (h)]</p>	<p>Regular Sessions' work. Provisions for the studies and markets to be covered may be proposed by the Committee.</p> <p>Estimated cost: US\$200,000 Expected funding sources: Voluntary Contributions Year 2013-US\$100,000 Year 2014-US\$100,000</p>	<ul style="list-style-type: none"> <li>Review of two timber markets in two significant timber importing countries carried out in 2013 and 2014</li> </ul>	CEM	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 100,000 Year 2014 US\$ 100,000</p> <p>This activity is pending funding</p>
<p>25. Promote trade in tropical timber and tropical timber products from sustainably managed and legally harvested sources.</p>	<p>Further promote the development and implementation of web-based information systems designed and operated to make sound data and information available to assist consumers in identifying/purchasing legally/sustainably produced timber, in cooperation with governments and public-private partnerships.</p>	<ul style="list-style-type: none"> <li>Web-based information system developed and implemented</li> <li>Policy implications of study considered at</li> </ul>	CEM	<p>Funding received: US\$ 6,000,000 Funding pending: US\$ NIL</p> <p>While the requested funding of US\$300,000 was never provided for the originally formulated activity, during the 49th ITTC Session the EU announced that a contract for nearly \$6 million</p>

<p><i>[ITTA, 2006, Articles 1(d), (k), (n), (o)]</i></p>	<p>Estimated cost: US\$300,000 Expected funding sources: Voluntary Contributions</p>	<p>Forty-eighth Session of CEM in 2014</p>		<p>(4.4 million euros) would soon be signed with ITTO to undertake independent market monitoring (IMM) of FLEGT-licensed timber entering the EU market. The contract was subsequently signed at the end of 2013, providing for a 4 million euro grant from the EU to ITTO over the period 2014-2018 (375,000 euros will also be provided as an ITTO in-kind contribution to the IMM project over this period). Since the objectives of the IMM and establishment of a web site to report on its outputs are closely linked to the objectives of the original work proposed under this activity, the IMM project and funding were included and will be reported on under this BWP activity in 2014. Note that a small amount of the funds provided by the EU for the IMM project (\$13,800) were allocated by the EU during the 49th ITTC Session to the fundraising work covered under Activity 54 of this BWP.</p>
<p>26. Analyze the economic impact of governmental procurement policies on tropical timber markets. <i>[ITTA, 2006, Articles 1(k),(o)]</i></p>	<p>Consider the policy implications of the results and outcomes of the study being carried out under ITTO Thematic Programme on Trade and Market Transparency (TMT).  Estimated cost: US\$150,000 Expected funding sources: TMT</p>	<ul style="list-style-type: none"> <li>• Project TMT-SPD 012/13 Rev.1 (M) fully implemented</li> </ul>	<p>CEM</p>	<p>Funding received: US\$ 150,000 Funding pending: US\$ NIL</p> <p>A small project TMT-SPD 013/12 (M) was funded to carry out this activity under the ITTO Thematic Programme on Trade and Market Transparency (TMT) with a budget of US\$ 150,000.</p> <p>Mr. R. Michael Martin (USA) and Mr. Baharuddin Ghazali (Malaysia) were engaged as consultants to assist in the implementation of the activity. The draft report on the study was presented at the Forty-seventh Session of the ITTO Committee on Economics, Statistics and Markets (CEM) and Committee on Forest Industry (CFI) in November 2013. Following the discussions there and member comments submitted later, the consultants have submitted a final version of the report that will be considered at the 48<sup>th</sup> Session of CEM and CFI.</p>
	<p><b>Sub-total 2013:</b> US\$1,405,627 <b>Sub-total 2014:</b> US\$ 865,627</p>			

	<b>Biennium Sub-total:</b>	<b>US\$2,271,254</b>			
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**STRATEGIC PRIORITY 6: BUILD AND DEVELOP HUMAN RESOURCE CAPACITY TO IMPLEMENT SFM AND INCREASE TRADE IN FOREST GOODS AND SERVICES FROM SUSTAINABLY MANAGED FORESTS**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>27. Consider advice from and facilitate involvement of the Trade Advisory Group (TAG) and the Civil Society Advisory Group (CSAG). <i>[ITTC Decisions 9(XXVIII), 2(XXXII)]</i></p>	<p>Regular Sessions' work.</p> <p>Encourage support for the participation of TAG and CSAG members in Council Sessions.</p> <p>Estimated cost: US\$80,000 Expected funding sources: Voluntary Contributions/ Unearmarked Funds Year 2013–US\$40,000 Year 2014–US\$40,000</p>	<ul style="list-style-type: none"> <li>At least four representatives from TAG and CSAG assisted to participate in the Sessions of the Council in 2013 and 2014</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 40,000 Funding pending: Year 2013: US\$ NIL Year 2014: US\$ 40,000</p> <p>Assistance was provided by the Secretariat for the participation of TAG and CSAG in the Forty-Ninth and Fiftieth Sessions of the Council.</p>
<p>28. Continue to provide for ITTO's cooperation and consultation with the Collaborative Partnership on Forests (CPF) in support of the United Nations Forum on Forests (UNFF) and other relevant international and regional organizations, institutions and initiatives. <i>[ITTA, 2006, Article 15]</i> <i>[ITTC Decision 7(XXX)]</i></p>	<p>Maintain ITTO's active involvement in the CPF and UNFF by providing relevant inputs, participating effectively in the relevant activities, work and meetings of the UNFF and CPF and shouldering part of the costs of relevant work and activities on the basis of equitable cost-sharing with other members of the CPF.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2013–US\$50,000 Year 2014–US\$50,000</p>	<ul style="list-style-type: none"> <li>Participation of ITTO in UNFF10 in 2013 and four CPF meetings in 2013 and 2014</li> <li>Contributions to three CPF joint initiatives in 2013 and 2014</li> </ul>	<p>Council</p>	<p>Funding received: US\$25,000 Funding pending: Year 2013 US\$25,000 Year 2014 US\$50,000</p> <p>Using the partial funding, ITTO participated in UNFF 10 and relevant meetings and events which were held in Istanbul, Turkey from 8 to 19 April 2013. ITTO also participated in the Retreat of the Collaborative Partnership on Forests held in Rome, Italy from 2-3 July 2013 to discuss the CPF common agenda including outcomes of Rio+20, sustainable development goals and the assessment of UNFF</p>
<p>29. Support for the ITTO Children's Environmental Education Programme on Tropical Forests (CEEP). <i>[ITTA, 2006, Article 1]</i></p>	<p>Following the approval of the Children's Environmental Education Programme on Tropical Forests (CEEP) at the Forty-fourth session of the Council, the Secretariat secured the initial fund to begin the Programme. The first Environmental Education Conference under the CEEP was convened in Yokohama on July 2009 with the presence of the Crown Prince and Princess of</p>	<ul style="list-style-type: none"> <li>Convening of a second Environmental Education Conference in 2014</li> <li>Assistance to establish model</li> </ul>	<p>Council</p>	<p>Funding received: US\$ NIL Funding pending: Year 2013 US\$ 120,000 Year 2014 US\$ 120,000</p> <p>This activity is pending funding</p>

<p><i>[ITTC Decision 1(XLIV)]</i></p>	<p>Japan. Activities to be undertaken in 2013-2014 include:</p> <ul style="list-style-type: none"> <li>• Convening a second environmental education conference</li> <li>• Assistance to establish “school forests”</li> <li>• Dispatching lecturers</li> </ul> <p>Estimated cost: US\$240,000 Expected funding sources: Voluntary Contributions Year 2013–US\$120,000 Year 2014–US\$120,000</p>	<p>school forests in three member countries in three tropical regions</p> <ul style="list-style-type: none"> <li>• Lecturers dispatched to six schools in member countries</li> </ul>		
<p>30. Decide on eligible fellowship applications in 2013 and 2014 based on the recommendations of the Fellowship Selection Panel. <i>[ITTC Decision 4(XXVII)]</i></p>	<p>The objective of the fellowship programme is to develop human resources and enhance professional expertise in member countries in tropical forestry and related disciplines, with a view to promoting sustainable management of tropical forests, efficient utilization and processing of tropical timber, and better economic information on the international trade in tropical timber. Eligible activities include:</p> <ul style="list-style-type: none"> <li>• Participation in short term training courses, training internships, study tours, lecture/demonstration tours and international/regional conferences;</li> <li>• Technical document preparation, publication and dissemination, such as manuals and monographs; and</li> <li>• Postgraduate studies.</li> </ul> <p>Estimated cost: US\$820,000 Expected funding sources: Voluntary Contributions Year 2013–US\$420,000 Year 2014–US\$400,000</p>	<ul style="list-style-type: none"> <li>• 100-120 fellowships awarded in 2013 and 2014</li> <li>• Fellowship alumni network established</li> </ul>	<p>Council</p>	<p>Funding received: US\$ 748,301 Funding pending: Year 2013: US\$71,698.27 Year 2014: US\$ Nil</p> <p>Forty-eighth fellowships were awarded in 2013 at a total cost of US\$300,528.00 and Twenty-three fellowships were awarded during Spring 2014 Cycle at a total cost of US\$148,385.00</p> <p>The Council will consider and approve the recommendations of the Fellowship Selection Panel and decide on the award of Fellowships for Autumn 2014 Cycle during the Fiftieth Session of the Council.</p>
<p>31. Strengthening the capacity to promote efficient wood processing technologies in tropical timber producing countries.</p>	<p>This pilot activity begun under the 2012-2013 BWP will continue to focus on producer member countries in the Africa, Asia Pacific and Latin America and Caribbean Regions in which their forest industry production chains encounter problems of inefficiency and lack of human resource capacity. The scope of the in-house training to be provided to industries in producing member</p>	<ul style="list-style-type: none"> <li>• Three in-house trainings conducted in three producer member countries in 2013 and 2014</li> </ul>	<p>CFI</p>	<p>Funding received: US\$ 78,000 Funding pending: Year 2013: US\$ 22,000 Year 2014: US\$ 150,000</p> <p>In-house trainings were conducted using the partial funding available in: 1) Mexico involving 9 wood-based industries in Chetumal and Oaxaca</p>

<p><i>[ITTA, 2006, Articles 1(f), (i)]</i></p>	<p>countries, will include strengthening capacity in common problem areas in the wood-based industries, namely: log stocking and loading, kiln drying and boilers, saw doctoring, finger jointing, laminating, packaging, waste control, maintenance and work safety.</p> <p>Estimated cost: US\$250,000  Expected funding sources: Voluntary Contributions  Year 2013–US\$100,000  Year 2014–US\$150,000</p>			<p>and 2) Guatemala involving 6 wood-based industries in Zacapa and Peten. The trainings were positively evaluated by the host countries and the Stakeholders involved.</p>
<p>32. Facilitating technology and knowledge sharing to enhance sustainable forest industry among ITTO producing member countries.  <i>[ITTA, 2006, Articles 1(f), (l), (o), (p)]</i></p>	<p>This activity will facilitate capacity building activities by knowledge hub countries for countries with less developed forest industries by making provisions to conduct training workshops. The activity will:</p> <ul style="list-style-type: none"> <li>Identify knowledge hub countries in each of the major forest industry fields (e.g. efficient wood processing, biomass energy, RIL, implementation of code of conduct);</li> <li>Engage research/training center of knowledge hub countries in designing appropriate training workshops; and</li> <li>Organize specific training workshop and identify participants from ITTO producer member countries with less developed forest industries.</li> </ul> <p>Estimated cost: US\$200,000  Expected funding sources: Voluntary Contributions  Year 2013–US\$100,000  Year 2014–US\$100,000</p>	<ul style="list-style-type: none"> <li>Three training workshops conducted in producer member countries in 2013 and 2014</li> <li>Three hub countries identified for south-south cooperation</li> </ul>	CFI	<p>Funding received: US\$ NIL  Funding pending: Year 2013: US\$ 100,000  Year 2014: US\$ 100,000</p> <p>This activity is pending funding</p>
<p>33. Matching the needs of forest industry with the innovations, technologies and know-how developed through ITTO projects.  <i>[ITTA, 2006, Articles 1(f), (i), (p)]</i></p>	<p>During the last 10 years ITTO projects under the Committee of Forest Industry have produced a number of innovations and technologies along with associated expertise. This activity will disseminate findings, outputs and lessons from completed ITTO projects to support the development of the tropical forest industry sector, including SMFEs.</p> <p>Estimated cost: US\$150,000  Expected funding sources: Voluntary Contributions</p>	<ul style="list-style-type: none"> <li>Three matches of innovation, technologies and know-how undertaken in three producer member countries</li> </ul>	CFI	<p>Funding received: US\$ 130,000  Funding pending: Year 2013 US\$ 20,000  Year 2014 NIL</p> <p>This activity was initially proposed in the 2012-13 BWP under which partial funding of \$80,000 was provided. A further pledge of \$50,000 was provided at the 49<sup>th</sup> ITTC under this BWP.</p> <p>International Consultant, Mr. Vicente A, Molinos</p>



	<p>(US\$80,000 already pledged under Activity 28 of the 2012-2013 BWP) Year 2013–US\$20,000 Year 2014–US\$50,000</p>		<p>(USA) has been engaged to facilitate the implementation of the activity.</p> <p>A database on completed projects under the Committee was provided to the consultant together with relevant technical reports generated by those projects in the field of Lesser Used Timber Species (LUS), Biomass, Reduced Impact Logging (RIL), utilization of bamboo and timber processing.</p> <p>A survey to identify forest industry needs was conducted from October to December 2013 with a total of 427 responses to three types of questionnaires (producer, consumer and others). The objectives of the survey were to:</p> <ul style="list-style-type: none"> <li>• Identify the topics of highest regional priority for the timber industries in producer and consumer countries and among other stakeholders</li> <li>• Identify candidate countries and topics for the demonstration phase of an activity to be undertaken in 2014</li> <li>• Strengthen ITTO's outreach to the tropical timber industry.</li> </ul> <p>The responses to the survey indicated that, at a global level, the topics of major importance for the transfer of technology and know-how are the need to:</p> <ul style="list-style-type: none"> <li>• Support the development and marketing of value-added products</li> <li>• Make more information available on lesser-used timber species (LUS).</li> </ul> <p>Since the purpose of the activity is to match the needs of the forest industry with knowledge from ITTO projects, making more information available on LUS was selected as a priority area for work under this activity and a dedicated website is under development.</p>
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<p>34. Enhance the technical capacity of member countries, particularly developing member countries, to meet the statistics and reporting requirements. [ITTA, 2006, Article 28(5)]</p>	<p>Upon request, provide assistance to member countries to strengthen their statistics collection and enhance reporting.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2013–US\$50,000 Year 2014–US\$50,000</p>	<ul style="list-style-type: none"> <li>• Four country-level workshops conducted in four ITTO member countries in 2013 and 2014</li> </ul>	CEM	<p>Funding received: US\$ 40,000 Funding pending: Year 2013: US\$ 10,000 Year 2014: US\$ 50,000</p> <p>Utilizing limited funds remaining from related previous BWP activities, and in collaboration with FAO and APFNet, a statistics workshop was held on 1-3 April 2013 in Haikou, Hainan, China. Proceedings are available from the ITTO Secretariat and through the ITTO website. In 2014 a survey of plywood factories was undertaken by the Chinese Academy of Forestry involving 308 enterprises in 21 provinces. The preliminary data were received by ITTO in September 2014 and the final report is expected to be available in early 2015.</p> <p>A regional workshop for the Asia &amp; Pacific region was held in Kunming, Yunnan, China, 17-19 September 2014, in collaboration with FAO and APFNet. A major issue was the discussion on trade discrepancies of tropical primary wood products between China and other participating countries. A summary report is expected in October 2014</p>
<p>35. Promote the publication, dissemination and application of the revised <i>ITTO Guidelines for the Sustainable Management of Natural Tropical Forests</i>. [ITTA, 2006, Articles 1(c), (f), (l), (o), (p)]</p>	<p>To facilitate the final revision of the draft revised ITTO Principles and Guidelines for the Sustainable Management of Natural Tropical Forests for approval at the Forty-ninth Session of the Council, it is essential to engage two consultants to prepare a final draft version of the ITTO Principles and Guidelines. There is also a need to facilitate the publication of the revised ITTO Principles and Guidelines for the Sustainable Management of Natural Tropical Forests as a policy document together with the organization of training workshops to facilitate the preparation of specific national or sub-national guidelines to promote the continued systematic development of SFM.</p> <p>(a) Support the final revision of the draft revised ITTO Principles and Guidelines for the Sustainable Management of Natural Tropical</p>	<p>(a) Revised Principles and</p>	CRF	<p>Funding received: US\$ 35,000 Funding pending: US\$NIL</p>

	<p>Forests through the engagement of two consultants (one from a producer member country and the other from a consumer member country) with the objectives of restructuring them in two components such as core and optional components and of simplifying them to ensure their effective implementation.</p> <p>Estimated cost: US\$35,000 Expected funding sources: Voluntary Contributions Year 2013–US\$35,000</p> <p>(b) Publish the revised Principles and Guidelines as a policy document in the three languages (English, French and Spanish) after Council approval and disseminate these guidelines to key stakeholders in ITTO member countries and the international community.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2014–US\$100,000</p> <p>(c) Organize three regional capacity building training workshops (one in each tropical region) to facilitate the effective and wider application of the</p>	<p>Guidelines adapted in 2013</p> <p>(b) • Revised SFM Guidelines published in three ITTO working languages in 2014</p> <p>(c) • Three regional workshops conducted in three</p>	<p>Two international consultants were engaged to refine the Draft Revised ITTO Principles and Guidelines, taking into account the comments received. The final draft was presented for the consideration of the CRF at its Forty-seventh Session in November 2013. The ITTC adopted Decision 4(XLIX) on “ITTO Voluntary Guidelines for the Sustainable Management of Natural Tropical Forests” specifying that adoption of the final draft of the ITTO Voluntary Guidelines, through an electronic non-objection procedure, by 31 July 2014.</p> <p>Based on Decision 4(XLIX), the final draft of ITTO Voluntary Guidelines for the Sustainable Management of Natural Tropical Forests was prepared by two international consultants. This final draft was adopted through an electronic non-objection procedure on 31 July 2014 in accordance with Decision 4 (XLIX). The adopted ITTO Voluntary Guidelines can be downloaded at <a href="http://www.itto.int/documents_detail/contents_type=630">http://www.itto.int/documents_detail/contents_type=630</a> [CRF(XLVII)/6 Rev.2]. Editing of the adopted ITTO Voluntary Guidelines is underway.</p> <p>Funding received: US\$ NIL Funding pending: US\$100,000</p> <p>This sub-activity is pending funding</p> <p>Funding received: US\$ 50,000 Funding pending: US\$ 190,000</p> <p>This sub-activity is pending full funding</p>
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	<p>revised SFM Principles and Guidelines in particular to revitalize and renew the basics of sustainable forest management especially among professional foresters of producer countries.</p> <p>Estimated cost: US\$240,000  Expected funding sources: Voluntary Contributions  Year 2014–US\$240,000</p>	<p>tropical regions in 2014</p>		
	<p><b>Sub-total 2013: US\$ 935,000</b>  <b>Sub-total 2014: US\$1,300,000</b>  <b>Biennium Sub-total: US\$2,235,000</b></p>			

**ROUTINE, ADMINISTRATIVE AND FINANCIAL ACTIVITIES**

Activity	Implementation Approach and Cost	Activity Targets	Responsible Body	Implementation Status
<p>36. With the assistance of the Expert Panel for Technical Appraisal of Project Proposals, appraise relevant committee project and pre-project proposals submitted by Member countries. <i>[ITTA, 2006, Article 26]</i> <i>[ITTC Decisions 6(IX), 2(X), 7(XXI), 7(XXII)]</i></p>	<p>Expert Panel for Technical Appraisal of Project Proposals.</p> <p>Estimated cost: US\$295,626 Expected funding sources: Programme Support Year 2013–US\$140,000 Year 2014–US\$140,000</p> <p>Unearmarked Funds Year 2013–US\$15,626</p>	<ul style="list-style-type: none"> <li>Two meetings of the Expert Panel convened in 2013 and 2014</li> </ul>	<p>Council and Committees</p>	<p>Funding received: US\$ 295.626 Funding pending: Year 2014 US\$ Nil</p> <p>The Forty-fifth, Fort-sixth, Forty-seventh and Forty-eighth Expert Panels were convened in Yokohama, Japan on 4-8 February 2013, 29 July – 2 August 2013, 3 – 7 February 2014 and 4 – 8 August 2014 respectively.</p>
<p>37. Conduct a mid-term review of the Thematic Programmes. <i>[ITTA, 2006, Articles 20, 24.3, 25]</i> <i>[ITTC Decisions 9(XLIV), 8(XLIV), 10 (XLIV)]</i></p>	<p>Following the entry into force of the ITTA, 2006, and taking into account the outcomes of the review of the effectiveness of the TP pilot operation in 2012, a mid-term review of the approved Thematic Programmes will be conducted by a panel composed of TPAC members (two for each TP), one representative of TAG and one representative of CSAG.</p> <p>Estimated Cost: US\$100,000 Expected funding Source: Voluntary Contributions Year 2014–US\$100,000</p>	<ul style="list-style-type: none"> <li>Mid-term review conducted in 2014</li> </ul>	<p>Council</p>	<p>Funding received: US\$ NIL Funding pending: Year 2014 US\$ 100,000</p> <p>This activity is pending funding</p>
<p>38. Consider the progress in the implementation of the ITTO Biennial Work Programme for 2013-2014. <i>[ITTA, 2006, Article 24]</i> <i>[ITTC Decisions 7(XXV), 2(XXXI), 9(XXXIV)]</i></p>	<p>Regular Sessions' work.</p>	<ul style="list-style-type: none"> <li>Progress reviewed at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	<p>Council</p>	<p>The Council will consider the progress in the implementation of the ITTO BWP 2013 – 2014 under Agenda item 11 [Document ITTC(L/9)]</p>

39. Consider the Draft ITTO Biennial Work Programme for 2015-2016. <i>[ITTC Decisions 7(XXV), 2(XXXI), 9(XXXIV)]</i>	Regular Sessions' work.	<ul style="list-style-type: none"> <li>• Draft ITTO Biennial Work Programme for 2015-2016 considered at the Fiftieth Session of the Council in 2014</li> </ul>	Council	The BWP 2015-2016 will be considered at this Session of the Council under the Provisional Agenda item 11 [Document ITTC(L)/10
40. Decide on eligibility of approved actions, projects and pre-projects for funding out of Sub-account B of the Bali Partnership Fund. <i>[ITTA, 2006, Article 21]</i> <i>[ITTC Decision 4(XXX)]</i>	Regular Sessions' work. The Panel established under ITTC Decision 4(XXX) advises the Council on eligibility of actions, pre-projects and projects for funding out of Sub-Account B.	<ul style="list-style-type: none"> <li>• Decisions taken at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	Council	The Panel on Sub-Account B of the Bali Partnership Fund Account will meet during the Fiftieth Session of the Council.
41. Decide on project work, including financing, taking into account the recommendations made by the Committees on project proposals and on-going and completed approved projects. <i>[ITTA, 2006, Articles 20, 21, 25]</i>	Regular Sessions' work.	<ul style="list-style-type: none"> <li>• Decisions taken at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	Council	The Council at its Fiftieth Session will review the recommendations of the Committees and will decide on project work including financing.
42. Make allocations from unearmarked funds available in the Bali Partnership Fund and/or Special Account to fund implementation of eligible approved actions, projects and	Regular Sessions' work. The Panel established under ITTC Decision 4(XXX) advises Council on allocations of unearmarked funds.	<ul style="list-style-type: none"> <li>• Allocations made at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	Council	The Panel on Sub-Account B of the Bali Partnership Fund Account will meet during the Fiftieth Session of the Council to decide on the allocations from the available unearmarked funds.

<p>pre-projects. [ITTA, 2006, Article 21] [ITTC Decision 4(XXX)]</p>				
<p>43. Consider progress in the implementation, monitoring and evaluation of pre-projects, projects and activities under the Thematic Programmes Sub-Account. [ITTA, 2006, Article 20(6)] [ITTC Decisions 9(XLIV), 10(XLIV)]</p>	<p>Regular Sessions' work</p>	<ul style="list-style-type: none"> <li>• Progress considered at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	<p>Council</p>	<p>The progress report on the implementation of the Thematic Programmes will be presented to the Council at its Fiftieth Session under Provisional Agenda item 14.</p>
<p>44. Consider the reports of the Informal Advisory Group (IAG). [ITTC Decisions 3(XXII), 5(XXVI)]</p>	<p>Regular Sessions' work.</p>	<ul style="list-style-type: none"> <li>• Report of the Twenty-seventh and Twenty-eighth IAG considered at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	<p>Council</p>	<p>The Council will receive the report of the Twenty-ninth Meeting of the IAG under item 9 of its Provisional Agenda.</p>
<p>45. Review the results of relevant project and policy work of the Committees. [ITTA, 2006, Articles 24, 26]</p>	<p>Regular Sessions' work.</p>	<ul style="list-style-type: none"> <li>• Reports of the Committees presented at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	<p>Council</p>	<p>The Council at its Fiftieth Session will consider and approve the reports of the Associated Sessions of the Committees under item 21 of its Provisional Agenda.</p>
<p>46. Approve selected projects for ex-post evaluation following procedures outlined in ITTC Decision 3(XXVIII).</p>	<p>Regular Sessions' work.</p>	<ul style="list-style-type: none"> <li>• Projects selected for ex-post evaluation approved at the Forty-ninth and Fiftieth Sessions of</li> </ul>	<p>Council</p>	<p>The Council will consider and approve the reports of the Associated Committees, under item 21 of its Provisional Agenda, including recommendations of selected projects for ex-post evaluation.</p>

<i>[ITTC Decision 3(XXVIII)]</i>		the Council in 2013 and 2014		
47. Consider and, if appropriate, take action to disseminate information on project findings and results. <i>[ITTA, 2006, Article 26]</i>	Regular Sessions' work.	<ul style="list-style-type: none"> <li>Dissemination considered at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	Council	Information on project findings and results are available on the ITTO website (in particular the <i>project search function</i> -please see activity No.20-), the TFU, the electronic newsletter <i>Tropical Forest News</i> , the ITTO YouTube channel, outreach materials and in the Annual Report.
48. Consider the reports of mid-term and ex-post evaluations on on-going and completed projects. <i>[ITTA, 2006, Articles 24, 26]</i>	Regular Sessions' work.	<ul style="list-style-type: none"> <li>Reports considered at the Forty-ninth and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	Joint Committees	The Joint Session of the Committees will consider the ex-post evaluation reports of one (1) project in the field of Economics, Statistics and Markets, three (3) projects in the field of Forest Industry and seven (7) projects in the field of Reforestation and Forest Management at the Forty-eighth Session of the Committees.
49. Review the independent audited statements for the 2012 and 2013 financial years, and make recommendation to the Council for their approval. <i>[ITTA, 2006, Article 26(3)]</i>	Regular Sessions' work.	<ul style="list-style-type: none"> <li>Reports of independent auditors published in ITTO Annual Reports in 2012 and 2013</li> </ul>	CFA	The Committee at its Twenty-ninth Session in Yokohama, Japan, will consider the audited Financial Statements of the Organization and the Reports of the Independent Auditor for the year 2013, and if satisfactory, will subsequently recommend to the Council for its approval.
50. Make recommendations to Council on the appointment of auditor for a three-year term for the purpose of auditing the accounts of the Organization for the 2013, 2014 and 2015 financial years. <i>[ITTA, 2006, Article</i>	Routine. Regular Sessions' work.	<ul style="list-style-type: none"> <li>Twenty-eighth CFA Report presented at the Forty-ninth Session of the Council in 2013</li> </ul>	CFA	The Committee on Finance and Administration at its Twenty-eighth Session recommended to the Council the appointment of BDO as new Independent auditor for a three-year term for the purpose of auditing the accounts of the Organization for the 2013, 2014 and 2015 financial years.



<i>26(3)]</i>				
51. Examine and make recommendations to Council, regarding the approval of the Organization's administrative budget proposals for the financial years 2014 and 2015. <i>[ITTA, 2006, Article 26(3)]</i>	Routine. Regular Sessions' work.	<ul style="list-style-type: none"> <li>• Twenty-eighth CFA Report presented at the Forty-ninth Session of the Council in 2013</li> </ul>	CFA	The Committee on Finance and Administration at its Twenty-eighth Session in Libreville, Gabon, reviewed and recommended to the Council to approve the Biennial Administrative Budget for the years 2014 and 2015.
52. Review the assets of the Organization to ensure prudent asset management and that the Organization has sufficient reserves to carry out its work. <i>[ITTA, 2006, Article 26(3)]</i>	Routine. Regular Sessions' work.	<ul style="list-style-type: none"> <li>• Report of the independent auditors for the financial years 2012 and 2013 presented at the Forty-ninth Session and Fiftieth Sessions of the Council in 2013 and 2014</li> </ul>	CFA	The Committee on Finance and Administration will conduct a review of the Organization's assets at its Twenty-ninth Session in Yokohama, Japan as part of the regular work.
53. Examine and make recommendations to Council, on the budgetary implications of the Organization's work programme, and the actions that might be taken to secure the resources needed to implement it. <i>[ITTA, 2006, Article 26(3)]</i>	Routine. Regular Sessions' work.	<ul style="list-style-type: none"> <li>• Decision on the ITTO Biennial Work Programme 2013-2014 presented at the Forty-eighth Session of the Council in 2012</li> </ul>	CFA	The Committee on Finance and Administration will conduct a review at its Twenty-ninth Session in Yokohama, Japan, as part of the regular work.
54. Promote Resource Mobilization and Partnership of ITTO <i>[ITTA, 2006, Articles 1(g), (j)]</i>	This 24-month activity will be divided into a first year of preparing and launching a funds mobilization and partnership strategy and a second year of active implementation. Specific activities will be refined in the first quarter of year one, but are expected to include, in	<ul style="list-style-type: none"> <li>• Report of work in 2013 and plan for 2014 presented to the Forty-ninth Session of the</li> </ul>	CFA	Funding received: US\$ 131,243 Funding pending: Year 2013 US\$ Nil Year 2014 US\$ Nil  The Committee on Finance and Administration

	<p>the first year:</p> <ul style="list-style-type: none"> <li>• Formation of an informal, open-ended ad hoc advisory group including producer and consumer members and stakeholders to advise the Executive Director in developing and launching the strategy</li> <li>• Drafting of a proposal of fund mobilization and partnership strategy/action plan by the Secretariat</li> <li>• Convening of one or more meetings of members, partners and resource persons</li> <li>• Further consultation and refinement of the strategy</li> <li>• Submit a draft strategy and progress report to the Forty-ninth Session of the Council</li> </ul> <p>Year Two activities will be defined in detail during Year One, and will be provided in a report to the Council at its Forty-ninth Session.</p> <p>Expected funding sources: Voluntary Contributions Year 2013–US\$50,000 Year 2014–US\$50,000</p>	Council in 2013.		will receive and consider the report of the consultants on “Mobilizing New Funding and Partnerships for ITTO and its Objectives” under item 11 of its Provisional Agenda.
	<p><b>Sub-total 2013:</b>                   <b>US\$205,626</b>  <b>Sub-total 2014:</b>                   <b>US\$290,000</b>  <b>Biennium Sub-total:</b>           <b>US\$495,626</b></p>			