

## INTERNATIONAL TROPICAL TIMBER ORGANIZATION



# NEWS RELEASE

### **Council announced US\$3.7 million pledged for tropical forests, and it takes measures to increase transparency**

KUALA LUMPUR, MALAYSIA, 22 November 2015: The International Tropical Timber Council, the 51st session of which closed yesterday, announced the total financing to projects, pre-projects and activities pledged during 2015 amount to US\$3.7 million. It also made several decisions addressing organizational transparency.

Activities funded under the Biennial Work Programme include work on criteria and indicators for sustainable forest management, ITTO's involvement in the Collaborative Partnership on Forests, the participation of the Civil Society Advisory Group and the Trade Advisory Group in ITTO, and the ITTO-CITES programme for implementing CITES listings of tropical timber species.

Funding for a project to promote intra-African trade in tropical timber and timber products was announced at the session, while two projects in Guatemala and Myanmar were partly funded and will likely commence next year when interest from other donors can be confirmed.

The Council also reviewed applications for ITTO Fellowships and awarded 18 fellowships at a value of US\$100,000.

The Council took a decision to commission an immediate investigation into ITTO's investments and financial management following the write-off of US\$6 million by the Organization due to an investment possibly made in contravention of ITTO's Financial Rules and of provisions laid down by the Committee on Finance and Administration. Additional investments of about US\$12 million may also have contravened these rules and provisions. An oversight committee, formed to oversee the investigation, will submit its report to the Council Chairperson by mid-April 2016.

Another transparency-related Council decision addressed the admission of observers to sessions of the International Tropical Timber Council, recognizing the important role that observers play in bringing new issues, perspectives and concerns regarding tropical forests to the attention of ITTO members. The decision also confirmed the Council's intention to ensure that its sessions are transparent and that its work continues to be disseminated to all stakeholders. It amends the process by which observers will be admitted to sessions in the future.

A third transparency-related decision renewed the mandate of the Council's Informal Advisory Group which provides guidance to the Chairperson inter-sessionally and during sessions.

A key topic on the agenda of the Council at its 51st session was the appointment of a new Executive Director for the Organization. After a week of intense negotiations, however, no selection was made, and the Council decided to restart the selection process and to re-announce the vacancy in 2016.

During the session the Council approved several new projects and reviewed the implementation of on-going projects in the fields of forest management, statistics, economics and markets, and forest industries. The Council received ex-post evaluations of several projects – the participatory management of non-timber forest products in Indonesia and community-based forest fire management in Ghana were particularly highlighted. It reviewed the implementation of the Biennial Work Programme 2015–2016, including strategic priorities on promoting good governance and building human capacity to implement sustainable forest management. The Council also discussed ways to enhance cooperation between ITTO and CITES and between ITTO and the Convention on Biological Diversity.

The 2015 Annual Market Discussion, organized by the Trade Advisory Group, was held on the theme “raising the profile of tropical timber in the market place”. Participants heard that the time was right to raise the profile of tropical timber and timber products because the tropical timber sector had demonstrated capacity to provide legal credentials for its products, and that this message should be delivered to professionals such as architects, engineers and designers.

The Civil Society Advisory Group organized a side-event on land conversion and tree plantations in the permanent forest estate, and the European Union and ITTO held a side-event on the Independent Market Monitoring mechanism for legal timber.

Donors at the 51st session of the Council were the governments of the USA and the Republic of Korea. The Convention on Biodiversity also provided funding through its Forest Ecosystem Restoration Initiative (FERI). Other donors, including Japan and Germany, expressed their hope that they could continue to provide support to ITTO in 2016 pending a satisfactory outcome of the investigation of ITTO investments and financial management.

The Council is ITTO’s governing body. It meets at least once a year to discuss wide-ranging issues aimed at promoting sustainable tropical forest management and the trade of sustainably produced tropical timber. The 52nd session of the Council will take place in Yokohama, Japan, on 7–12 November 2016.

*For more information on ITTO and the 51st Council Session, go to [www.itto.int](http://www.itto.int).*

*Daily coverage of the 51st Council Session by the Earth Negotiations Bulletin is available at <http://www.iisd.ca/forestry/itto/itc51/>*