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DRAFT ITTO BIENNIAL WORK PROGRAMME FOR 2018-2019

[Item 10(b) of the Provisional Agenda]

Decision 9(XXXIV), adopted by the Council at its Thirty-fourth Session, requested the Executive Director to develop a Biennial Work Programme (BWP) which prioritizes and allocates resources for specific activities under the Organization's Action Plan. The Secretariat has prepared this draft BWP containing proposed activities for 2018-2019, taking into account the ITTA, 2006, the Strategic Action Plan 2013-2018 (SAP), the Progress Report on the Implementation of the ITTO Biennial Work Programme for 2015-2016 [extended to 2017, Document ITTC(LIII)/5] and inputs received from the Member Countries, the Trade Advisory Group (TAG) and the Civil Society Advisory Group (CSAG).

With a view to provide a more coherent structure to the activities under the BWP, the proposed activities have been categorized according to their nature, with separate categories for Group 1 – Field Oriented Activities with Engagement of/Work In Member Countries; Group 2 – Normative Work on Policy Guidelines or Other Strategic Work; Group 3 – Collaborative Work with Other Organizations/Initiatives Including Meetings; Group 4 – Communications and Outreach Related Work; Group 5 – Analytical, Statistical; and Other Recurring Work and Financial and Administrative Activities having no financial requirements. In order to link the BWP to the relevant overarching goals of ITTO and the global community, each activity from Groups 1-5 contains a reference to the strategic priority(ies) it would contribute to under the SAP, as well as which global forest goals (and thus which sustainable development goals) it would contribute to under the UN Strategic Plan on Forests (UNSPF). A reference table is provided with descriptions of the strategic priorities (SPs) and global forest goals (GFGs).

The Annex to the draft BWP contains the Terms of Reference for the proposed activities that require financing (i.e. Groups 1-5), providing background information, description of activities, expected outcomes, duration and target countries/regions involved. Information on implementation approach and estimated costs are included indicating expected budgetary requirements.

The proposed activities together with the project work under the ITTO regular project cycle and ITTO Thematic Programmes will contribute towards achieving the expected outcomes of the Strategic Action Plan 2013-2018. The implementation of the BWP will be monitored, reviewed and evaluated as part of an iterative process in formulating the Biennial Work Programme for 2020-2021. The Council may wish to consider and approve this draft BWP for 2018-19.

The funding sought under this BWP can be divided as follows:

Source	2018	2019	Biennium Total*
Core budget	US\$ 920,000	US\$ 920,000	US\$ 1,840,000
Voluntary Contributions**	US\$ 4,645,000	US\$ 3,185,000	US\$ 7,830,000
Other sources**	US\$ 100,000	US\$ 100,000	US\$ 200,000
Total	US\$ 5,665,000	US\$ 4,205,000	US\$ 9,870,000

* Activity 7 is supported by a EU Grant and is not included

**Incl. 15% Programme Support

SUMMARY OF THE BIENNIAL WORK PROGRAMME FOR 2018-2019

PART 1

GROUP 1 –FIELD ORIENTED ACTIVITIES WITH ENGAGEMENT OF/WORK IN MEMBER COUNTRIES

No.	Activity	Status
1	Incentives for green-growth value chain investments in tropical forests	new
2	Building legal and sustainable forest product supply chains	new
3	Strengthening Participation of the Private Sector in the Work of ITTO	new
4	Enhancing teak management	new
5	Restoration, conservation and sustainable use of mangrove ecosystems	on-going
6	Enhance cooperation between ITTO and CITES	on-going
7	Independent market monitoring of FLEGT-licensed timber	on-going
8	a) Criteria and indicators workshops	on-going
	b) Adapting the 2016 ITTO Criteria and Indicators (C&I) for SFM to African context	new
9	Statistical capacity building workshops	re-proposed

GROUP 2 – NORMATIVE WORK ON POLICY GUIDELINES OR OTHER STRATEGIC WORK

No.	Activity	Status
10	a) Operationalizing ITTO Policy guidelines on gender equality and empowering women	new
	b) Update ITTO Guidelines for Forest Landscape Restoration	re-proposed
11	Formulate a new ITTO Strategic Action Plan	new

GROUP 3 – COLLABORATIVE WORK/MEETINGS WITH OTHER ORGANIZATIONS/INITIATIVES

No.	Activity	Status
12	Prevention and management of fire in tropical timber-producing forests	on-going
13	International conference on halting deforestation and increasing forest area	new
14	Cooperation and consultation with the CPF, UNFF and others	on-going
15	Collaboration on criteria and indicators for SFM	on-going

GROUP 4 – COMMUNICATIONS AND OUTREACH RELATED WORK

No.	Activity	Status
16	ITTO communication strategy	new
17	ITTO Tropical Forest Update (TFU)	on-going
18	a) Communications activities (website, reports, PR, etc.)	on-going
	b) Outreach activities (booths and/or side events at relevant international fora)	on-going

GROUP 5 – ANALYTICAL, STATISTICAL, AND OTHER RECURRING WORK

No.	Activity	Status
19	Trade (TAG) and Civil Society (CSAG) Advisory Group involvement	on-going
20	ITTO Annual Market Discussion	on-going
21	Expert Panel for Technical Appraisal of Project Proposals	on-going
22	ITTO Fellowship Programme	on-going
23	ITTO Market Information Service (MIS)	on-going
24	Enhancement of statistical work and databases on statistics	on-going
25	Biennial review and assessment of the world timber situation	on-going
26	Status of tropical forest management 2019 report	re-proposed

Part 2

ADMINISTRATIVE AND FINANCIAL ACTIVITIES (NO FINANCIAL REQUIREMENTS)

Reference Tables**ITTO SAP Strategic Priorities (SPs):**

SP 1	Promote good forest governance and financing for sustainable forest management
SP 2	Increase the contribution of tropical forests to national and local economies through international trade
SP 3	Enhance the contribution of tropical timber producing forests to the conservation and sustainable use of biodiversity
SP 4	Reduce tropical deforestation and forest degradation and enhance provision of environmental services
SP 5	Improve the quality and availability of information on tropical forests, timber markets and trade
SP 6	Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests

UNSPF Global Forest Goals (GFGs):

GFG 1	Reverse the loss of forest cover worldwide through sustainable forest management, including protection, restoration, afforestation and reforestation, and increase efforts to prevent forest degradation and enhance the contribution of forests to climate change
GFG 2	Enhance forest-based economic, social and environmental benefits, including by improving the livelihoods of forest-dependent people
GFG 3	Increase significantly the area of protected forests worldwide and other areas of sustainably managed forests, as well as the proportion of forest products from sustainably managed forests
GFG 4	Mobilize significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management and strengthen scientific, technical and technological cooperation and partnerships
GFG 5	Promote sustainable governance frameworks to implement sustainable forest management, including through the United Nations forest instrument, and enhance the contribution of forests to the 2030 Agenda for Sustainable Development
GFG 6	Enhance cooperation, coordination, coherence and synergies on forest-related issues at all levels, including within the United Nations system and across CPF member organizations, as well as across sectors and relevant stakeholders

GROUP 1 – FIELD ORIENTED ACTIVITIES WITH ENGAGEMENT OF/WORK IN MEMBER COUNTRIES

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
1. Incentives for green-growth value chain investments in tropical forests	<p>ITTO will collaborate with the World Bank and FAO Forestry Department on an activity entitled “Designing a Mechanism to Incentivize Deforestation-Free Landscapes and Value Chains for Green Growth”. ITTO’s funding will primarily be used to co-fund a background study and to fund up to six tropical country case studies to analyze the impact of existing (and the potential impact of new) incentives for promoting investment in productive forest to achieve deforestation-free landscapes and value chains for green growth.</p> <p>Estimated cost: US\$300,000 Expected funding sources: Voluntary Contributions Year 2018–US\$200,000 Year 2019–US\$100,000</p>	<ul style="list-style-type: none"> • Background studies produced on contribution of productive forests and their value chains to SFM • Case studies developed in up to six ITTO producer countries (3 in 2018 & 3 in 2019) • Participation of ITTO Secretariat in relevant related meetings/initiatives 	<p>ITTA/ITTC: <i>Decisions 2(XXXIX), 1(XLI) and 2(XLIII)</i></p> <p>ITTO SAP: SP1, SP2, SP4</p> <p>UNSPF: GFG1, GFG2, GFG4</p>	Council/ Joint Committees
2. Building legal and sustainable forest product supply chains	<p>Support development of innovative solutions to providing assurances of sustainability and legality, including developing/implementing sustainable forest management plans and developing/implementing sustainable supply chains including timber tracking systems and other tools (including certification where relevant). The activity will also compile/disseminate information on timber from sustainable supply chains. The Secretariat will work with relevant consumer markets requiring verification of legality/ sustainability of timber to identify key tropical forest concessionaires and other private sector representatives that would benefit from capacity building on SFM and/or the establishment of sustainable supply chains. The activity will also contribute to related initiatives currently underway by CPF and others.</p> <p>Estimated cost: US\$1,000,000 Expected funding sources: Voluntary Contributions Year 2018–US\$600,000 Year 2019–US\$400,000</p>	<ul style="list-style-type: none"> • Up to 10 tropical forest operators and other industrial sector representatives entities with increased capacity for SFM and/or sustainable supply chains developed • Increased trade in sustainable/legally verified timber from these forest concessions/ private sector entities 	<p>ITTA/ITTC: <i>Articles 1(d), (k), (n), (o)</i></p> <p>ITTO SAP: SP1, SP2</p> <p>UNSPF: GFG2, GFG5</p>	CEM

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
3.Strengthening Participation of the Private Sector in the Work of ITTO: Industry-led legality compliance/ due care training	<p>ITTO will work with the Trade Advisory Group as well as organizations such as the Global Timber Forum and FAO (a CPF partner) through its FLEGT Program, as well as other major and relevant international and regional organizations (IOs), non-governmental organizations (NGOs) and private sector associations that are working in this area to pilot and eventually scale up capacity on due care. The training model will follow one that has been proven successful – delivered by industry actors, who understand the challenges, needs and vocabulary of businesses and industry in producer countries who are involved in the international trade.</p> <p>Estimated cost: US\$400,000 Expected funding sources: Voluntary Contributions Year 2018–US\$100,000 Year 2019–US\$100,000 Others: FAO/FLEGT: US\$ 30,000 Other IOs: US\$ 70,000 NGOs: US\$ 90,000 Private Sector: US\$ 10,000 Year 2018-US\$100,000 Year 2019-US\$100,000</p>	<ul style="list-style-type: none"> • 1-3 pilot trainings held for private sector • Technical Assistance by international experts / organizations 	<p>ITTA/ITTC CEM/CFI (L)/4 Report item 9 (IV) and (v); Annex C</p> <p>ITTO SAP: SP2, SP6</p> <p>UNSPF: GFG-6</p>	Council/ CEM, CFI
4.Enhancing teak management	<p>This activity will promote sustainable teak development regionally and globally in plantation and natural teak forests that give a special attention to plantations which are of increasing importance in many countries. The activity will have a regional approach and is aimed at enhancing the contribution of sustainable teak management to the protection of tropical forests in participating countries, as well as promoting legal and sustainable teak industry and trade. This activity could also be expanded to other commercially important tropical timber species.</p> <p>Estimated cost: US\$2,500,000 Expected funding sources: Voluntary contributions Year 2018–US\$1,500,000 Year 2019–US\$1,000,000</p>	Improved teak management and utilization in up to 5 countries in each tropical region (Asia, Africa, Latin America)	<p>ITTA/ITTC: Articles 1(a), (c), (d), (f), (h), (i), (j), (k), (l), (m), (r)</p> <p>ITTO SAP: SP1, SP2, SP5, SP6</p> <p>UNSPF: GFG2, GFG6</p>	CFI

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
5. Restoration, conservation and sustainable use of mangrove ecosystems	<p>This activity will conduct a global mangrove thematic study to review the future potential of sustainably managing mangroves in securing ecosystems and improving the resilience of vulnerable coastal communities as a follow-up to the recommendations of the International Conference on Sustainable Mangrove Ecosystems held on 18-21 April 2017 in Bali, Indonesia.</p> <p>Estimated cost: US\$200,000 Expected funding sources: Voluntary Contributions Year 2018-US\$100,000 Year 2019-US\$100,000</p>	<ul style="list-style-type: none"> • Three regional workshops and their reports analyzing the causes, patterns and consequences of change in mangrove ecosystems as well as the status of mangrove management • A global mangrove study report 	<p>ITTA/ITTC: Articles 1(f), (j), (m), (q), (r), (s)</p> <p>ITTO SAP: SP4, SP6</p> <p>UNSPF: GFG1, GFG3, GFG6</p>	CRF
6. Enhance cooperation between ITTO and CITES.	<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”, ITTO successfully completed implementation of a second grant of approximately US\$6,200,000 (EUR5,000,000) from the European Union (through the European Commission) in 2016. Matching contributions from other donors of over US\$3,000,000 were received by ITTO during the four-year EU/EC grant period. While the EU/EC in 2016 decided to provide further funding for work on CITES-listed tree species directly to the CITES Secretariat, other ITTO donors are encouraged to continue to support ITTO’s CITES-related work through this activity.</p> <p>ITTO contributions: US\$600,000 Expected funding sources: Voluntary Contributions Year 2018–US\$300,000 Year 2019–US\$300,000</p>	<ul style="list-style-type: none"> • Up to three countries with improved inventory designs • Up to three tracking/monitoring systems established • Up to three regional training/ experience workshops conducted • Reduced number of trade suspensions of CITES listed timber species 	<p>ITTA/ITTC: Article 15; Decisions 3(XVI), 7(XXXIV), 2(XXXVII) 5(XLVI)</p> <p>ITTO SAP: SP2, SP3, SP6</p> <p>UNSPF: GFG1, GFG2, GFG5, GFG6</p>	Council

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
7.Independent market monitoring of FLEGT-licensed timber	<p>ITTO finalized a 4.4 million euro contract (including EUR 375,000 to be provided as an in-kind contribution by ITTO) with the European Union (through the European Commission) in 2014 to establish an Independent Market Monitoring system for FLEGT-licensed timber entering the EU market. The IMM undertook baseline studies of the EU market in 2014-15 prior to being suspended because of the impairment of ITTO funds in mid-2016. IMM activities have recommenced in 2017, with the full amount of funds provided to ITTO by the EU safeguarded as per the terms of Decision 6(LII). The contract with the EU/EC will likely be extended until at least 2020 and progress will be reported to the CEM under this BWP activity during 2018-2019.</p> <p>Activity No.: PP-A/49-291 EU Contract Number: DCI-ENV/2013/316-244</p> <p>Estimated cost: Fully funded by EU grant of EUR 4 million</p>	IMM system developed and implemented	<p>ITTA/ITTC: <i>Articles 1(d), (k), (n), (o)</i></p> <p>ITTO SAP: <i>SP1, SP2, SP5</i></p> <p>UNSPF: <i>GFG2, GFG5, GFG6</i></p>	CEM
8. Monitor progress in the application of criteria and indicators for sustainable forest management	<p>(a) Criteria and indicators workshops. This work was facilitated by a similar activity under the 2015-2017 BWP that was partially funded; this activity will continue and expand on the work provided for in 2015-2017. This work will promote the new ITTO criteria and indicators approved in 2016 by providing for an additional 4 national workshops (2 per year) on C&I (with focus on new member countries) incorporating related topics such as auditing, certification, international reporting requirements, etc. into the workshops.</p> <p>Estimated cost: US\$150,000 Expected funding sources: Voluntary Contributions Year 2018–US\$75,000 Year 2019–US\$75,000</p>	Up to four national C&I training workshops convened	<p>ITTA/ITTC: <i>Decisions 5(XXX), 9(XXX), 4(XXXIV)</i></p> <p>ITTO SAP: <i>SP1</i></p> <p>UNSPF: <i>GFG5, GFG6</i></p>	Council/CRF
	<p>(b) Adapt the 2016 ITTO Criteria and Indicators (C&I) for SFM to African context.</p> <p>This Activity aims at adapting the 2016 ITTO Criteria and Indicators (C&I) for SFM to African context, in view of strengthening cooperation and collaboration between ITTO and African member countries on C&I, for the promotion of SFM contributing to make progress towards Sustainable Development Goals (SDGs) and Global Forest Goals (GFG)</p> <p>Estimated cost: US\$170,000 Expected funding sources: Voluntary Contributions Year 2018: US\$130,000 Year 2019: US\$ 40,000</p>	Revised and updated C&I for African tropical forests to be published in 2019 and disseminated for policy planning tasks and for use by all relevant stakeholders involved in SFM issues in ITTO member countries in Africa		

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
9. Statistical capacity building workshops	<p>Upon request, provide assistance (in liaison with FAO and other partners) to member countries to strengthen their statistics collection and enhance reporting.</p> <p>This activity was approved and received funding under the 2015-16 BWP. It was impacted by the impairment of ITTO funds and a remaining budget of \$7,101.10 has been proposed to be written off in accordance with Decision 6(LII). It is being included in the 2018-19 BWP to provide donors with an opportunity to continue to support the work originally approved.</p> <p>Estimated cost: US\$100,000 Expected funding sources: Voluntary Contributions Year 2018–US\$50,000 Year 2019–US\$50,000</p>	Up to four country-level and/or regional workshops conducted in 2018 and 2019	<p>ITTA/ITTC: Article 28(5)</p> <p>ITTO SAP: SP5, SP6</p> <p>UNSPF: GFG6</p>	CEM

Subtotals Group 1*	2018	2019	Biennium Total
Core budget	US\$ NIL	US\$ NIL	US\$ NIL
Voluntary Contributions	US\$ 3,055,000	US\$ 2,165,000	US\$ 5,220,000
Other sources	US\$ 100,000	US\$ 100,000	US\$ 200,000
Total	US\$ 3,155,000	US\$ 2,265,000	US\$ 5,420,000

*NOT INCLUDING ACTIVITY 7

GROUP 2 – NORMATIVE WORK ON POLICY GUIDELINES OR OTHER STRATEGIC WORK

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
10. Developing and operationalizing ITTO's policy guidelines to members	<p>(a) Operationalizing the ITTO Policy Guidelines on Gender Equality and Empowering Women</p> <p>Under the 2015-16 BWP, draft policy guidelines on Gender Equality and Empowering Women were developed for approval at ITTC53. This activity will facilitate operationalization of the guidelines across all ITTO activities and initiatives.</p> <p>Estimated cost: US\$350,000 Expected funding sources: Voluntary Contributions Year 2018–US\$175,000 Year 2019–US\$175,000</p>	Gender guidelines fully implemented in all of ITTO's operations	<p>ITTA/ITTC: <i>Decision 2(L)</i></p> <p>ITTO SAP: <i>SP1-6</i></p> <p>UNSPF: <i>GFG6</i></p>	Council
	<p>(b) Update the ITTO Guidelines for Forest Landscape Restoration</p> <p>Make provisions for ITTO, in collaboration with relevant international partners, to align the revision and update of the <i>ITTO Guidelines for the management of secondary tropical forests, the restoration of degraded tropical forests and the rehabilitation of degraded forest land</i> with global emerging issues and priorities. A remaining amount of \$18,000 was proposed to be written-off from an earlier related Activity in accordance with Council Decision 6(LII).</p> <p>Estimated cost: US\$140,000 Expected funding sources: Voluntary Contributions Year 2018: US\$90,000 Year 2019: US\$50,000</p>	Revised and updated ITTO guidelines to be published and disseminated for policy planning functions and for ground level implementation	<p>ITTA/ITTC: <i>Articles 1(c), (f), (j), (l), (m), (o), (p); Decisions 6(XXXIII), 4(XXXV), 6(XLVI), 4(XLIX)</i></p> <p>ITTO SAP: <i>SP1, SP3, SP4, SP6</i></p> <p>UNSPF: <i>GFG5, GFG6</i></p>	CRF
11. Formulate a new ITTO Strategic Action Plan	<p>Consultancy work and Working Group Meeting to prepare a draft of the next ITTO Strategic Action Plan for consideration of the Council at the 54th ITTC.</p> <p>Estimated cost: US\$200,000 Expected funding source: Voluntary contributions Year 2018–US\$200,000</p>	New ITTO Strategic Action Plan formulated and approved	<p>ITTA/ITTC: <i>Article 24(3)</i></p> <p>ITTO SAP: <i>Cross-cutting</i></p> <p>UNSPF: <i>Cross-cutting</i></p>	Council

Subtotals Group 2	2018	2019	Biennium Total
Voluntary Contributions	US\$ 465,000	US\$ 225,000	US\$ 690,000
Total	US\$ 465,000	US\$ 225,000	US\$ 690,000

GROUP 3 – COLLABORATIVE WORK/MEETINGS WITH OTHER ORGANIZATIONS/INITIATIVES

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
12.Prevention and management of fire in tropical timber-producing forests	<p>Assist the participation of ITTO forest fire related project teams/stakeholders in national/regional forest fire meetings and in the 7th International Wildland Fire Conference (IWFC) which will be held in May 2019 in Campo Grande, Mato Grosso do Sul, Brazil in collaboration with FAO, UN International Strategy for Disaster Reduction (UNISDR), Global Fire Monitoring Center, USFS and other partners. The theme of the 7th IWFC is related to integrated fire management in the context of achieving SDG and climate goals and its objectives include meeting the challenges of the Sendai Framework for Disaster Risk Reduction (SFDRR). The 7th IWFC is being hosted by the Ministry of Environment of Brazil through IBAMA.</p> <p>Estimated cost: US\$120,000 Expected funding sources: Voluntary Contributions Year 2018–US\$100,000 Year 2019–US\$ 20,000</p>	<ul style="list-style-type: none"> • Assistance to 5 ITTO forest fire project team members' participation in national/regional meetings in 2018 • Assistance to 15 ITTO forest fire project team members' participation in the 7th IWFC in 2019 • Organization of ITTO side event on effective prevention and management of forest fire at 7th IWFC 	<p>ITTA/ITTC: Article 1(m); Decision 6(XXXIII)]</p> <p>ITTO SAP: SP4</p> <p>UNSPF: GFG1, GFG6</p>	CRF
13.International conference on halting deforestation and increasing forest area	<p>Assist the participation of ITTO stakeholders in the “International Conference on Halting Deforestation and Increasing Forest Area: from Aspiration to Action” which will take place for 3 days in February 2018 at FAO Headquarters in Rome. This international conference is a joint CPF initiative. The estimated total budget for the conference is US\$400,000. FAO already secured around a third of this amount and is seeking contributions from other donors (including CPF members) to cover the remainder.</p> <p>Estimated cost: US\$50,000 Expected funding sources: Voluntary Contributions Year 2018-US\$50,000</p>	Support to and participation in the International Conference on Halting Deforestation and Increasing Forest Area.	<p>ITTA/ITTC: Articles 1(f), (j), (m), (q)</p> <p>ITTO SAP: SP4</p> <p>UNSPF: GFG1, GFG6</p>	Council

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
14.Cooperation and consultation with the CPF, UNFF and others	<p>Promoting and integrating the role of productive forest and trade in major global processes (UNFF, CPF, UNFCCC, UNCCD, CBD, UN Environment, and UNCTAD etc.) for achieving SDG and Global Forest Goals through sustainable forest management and legal and sustainable supply chains..</p> <p>Estimated cost: US\$150,000 Expected funding sources: Voluntary Contributions Year 2018–US\$75,000 Year 2019–US\$75,000</p>	<ul style="list-style-type: none"> • Participation of ITTO in UNFF13 in 2018 and up to four CPF meetings in 2018 and 2019 • Contributions to up to three CPF joint initiatives in 2018 and 2019 	<p>ITTA/ITTC: Article 15; Decision 7(XXX)</p> <p>ITTO SAP: SP6</p> <p>UNSPF: GFG6</p>	Council
15.Collaboration on criteria and indicators for SFM	<p>This work was also facilitated by a similar activity under the 2015-2017 BWP that was partially funded; this activity will continue and expand on the work provided for in 2015-2017.</p> <p>Participate in international C&I related meetings/discussions/initiatives, including the CPF Task Force on Streamlining Forest Reporting, initiatives to take advantage of synergies between ITTO and FAO forest reporting (SFM Tropics and FRA including the Collaborative Forest Resources Questionnaire) and relevant meetings of other C&I processes.</p> <p>Estimated cost: US\$50,000 Expected funding sources: Voluntary Contributions Year 2018–US\$25,000 Year 2019–US\$25,000</p>	<ul style="list-style-type: none"> • Relevant meetings attended • collaboration with FAO FRA enhanced 	<p>ITTA/ITTC: Decisions 3(XXVI), 5(XXX), 9(XXX), 4(XXXIV)</p> <p>ITTO SAP: SP1</p> <p>UNSPF: GFG5, GFG6</p>	Council/ CRF

Subtotals Group 3	2018	2019	Biennium Total
Voluntary Contributions	US\$ 250,000	US\$ 120,000	US\$ 370,000
Total	US\$ 250,000	US\$ 120,000	US\$ 370,000

GROUP 4 – COMMUNICATION AND OUTREACH-RELATED WORK

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
16.ITTO communication strategy.	<p>Develop a communication strategy to optimize the use of ITTO's knowledge, communication resources and outreach capabilities in fulfilling the Organization's mission and to facilitate and accelerate fundraising tailored to specific target groups.</p> <p>Estimated cost: US\$70,000 Expected funding sources: Voluntary contributions Year 2018-US\$35,000 Year 2019-US\$35,000</p>	<ul style="list-style-type: none"> • A strategy that sets out the Organization's communication programme, and the tools, approaches, stakeholders and timing for its implementation • Actions aimed at raising awareness and building capacity for the effective implementation of the communication strategy 	<p>ITTA/ITTC: Article 1, Decision 5(XXVII)</p> <p>ITTO SAP: SP5, SP6</p> <p>UNSPF: GFG6</p>	Council
17.ITTO Tropical Forest Update (TFU)	<p>Regular work.</p> <p>Estimated cost: US\$520,000 Expected funding sources: Core Operational Costs Year 2018-US\$260,000 Year 2019-US\$260,000</p>	<ul style="list-style-type: none"> • Up to four TFU issues per year published and distributed in three ITTO working languages 	<p>ITTA/ITTC: ITTA, 2006, Articles 27, 28</p> <p>ITTO SAP: SP5</p> <p>UNSPF: GFG6</p>	Council

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
18. Public relations, education and outreach	<p>Regular work. Continue to ensure that ITTO reaches as wide an audience as possible by:</p> <p>(a) Communications activities (website, reports, PR, etc.): Undertaking regular communication and outreach activities including, inter alia, improvements and updates to the ITTO website in the three official languages plus Japanese; publishing and disseminating relevant ITTO reports –including annual reports, project and activity reports, newsletters, among others–; producing and disseminating public relations materials (brochures, calendars, infographics, pamphlets, posters, videos, etc.); enhancement of photographic material that conveys the work of the Organization; and other ad hoc initiatives in collaboration other partners when relevant.</p> <p>Estimated cost: US\$230,000 Expected funding sources: Core Operational Costs Year 2018–US\$115,000 Year 2019–US\$115,000</p>	<ul style="list-style-type: none"> • Up to two new policy/technical series documents published and disseminated • An edition of Tropical Forest News newsletter published every two months, • New videos, posters, and pamphlets published • Two annual reports in three languages published • Photo database enhanced • Design and functionality of the ITTO website improved 	<p>ITTA/ITTC: <i>Article 1, Decision 5(XXVII)</i></p> <p>ITTO SAP: SP5, SP6</p> <p>UNSPF: GFG6</p>	Council
	<p>(b) Outreach activities (booths and/or side events at relevant international fora) : Exhibiting the work of ITTO at relevant international events during the biennium [e.g. COFO-24 (July 2018 in Rome); Ramsar COP13 (October 2018 in Dubai); CBD COP-14 (November 2018 in Egypt); UNFCCC COP-24 & COP-25 (in 2018 and in 2019); CITES COP-18 (2019 in Sri Lanka); XXV IUFRO World Congress (September/October 2019 in Brazil)], and other fora not covered under other BWP activities.</p> <p>Estimated cost: US\$180,000 Expected funding sources: Core Operational Costs Year 2018–US\$90,000 Year 2019–US\$90,000</p>	Exhibiting the work of ITTO at up to five international fora	Same as above	Council

Subtotals Group 4	2018	2019	Biennium Total
Core budget	US\$ 465,000	US\$ 465,000	US\$ 930,000
Voluntary Contributions	US\$ 35,000	US\$ 35,000	US\$ 70,000
Total	US\$ 500,000	US\$ 500,000	US\$ 1,000,000

GROUP 5 – ANALYTICAL, STATISTICAL AND OTHER RECURRING WORK

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
19.Trade (TAG) and Civil Society (CSAG) Advisory Group involvement	Regular work. Encourage support for the participation of TAG and CSAG members in Council Sessions. Estimated cost: US\$80,000 Expected funding sources: Voluntary Contributions Year 2018–US\$40,000 Year 2019–US\$40,000	At least four representatives from TAG and CSAG assisted to participate in the Sessions of the Council in 2018 and 2019	ITTA/ITTC: <i>Decisions 9(XXVIII), 2(XXXII)</i> ITTO SAP: SP6 UNSPF: GFG6	Council
20.ITTO Annual Market Discussion	Regular work. The themes for the Annual Market Discussions will be determined at the Council Sessions immediately preceding the discussions. Estimated cost: US\$70,000 Expected funding sources: Core Operational Costs Year 2018–US\$35,000 Year 2019–US\$35,000	ITTO Annual Market Discussions convened in 2018 and 2019	ITTA/ITTC: <i>Article 1(e), (h)</i> ITTO SAP: SP5 UNSPF: GFG6	Joint Committees
21.Expert Panel for Technical Appraisal of Project Proposals	Regular work. Convene up to two Expert Panel meetings each year. Estimated cost: US\$280,000 Expected funding sources: Core Operational Costs Year 2018–US\$140,000 Year 2019–US\$140,000	Meetings of the Expert Panel convened in 2018 and 2019	ITTA/ITTC: <i>Article 26; Decisions 6(IX), 2(X), 7(XXI), 7(XXII)</i> ITTO SAP: SP1-SP6 UNSPF: GFG1-GFG6	Council and Committees
22.ITTO Fellowship Programme	Regular work. 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. Estimated cost: US\$800,000 Expected funding sources: Voluntary Contributions Year 2018–US\$400,000 Year 2019–US\$400,000	<ul style="list-style-type: none"> • 130-140 fellowships awarded in 2018 and 2019 • Fellowship alumni network maintained 	ITTA/ITTC: <i>Decision 4(XXVII)</i> ITTO SAP: SP6 UNSPF: GFG6	Council

Activity	Implementation Approach and Cost	Activity Targets	Relevance	Body
23.ITTO Market Information Service (MIS)	Regular work. Estimated cost: US\$420,000 Expected funding sources: Core Operational Costs Year 2018–US\$210,000 Year 2019–US\$210,000	Up to forty-six TTMRs published in 2018 and 2019 (23 issues per year)	ITTA/ITTC: <i>Articles 27, 28</i> ITTO SAP: <i>SP2, SP5</i> UNSPF: <i>GFG2, GFG6</i>	CEM
24.Enhancement of statistical work and databases on statistics	Regular work. The Secretariat will undertake 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 the Joint Forest Sector Questionnaire process. Estimated cost: US\$40,000 Expected funding sources: Core Operational Costs Year 2018–US\$20,000 Year 2019–US\$20,000	<ul style="list-style-type: none"> • Participation in two meetings of the Intersecretariat Working Group in 2018 and 2019 • Updating and refinement of JFSQ 	ITTA/ITTC: <i>Article 27</i> ITTO SAP: <i>SP5</i> UNSPF: <i>GFG6</i>	CEM
25.Biennial review and assessment of the world timber situation	Regular work. Preparation of the draft elements for the biennial review and assessment of the world timber situation for 2017-2018 in 2018 and publication of the biennial review and assessment of the world timber situation for 2017-2018 in the first half of 2019. Estimated cost: US\$100,000 Expected funding sources: Core Operational Costs Year 2018–US\$50,000 Year 2019–US\$50,000	<ul style="list-style-type: none"> • Draft elements considered at the Fifty-fourth Session of the Council in 2018 • Biennial review and assessment published in 2019 	ITTA/ITTC: <i>Article 28</i> ITTO SAP: <i>SP5</i> UNSPF: <i>GFG6</i>	Council
26.Status of tropical forest management 2019 report	Make provisions for work on the preparation of ITTO's third report on the State of Tropical Forest Management (SFM Tropics 2019). Analysis will be conducted for SFM progress against the baseline set in the SFM Tropics 2005 and 2011 reports. Estimated cost: US\$600,000 Expected funding sources: Voluntary Contributions Year 2018–US\$400,000 Year 2019–US\$200,000	<ul style="list-style-type: none"> • SFM Tropics 2019 report published by the end of 2019 • Special TFU published summarizing findings of SFM Tropics 2019 report 	ITTA/ITTC: <i>Article 28(4a)</i> ITTO SAP: <i>SP1, SP5</i> UNSPF: <i>GFG 6</i>	Council

Subtotals Group 5	2018	2019	Biennium Total
Core budget	US\$ 455,000	US\$ 455,000	US\$ 910,000
Voluntary Contributions	US\$ 840,000	US\$ 640,000	US\$ 1,480,000
Total	US\$ 1,295,000	US\$ 1,095,000	US\$ 2,390,000

ADMINISTRATIVE AND FINANCIAL ACTIVITIES (NO FINANCIAL REQUIREMENTS)

Activity	Implementation Approach	Activity Targets	Body
27. Consider the progress in the implementation of the ITTO Biennial Work Programme for 2018-2019. ITTA, 2006, Article 24] [ITTC Decisions 7(XXV), 2(XXXI), 9(XXXIV)]	Regular Sessions' work.	• Progress reviewed at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council
28. Consider the Draft ITTO Biennial Work Programme for 2020-2021. [ITTC Decisions 7(XXV), 2(XXXI), 9(XXXIV)]	Regular Sessions' work.	• Draft ITTO Biennial Work Programme for 2020-2021 considered at the Fifty-fifth Session of the Council in 2019	Council
29. Decide on eligibility of approved actions, projects and pre-projects for funding out of Sub-account B of the Bali Partnership Fund. ITTA, 2006, Article 21] [ITTC Decision 4(XXX)]	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.	• Decisions taken at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council
30. 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. ITTA, 2006, Articles 20, 21, 25]	Regular Sessions' work.	• Decisions taken at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council
31. Make allocations from unearmarked funds available in the Bali Partnership Fund and/or Special Account to fund implementation of eligible approved actions, projects and pre-projects. ITTA, 2006, Article 21; [ITTC Decision 4(XXX)]	Regular Sessions' work. The Panel established under ITTC Decision 4(XXX) advises Council on allocations of unearmarked funds.	• Allocations made at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council
32. 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)]	Regular Sessions' work	• Progress considered at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council
33. Consider the reports of the Informal Advisory Group (IAG). [ITTC Decisions 3(XXII), 5(XXVI)]	Regular Sessions' work.	• Report of the Thirty-second and Thirty-third Meetings of the IAG considered at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council
34. Review the results of relevant project and policy work of the Committees. ITTA, 2006, Articles 24, 26]	Regular Sessions' work.	• Reports of the Committees presented at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019	Council

Activity	Implementation Approach	Activity Targets	Body
35. Approve selected projects for ex-post evaluation following procedures outlined in ITTC Decision 3(XXVIII). [ITTC Decision 3(XXVIII)]	Regular Sessions' work.	<ul style="list-style-type: none"> Projects selected for ex-post evaluation approved at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019 	Council
36. Consider and, if appropriate, take action to disseminate information on project findings and results. ITTA, 2006, Article 26]	Regular Sessions' work.	<ul style="list-style-type: none"> Dissemination considered at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019 	Council
37. Consider the reports of mid-term and ex-post evaluations on on-going and completed projects. ITTA, 2006, Articles 24, 26]	Regular Sessions' work.	<ul style="list-style-type: none"> Reports considered at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019 	Joint Committees
38. Review the independent audited statements for the 2017 and 2018 financial years, and make recommendation to the Council for their approval. ITTA, 2006, Article 26(3)]	Regular Sessions' work.	<ul style="list-style-type: none"> Reports of independent auditors disseminated to members and summaries published in ITTO Annual Reports in 2018 and 2019 	CFA
39. Examine and make recommendations to Council, regarding the approval of the Organization's administrative budget proposals for the financial years 2019 and 2020. ITTA, 2006, Article 26(3)]	Regular Sessions' work.	<ul style="list-style-type: none"> Budget proposals will be included in Thirtieth and Thirty-first CFA Reports to be presented at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019 	CFA
40. Review the assets of the Organization to ensure prudent asset management and that the Organization has sufficient reserves to carry out its work. ITTA, 2006, Article 26(3)]	Regular Sessions' work.	<ul style="list-style-type: none"> Report of the independent auditors for the financial years 2017 and 2018 presented at the Fifty-fourth and Fifty-fifth Sessions of the Council in 2018 and 2019 Meetings and reports of the investment oversight panel as appropriate 	CFA
41. Examine and make recommendations to Council, on the budgetary implications of the Organization's work program, and the actions that might be taken to secure the resources needed to implement it. ITTA, 2006, Article 26(3)]	Regular Sessions' work.	<ul style="list-style-type: none"> Decision on the ITTO Biennial Work Programme 2018-2019 presented at the Fifty-third of the Council in 2017 	CFA

**TERMS OF REFERENCE FOR THE ACTIVITIES
IN GROUPS 1-5 OF THE
BIENNIAL WORK PROGRAMME
FOR THE YEARS 2018-2019**

Activity No. 1

INCENTIVES FOR GREEN-GROWTH VALUE CHAIN INVESTMENTS IN TROPICAL FORESTS

I. Background

Natural tropical forests have always had difficulty in attracting investments to help realize their potential to contribute to sustainable development. While several tropical countries have experimented with incentive programs to try to remedy this in recent years, there has been no systematic analysis or review of the effectiveness or otherwise of such incentive programs.

II. Description

The activity is an effort to provide knowledge and learning experience about potential frameworks for incentivizing private forest investments in natural tropical forests and the management of harvested wood products arising from them. It will help to engage private sector players more prominently in climate change mitigation and REDD+ processes. In particular, it will examine models and approaches of how governments can provide incentives, such as tax reform, tariff adjustment and other monetary and non-monetary benefits that can drive private sector investment at scale in developing markets. It will also contribute to the understanding of government's interest and willingness to engage in innovative incentive mechanisms and to compensate for cost of such programs. A multi-sectoral working group will be convened to provide perspective on incentives and their efficacy by drawing on first-hand experience from partners and experts. ITTO will work together with the World Bank and FAO Forestry Department to outline and conceptualize potential incentive mechanisms that can reward countries that create an enabling environment through providing tax and/or other incentives to private sector companies to adopt sustainable, deforestation-free timber production methods and supply chains that are independently verified.

III. Expected outputs

The background study and case studies would result in one or more reports answering the following questions:

- Are there examples and cases with demonstrated potential to stimulate sustainable private sector production and supply chains?
- Existing information and analysis would be reviewed and summarized with respect to already existing private sector commitments for deforestation-free supply chains, value chains, and production methods.
- What are motivations and needs of production and supply chain players in key countries?
- Needs and demands of private sector companies would be explored to get an indicative demand assessment of the potential incentive strategies. Existing and expected government deforestation policies will be analyzed through case studies to help narrow the scope of incentive structures.
- Can existing fiscal tools and instruments for developing countries be of use to address sustainability of forest production and supply chains?
- This question would draw on expertise of the World Bank's Global Governance Practice, and other relevant experts at the World Bank.
- What are potential new, innovative or complementary incentive systems that could be tested in case-study countries?
- With help of a multi-sector working group, potential incentive mechanisms would be identified and tested in case-study countries. The result of the field tests would be instrumental to fine-tune potential incentive mechanisms and to develop broad recommendations. This work would also be informed by previous analysis undertaken by the World Bank in 2016 entitled: "Harnessing the Potential of Productive Forests and Timber Value Chains for Climate Change Mitigation and Green Growth: Opportunities for Private Sector Engagement," which was based on views of a limited number of stakeholders and which resulted in preliminary ideas for incentive mechanisms. The work will also benefit from reports of a series of workshops convened by ITTO on tropical forest investments.

IV. Target countries

The activity will be relevant to all tropical countries. The review of incentive mechanisms undertaken in the background study will include examples from outside the tropics. Case studies will be undertaken in 6 ITTO producer member countries to be identified by the implementation partners.

V. Duration & timing 18 months commencing in mid-2018.

VI. Budget	6 case studies @ \$45,000 each:	US\$270,000
	Background study contribution:	US\$ 30,000
	Total ITTO contribution:	US\$300,000

Expected SAP outcome(s)

- Better managed forest sector with increased access to financing and investments
- Increased forest area that is managed sustainably and legally harvested
- Improvement in good governance and effectiveness of forest law enforcement

SAP indicator(s)

- Information available on contribution of productive forests and associated value chains to SFM
- International processes recognize contribution of productive forests to SFM

Activity No. 2

BUILDING LEGAL AND SUSTAINABLE FOREST PRODUCT SUPPLY CHAINS

I. Background

This activity will involve close collaboration with donor countries seeking to ensure legality of tropical timber imports. The activity will build on previous work by ITTO and partners to promote SFM and to establish sustainable supply chains, including through innovative timber tracking systems.

II. Description

The activity will support key exporters to respond to emerging demands from consumers for the development of green supply chains. In 2018-19 work will commence with a pilot study involving key exporters in one or more important producer member countries and their main trading partner(s). Activities will involve surveying all significant timber exporters in the key producer member(s) as well as traders in their key market(s) in order to develop commitment to and support for the development of a green supply chain. The work will establish a system to ensure forests providing export products are being managed legally and sustainably and will help to implement new (or strengthen existing) robust tracking systems. The green supply chain(s) developed will provide regular reports on quantities, sources, prices and other details of traded timber. An international workshop and conference will be convened in the second half of 2018 and 2019 respectively to present the achievements of this activity to ITTO's Trade Advisory Group and to generate interest in other countries to develop green supply chains for major timber traders. ITTO will recruit an experienced team to implement this activity, with team members based in both key producer and consumer member countries.

III. Expected outputs

The activity will result in up to 10 tropical forest concessionaires developing increased capacity for SFM and/or sustainable supply chains together with the main private sector importers in key consumer countries. It will thereby increase trade in sustainable/legally verified timber. It will also support importers in their own efforts to develop green supply chains, including support to an on-going green supply initiative in China. The activity will facilitate a meeting of ITTO's Trade Advisory Group to generate support for legal and sustainable forest supply chains and to explore avenues for greater participation of the trade in this and other ITTO initiatives. It will also facilitate an international conference in the second half of 2019 to stimulate interest in other countries to develop green supply chains for major timber traders.

IV. Target countries

All ITTO member countries; the pilot phase in 2018-19 will involve exporters from up to 3 ITTO producers countries and importers from up to 3 key markets.

V. Duration & timing

24 months in 2018-19 (note that this activity is expected to continue in future BWPs).

VI. Budget

Work in key producer/consumer countries:	US\$ 800,000
2018 TAG workshop (10-12 participants):	US\$ 50,000
2019 international conference:	US\$ 150,000
Total:	US\$1,000,000

Expected SAP outcome(s)

- Increased forest area that is managed sustainably and legally harvested
- Improvement in good governance and effectiveness of forest law enforcement

SAP indicator(s)

- Quantity of tropical timber exports recognized as originating from sustainably managed forests

Activity No.3

STRENGTHENING PARTICIPATION OF THE PRIVATE SECTOR IN THE WORK OF ITTO: INDUSTRY-LED LEGALITY COMPLIANCE/DUE CARE TRAINING

I. Background

During the last decade, major consumer markets have put new market requirements and measures in place to restrict the entry of illegally harvested and traded wood products, most notably through the U.S. Lacey Act 2008 and the EUTR 2013. Industry, both corporate and small scale suppliers, have had to substantially adjust their practices for sourcing legally and sustainable wood. In doing so, it has become apparent that a significant gap exists in how buyers and traders along the supply chain manage their practices in order to demonstrate due care. Some of the issues encountered have been a regular discussion at the CEM/CFI committee as tropical suppliers struggle to understand and meet new market requirements in consumer countries.

Several organizations have developed training programs and materials in partnership with industry associations. For example, the Global Timber Forum,--a UK based nonprofit industry group which convenes associations of the wood-based industries and their stakeholders to address shared challenges in responsible trade-- and the FAO FLEGT program have brought together groups such as International Wood Products Association of the USA, the European Timber Trade Federation and the UK Timber Trade Federation, as well as others to assess supplier country training and technical assistance needs. Curricula/course programs, developed in conjunction with experts are ready to be piloted and launched in producer countries.

The work would support ITTO SAP goals of forging alliances with the private sector, strengthen ITTO work with a major CPF Partner (FAO and possibly others), and fulfill a commitment by the CEM/CFI committee to enhance work with the private sector with concrete action.

II. Description

ITTO will work with the Trade Advisory Group as well as organizations such as the Global Timber Forum and FAO (a CPF partner) through its FLEGT Program, as well as other major and relevant I/Os, NGOs and private sector associations that are working in this area to pilot and eventually scale up capacity on due care. The training model will follow one that has been proven successful – delivered by industry actors in partnership with respected intergovernmental and nongovernmental organizations, who understand the challenges and needs and vocabulary of businesses and industry in producer countries who are involved in the international trade.

III. Expected Outputs:

One to three pilot trainings

IV. Target Countries

ITTO Producer countries this year could include a pilot in Peru in Year one, followed by other ITTO producer countries depending on interest and co-financing.

V. Duration & Timing

24 months in 2018-19 (If successful this activity could attract additional funding and continue in future BWPs)

VI. Budget

Year 2018 –	US\$200,000
Year 2019 –	<u>US\$200,000</u>
Total:	US\$400,000

Expected SAP outcome(s)

- Increased private sector capacity to trade in forest goods from legal and sustainably managed forests

SAP indicator(s)

- Number of private sector entities who are incorporating the training in their practices.

Activity No. 4

ENHANCING TEAK MANAGEMENT**I. Background**

Teak (*Tectona grandis*) is recognized for its physical and aesthetic qualities as one of the most important and valuable hardwoods in the world. Although it takes only a small position in the volume of world timber production and trade, teak is one of the tropical hardwoods in demand for the luxury market and for heavy duty applications. Natural teak forests (about 29 million ha) occur in only four countries in the world: India, Lao PDR, Myanmar and Thailand. Since the 1980s, supplies of teak wood from natural forests have started to dwindle and teak has been grown increasingly in planted forests in ca. 70 countries throughout tropical Asia, Africa, Latin America and Oceania, where planted teak forests have attracted large investments from the private sector. The global teak market has been and will continue to be governed by trends in the Asian market which holds more than 90% of the world's teak resources. The major teak trade flows worldwide are directed towards India absorbing around 70% of global teak exports including shipments of plantation logs and sawn timber from Africa and Latin America. Growing private investment in teak plantations is a clear indication of the perceived potential of the species, although deforestation and unsustainable management have substantially reduced the area of natural stands.

Dwindling supply of natural teak, log bans and value adding policies in some countries have been affecting the way teak is traded in international markets. Increasing trend in teak price and demand improve market opportunities for both plantation and natural teak. According to various estimates, planted teak forests cover between 4.35 to 6.89 million ha globally. They are known to exhibit a wide range of origin-related variation in growth and wood characteristics. Breeding programs continue to progress in different producing countries in efforts to enhance the quality of timber of planted teak. Most of them were established with seeds and clones of uncertain origin which in turn often led to disappointment in the timber quality. In many cases, teak plantations were badly managed and planted on poor sites which typically resulted in logs with smaller size that rarely reached the dimension, quality features and prices of logs grown in old-growth forests. Planted teak forests need to be well managed following a well-defined operational regime to achieve the desired production goals.

Between 2005 and 2014, the global annual trade of teak roundwood was more than 1 million m³ on average; imports were valued at an average US\$ 487 million a year, which is about 3 per cent of the value of global primary timber products trade (US\$ 15.5 billion). The global roundwood teak trade is dominated by three major importing countries: India (74 per cent), Thailand (16 per cent) and China (10 per cent). For teak sawnwood, from 2005 to 2014, the average annual global trade stood at about 120,000 m³, or about US\$ 75 million. It was dominated by China (46 per cent), India (31 per cent) and Thailand (14 per cent).

Teak timber is a product that is natural, has high aesthetic value, is renewable, energy-efficient, and versatile. It should therefore not face any major problem in terms of marketing and international trade. In reality, however, this is sadly not the case. Challenges are encountered by producing countries to enter international timber trade. Numerous policy measures are now being implemented to improve forest law enforcement and governance and counter the trade in illegally harvested timber. For decades, tropical timber has grappled with numerous challenges and even threats as it struggles to maintain its stake in the international timber markets which have affected the markets of teak.

Given the recent promising teak development and trade in three ITTO regions (Asia Pacific, Africa, and Latin America and the Caribbean), as well as in the light of current challenges of deforestation, illegal trade, declining high-quality teak stand, and the need to promote competitiveness of teak products, ITTO will facilitate the development of a common platform to tackle the challenges of ensuring that teak products from legally and sustainably sources will benefit the member countries to improve their community livelihood and national incomes.

II. DescriptionObjective and scope of work

The activity is aimed at enhancing the contribution of sustainable teak management to the protection of tropical forest in the participating countries, as well as promoting legal and sustainable teak industry and trade. The work will focus on three technical components and one non-technical component, namely:

- Component 1: Forest management. This component will cover: silviculture, seed production, forest management planning and capacity building.
- Component 2: Forest production. This component will cover: harvesting and transportation (RIL),

processing (promoting innovation and efficiency), waste management and capacity building.

- Component 3: Value chain and marketing. This component will cover: legality, timber tracking, certification, Environmental Product Declaration (EPD), teak market access, certification, and improving teak production/trade statistics.
- Component 4: Raising awareness. This component will deal with dissemination of the activity's outputs and lessons learned, legal teak trade campaign, supporting the organization of World Teak Conference 2018, production of promotional materials, and liaison with TEAKNET (a global network of teak specialists).

Implementation arrangement

The Executing Agency of this activity will be ITTO Secretariat together with the selected host country in the three regions of ITTO member countries. During the implementation of the activity, relevant stakeholders such as CSOs, trade and industry sector, and communities will be invited to collaborate, as well as international organizations such as IUFRO and TEAKNET.

III. Expected Outputs

- Output 1: Enhanced teak management for higher productive purposes in the participating countries
- Output 2: Efficient production processes and competitive teak products for local and international markets
- Output 3: Improved teak value and supply chains from legal and sustainable sources
- Output 4: Awareness on the importance of enhanced teak management raised

Activities

Output 1: a) Reviewing of existing natural and plantation teak regimes in selected the countries; b) Formulating breeding strategy of genetics improvement of teak to guide and determine direction of teak planting and other related activities; c) Improving silviculture techniques for high quality teak plantation; d) Nursery establishment and premium seeds production; and e) Training course on improving teak management.

Output 2: a) Improving RIL practice (training courses) for teak harvesting; b) Promoting efficient teak industry (training course); c) Study on enhancing waste management in teak industry; d) Study on innovative teak industry; e) Research on suitable management of effective logging, processing and harvesting; and e) Research on teak timber for high quality furniture using small size timber.

Output 3: a) Study on economic and value chains of natural and planted teak products; b) Training on strengthening capacity of local community in the value chain of teak products; c) Study on market intelligent of teak products; d) Study on legality and timber tracking of teak products; e) Development of web-based teak statistics; f) Support existing teak growers and enterprises to receive the sustainable forest management certification and COC

Output 4: a) Supporting the organizing of the 4th World Teak Conference (2018, hosted by the Government of Ghana); b) Organized regional teak seminars; and c) Participating in relevant national and international events.

IV. Target Countries ITTO member countries (up to 5 countries in each tropical regions)

V. Duration & timing 24 months

VI. Budget

Year 2018 -	US\$1,500,000
Year 2019 -	<u>US\$1,000,000</u>
Total:	US\$2,500,000

<u>By Component:</u>	Component 1: US\$650,000
	Component 2: US\$700,000
	Component 3: US\$550,000
	Component 4: US\$600,000

Expected SAP outcome(s)

- Better managed forest sector with increased access to financing and investments
- Increased forest area that is managed sustainably and legally harvested
- Improvement in good governance and effectiveness of forest law enforcement

- Reduction in illegal logging Increased contribution of the forest sector to the national and/or local economies of tropical countries
- Improved livelihoods and employment of local and indigenous communities
- Improved access to international markets for small and medium sized enterprises and community enterprises
- Increase in diversity and quantity of efficiently produced value-added products from sustainably managed forests
- Increased competitiveness and market access for tropical timber
- Increased consistency and compatibility among systems to provide assurance of legality and sustainability for tropical timber
- Increased contribution of NTFPs
- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available

SAP indicator(s)

- Increased trade in verified legally harvested timber
- Forest area under management plans
- Forest area under SFM
- Forest area certified
- Value of exports of tropical forest products
- Quantity of tropical timber exports recognized as originating from sustainably managed forests
- Employment and value added in further processing in producer member countries
- Diversity and quantity of value added forest products
- Income of local and indigenous communities
- Number of participating countries providing timely, accurate data

Activity No. 5

RESTORATION, CONSERVATION AND SUSTAINABLE USE OF MANGROVE ECOSYSTEMS

I. Background

Mangroves are among the world's most productive ecosystems, producing a wide range of goods and environmental services. Mangrove forests are recognized as an essential component of climate change adaptation and mitigation, as their carbon storage is estimated at 1,023 ton/ha (Donato *et al*, 2011), up to five times higher than carbon absorbed by terrestrial tropical forests. If sustainably managed, mangrove ecosystems can support the livelihoods of millions of coastal dwelling people while storing globally significant quantities of carbon.

Recognizing the importance of mangrove forests and ecosystems, ITTO adopted the Mangrove Work Plan 2002–2006 and various ITTO projects have been implemented in ITTO member countries. ITTO's mangrove work includes: publication and revision of the World Mangrove Atlas; and establishment of the Global Mangrove Database and Information System (GLOMIS) in collaboration with the International Society of Mangrove Ecosystems (ISME) and other partners.

Under the BWP 2016-2017, the International Conference on Sustainable Mangrove Ecosystems was held on 18-21 April 2017 in Bali, Indonesia. The conference was organized jointly by ITTO, the Ministry of Environment and Forestry of Indonesia, and ISME, in collaboration with the Center for International Forestry Research (CIFOR), FAO, USFS and AFoCo as well as proactive mangrove related civil society groups and the private sector in Indonesia. In issuing the "Bali Call to Action for Sustainable Mangrove Ecosystems", participants in the conference urged policy makers, land-use planners, mangrove practitioners and scientists, international organizations, the private sector, donors and coastal communities to redouble their work to ensure the conservation, restoration, protection and sustainable management and use of the world's remaining mangrove forest ecosystems.

II. Description

This activity aims to conduct a global mangrove thematic study to review the future potential of sustainably managing mangroves in securing ecosystems and improving the resilience of vulnerable coastal communities as a follow-up to the recommendations of the International Conference on Sustainable Mangrove Ecosystems (18-21 April 2017, Bali, Indonesia). Specifically, this activity is to:

- Promote effective mangrove restoration through science-based decision-making to identify the best restoration strategies and practices through organization of three regional workshops;
- Assess the management and sustainable use status of mangrove ecosystems including clarification of land tenure and user rights for communities and empowerment of local communities, especially women; and
- Support the generation and dissemination of knowledge on mangrove management and causes and consequences of change in mangrove ecosystems at the local to globe scales for the status of mangrove management worldwide as well as review future mangrove research areas including the revision of the World Mangrove Atlas (2010).

The activity will be implemented through the organization of national and regional workshops in collaboration with ISME, IUCN and other partners.

III. Expected Outputs

- A synthesis report on the status of the conservation, restoration, management and sustainable use of mangrove ecosystems worldwide;
- Recommendations on effective mangrove restoration and management strategies and practices; and
- Strengthened partnerships among ITTO member countries, relevant organizations and partners for knowledge sharing and capacity building.

IV. Target Countries ITTO member countries

V. Duration & timing 24 months

VI. Budget	Consultant fee	US\$ 40,000
	Three regional workshops	<u>US\$160,000</u>
	Total	US\$200,000

Expected SAP outcome(s)

- Increased forest area that is managed sustainably and legally harvested
- Improvement in good governance and effectiveness of forest law enforcement
- Improved livelihoods and employment of local and indigenous communities
- Increase in the capacity of members to address climate change adaptation and mitigation through SFM

SAP indicator(s)

- Forest area under SFM
- Forest area certified
- Income of local and indigenous communities
- Number of member countries with forest policy framework for climate change mitigation and adaptation

Activity No. 6

ENHANCE COOPERATION BETWEEN ITTO AND CITES

I. Background & description

ITTO and CITES have developed strong collaborative activities to improve implementation of timber listing requirements over the past 20 years. This collaboration culminated in the large capacity building program first proposed in the 2006-2007 BWP which allowed a grant proposal seeking funding for an ITTO-CITES collaborative capacity building Program to be developed. The proposal was submitted to the European Union through the European Commission, which provided 3 million euros for a first phase running from 2007-2011. The large-scale funding from the EU/EC was extended to 2012-16 under an additional grant of 5 million euros, to be matched by the equivalent of 2.5 million euros to be raised from other donors. The activity therefore continued under ITTO's 2008-2009, 2010-2011, 2012-2013, 2013-2014 and 2015-2017 BWPs, primarily with EU funding but with additional contributions of over \$3 million from the USA, Switzerland, Japan, the Netherlands, Norway, Germany, New Zealand, China, the private sector and ITTO's BPF. The work was managed by ITTO until the end of 2016 with assistance from three regional coordinators and the CITES Secretariat, and guided by a program advisory committee.

The ITTO-CITES Program completed implementation of more than 40 activities under its second phase from 2012-16. Country-specific activities were completed in Brazil, Cameroon, China, Congo, DRC, Guatemala, Indonesia, Madagascar, Malaysia and Peru, focusing on African species *Pericopsis elata* (afromosia), *Prunus africana* (African cherry), and several *Dalbergia* (rosewood) and *Diospyros* (ebony) species from Madagascar; Asian species *Aquilaria/Gyrinops* spp. (agarwood) and *Gonystylus* spp. (ramin); and Latin American species *Cedrela odorata*, *Swietenia macrophylla*, *Dalbergia retusa* and *D. stevensonii*. Eight activities were funded and completed under the Trade and Market Transparency thematic program based on a provision of the EU/EC funding grant calling for 20% of the EU funds provided to be directed to activities with objectives relevant to both the TMT and CITES programs.

While the EU/EC in 2016 decided to provide further funding for work on CITES-listed tree species directly to the CITES Secretariat, other ITTO donors are encouraged to recognize ITTO's comparative advantages in this field by continuing to support ITTO's CITES-related work through this on-going BWP activity. The activity will assist ITTO Member Countries in implementing CITES requirements for listed tropical timber species.

II. Expected outputs

During the biennium and as appropriate/required in consultation with the CITES Secretariat, this activity will facilitate:

- assistance for improved inventories or inventory designs for CITES listed tropical tree species;
- assistance with preparing non-detriment findings (NDFs) for Appendix II listed tropical tree species and implementing cost effective tracking systems to ensure traceability of products covered by these NDFs;
- assistance with preparing proposals for CITES listings of new tropical tree species; and
- attendance and participation of ITTO in relevant CITES meetings and fora.

III. Target countries ITTO member countries

IV. Duration & timing 24 months

V. Budget	Inventory/NDF work in producer countries:	US\$450,000
	Assistance with CITES listings proposals:	US\$100,000
	Attendance at relevant meetings	<u>US\$ 50,000</u>
	Total:	US\$600,000

Expected SAP outcome(s)

- Increased competitiveness and market access for tropical timber
- Trade and utilization of timber and non-timber tropical forest species is consistent with their conservation

SAP indicator(s)

- Value of exports of tropical forest products
- Quantity of tropical timber exports recognized as originating from sustainably managed forests
- Number of commercial timber species and non-timber tropical forest species listed in CITES Appendix I

Activity No. 7

INDEPENDENT MARKET MONITORING OF FLEGT-LICENSED TIMBER

I. Background

The Independent Market Monitoring (IMM) mechanism has been established to support bilateral Voluntary Partnership Agreements (VPA) between the EU and timber supplying countries. VPA's are a key element of the EU's Forest Law Enforcement Governance and Trade (FLEGT) Action Plan which defines the EU's policy to promote legal logging and trade in legally licensed timber. Once agreed, the VPAs include commitments and action from both parties to develop a Legality Assurance System (LAS) which licenses timber and timber products for export to the EU.

The VPA process operates alongside the EU Timber Regulation (EUTR), adopted in October 2010 and enforced throughout the EU since March 2013, which requires that operators implement a due diligence system to ensure negligible risk of any illegal timber or timber products being placed on the internal EU market. VPA licenses together with CITES certificates are the only forms of documentation recognized in EUTR as sufficient assurance of legal origin to require no further due diligence by operators.

The EU (through the EC) selected ITTO to implement an Independent Market Monitoring system for FLEGT-licensed timber being placed on the EU market starting in 2014. Detailed terms of reference ("project description") and budget have been concluded in liaison with the EU/EC and are available on request from the Secretariat. The IMM suspended operations in early 2016 due to ITTO's financial impairment and resumed operations in early 2017 once arrangements were concluded with the EC to allow recommencement of funding.

II. Description

The role of the IMM is to allow the VPA partner countries, the EU member states and the European Commission to better understand the market incentives of entering into a VPA, and to monitor how the EU and wider international market for FLEGT licensed timber develops during the life of the VPA. It also builds on the opportunity presented by LAS development to improve the quality of timber trade statistics and effectiveness of timber market development programs for legally licensed FLEGT timber.

The IMM systems primary objectives are to:

- Collect, analyze, report and disseminate information on acceptance and trends of FLEGT-licensed timber on the EU market.
- Improve knowledge and understanding of the impacts of VPAs on timber prices, trade and market trends globally.
- Ensure VPA countries and the EC provide reliable statistics and information on FLEGT timber trade and acceptance in their reporting.
- Inform decisions by VPA Joint Implementation Committees (JICs) by providing timely & accurate information on market impact.
- Contribute to monitoring the impacts of the FLEGT Action Plan and to inform its implementation.
- Develop a long-term strategy for sustaining the IMM in consultation with the EU and VPA partner countries.

III. Expected outputs

- Annual Reports for 2018-19 to summarize the status of licensing in VPA Partner countries, provide an overview of major market trends and implications for VPA licensing, and a systematic review of market impacts against agreed indicators. The reports will include country annexes, detailing developments in each VPA country and markets for their timber products. IMM will also work closely with each JIC to assist in preparation of market-related aspects of their own FLEGT VPA Annual Report mandated under the terms of the agreements. Where relevant and feasible, the IMM will also undertake specific studies of issues or markets at the request of VPA countries and with the approval/support of a steering committee.
- An IMM website will be developed and launched in early 2018 for real-time distribution and visualization of data relating to trade in VPA licensed timber and associated market impacts as such data become available. The website will also be used as a hub for on-line collection of market survey data. Starting in the last quarter 2017, IMM will issue a regular quarterly e-newsletter via the website and by email. The newsletter will perform the dual role of regularly reporting on IMM activities and commenting on the latest quarterly trends in trade in VPA licensed timber products.

- IMM will also contribute regular articles/information to ITTO's Tropical Timber Market (TTM) Report, published every two weeks to improve transparency in international tropical timber markets, and Tropical Forest Update which is published quarterly in English, French and Spanish.

IV. Target countries

Global (focus on EU market and VPA partner countries)

V. Duration & timing

48 months total to be extended to 2020 (24 months in 2018-19)

VI. Budget

EUR 4,000,000 (approximately US\$5,000,000; see "project description" document for full budget)

Expected SAP outcome(s)

- Accurate information is used by ITTO members in policy making, forest management, market development and investment promotion
- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available

SAP indicator(s)

- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion
- Number of ITTO members and other stake-holders providing timely, accurate data

Activity No. 8(a)

MONITOR PROGRESS IN THE APPLICATION OF CRITERIA AND INDICATORS FOR SUSTAINABLE FOREST MANAGEMENT

CRITERIA AND INDICATORS WORKSHOPS

I. Background

Under ITTC Decisions 5(XXX), 9(XXX), 4(XXXIV), 31 ITTO producer member countries have benefited from a series of national workshops to train forest stakeholders on the use of the ITTO Criteria and Indicators (C&I) for SFM to monitor, assess and report on forests and forest management. The most recent workshops were held in Kinshasa, DRC in July 2010, Paramaribo, Suriname in August 2011 and Cotonou, Benin in March 2014. This activity will allow for additional workshops during 2018-2019 to disseminate the revised ITTO C&I approved in 2015 and with a focus on new member countries like Mozambique and Vietnam.

II. Description

The activity will allow for 2-3 additional national C&I training workshops to be targeted primarily at countries that have not already benefited from this training, including countries that have become new members since the entry into force of the ITTA, 2006. The curriculum of these workshops will evolve to ensure that participants receive up to date information on all relevant aspects of monitoring, assessing and reporting (MAR) on forests, including via the revised ITTO C&I.

III. Expected outputs

- At least 60 stakeholders in ITTO producer member countries familiar with the ITTO C&I; and
- More countries able to effectively report on forests/forest management using the ITTO C&I reporting format.

IV. Target countries ITTO producer members

V. Duration & timing 24 months (commencing when funding made available)

VI. Budget 4 workshops @ \$37,500 each US\$150,000
Total: US\$150,000

Expected SAP outcome(s)

- Increase forest area that is managed sustainably and legally harvested

SAP indicator(s)

- ITTO indicators for SFM
- Forest area under management plans
- Forest area under SFM
- Forest area certified

MONITOR PROGRESS IN THE APPLICATION OF CRITERIA AND INDICATORS FOR SUSTAINABLE FOREST MANAGEMENT

ADAPTING THE 2016 ITTO CRITERIA AND INDICATORS (C&I) FOR SFM TO AFRICAN CONTEXT

I. Background

This BWP Activity will deal with revising and updating the ATO-ITTO Principles, Criteria and Indicators (PC&I) for the sustainable management of African natural forests, in accordance with the first recommendation made by the Second Regional Workshop on ITTO Voluntary SFM Guidelines held in Cotonou (Benin), in May 2017. The aim is to get the revised and updated ATO-ITTO PC&I be consistent with the ITTO Voluntary SFM Guidelines and the 2016 set of ITTO Criteria and Indicators (C&I). This is an opportunity to take into account relevant United Nations (UN) sustainable development goals (SDGs), as well as relevant international initiatives [Paris Agreement on Climate of 2015, United Nations strategic plan for forests (UNSPF) 2017-2030, Aichi Target 2020 for the convention on Biological Diversity (CBD), etc.]

The revision of the ATO-ITTO PC&I is an urgent matter as the current ATO-ITTO PC&I is already endorsed by many ITTO member countries in Africa as part of their national forest policies. It is also used as a reference policy document contributing to the implementation of the Voluntary Partnership Agreement (VPA), under the Forest Law Enforcement Governance and Trade (FLEGT), being negotiated by some ITTO member countries in Africa with the European Commission. This ITTO Policy Publication is a tool contributing to strengthen the cooperation and collaboration on SFM issues between ITTO and African member countries, because it had been promoted through the implementation of the ITTO operational phased regional project PD 124/01 (M).

II. Description

This BWP Activity intends to adapt the 2016 ITTO Criteria and Indicators (C&I) for SFM to African context in view of strengthening cooperation and collaboration between ITTO and African member countries on C&I, for the promotion of SFM contributing to make progress towards sustainable development goals (SDG) and Global Forest Goals (GFG). In cooperation with relevant international partners, the implementation of this BWP Activity can be outlined as follows:

2.1 An international consultant will be selected for undertaking tasks aimed at revising and updating the ATO-ITTO PC&I. His/her specific tasks will mainly include:

- Developing, in consultation with ITTO Secretariat, the detailed content of the new set to be titled “ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests”;
- Conducting, in collaboration with the regional consultant, the regional workshop for the technical validation of “ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests”;
- Deliver a presentation at ITTC on the outcomes of the consultancy works.

2.2 A regional consultant will be selected to provide support to the international consultant for the organization of the validation regional workshop. His/her specific tasks will mainly include:

- Assisting the international consultant in organizing and facilitating the validation regional workshop;
- Preparing the report of the validation regional workshop for submission to the ITTO Secretariat.

2.3 Organizing a Regional Workshop for the validation of “*ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests*”:

- Holding of a regional workshop for the validation of the draft revised and updated ATO-ITTO PC&I by experts from ITTO member countries in Africa under the supervision of an international consultant and a regional consultant;
- Venue: regional workshop to be held in a selected ITTO member country in Africa with up to 40 participants, including ITTO focal points in member countries and representatives of relevant forest related stakeholders and ITTO partners.

2.4 Editing, translation, publication and dissemination of “*ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests*”:

- After being approved by an ITTC session, the ITTO Communication and Outreach Unit will be in charge of this important task in relation to the ITTO mandate on information sharing.

III. Expected Outputs

- “ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests” technically validated by experts from ITTO member countries in Africa and duly adopted by ITTC;
- “ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests” made available for dissemination by the ITTO Secretariat;

IV. Target Countries

- ITTO member countries in Africa, for the dissemination and implementation of the new set of “ITTO Criteria and Indicators (C&I) for Sustainable Management of African Tropical Forests”;
- ITTO partner institutions involved in the promotion of sustainable forest management (SFM) and forest governance in Africa through bilateral and multilateral cooperation channels.

V. Duration & timing 24 months

VI. Budget	International Consultant:	US\$ 40,000
	Regional Consultant:	US\$ 20,000
	Regional Workshop (for validation):	US\$ 70,000
	Translation, design, editing, publication and dissemination:	<u>US\$ 40,000</u>
	Total:	US\$170,000

Expected SAP outcome(s)

- Improvement in good governance and effectiveness of forest law enforcement
- Increased forest area that is managed sustainably and legally harvested
- Increase in area of forest under SFM and use of ITTO guidelines and C&I

SAP indicator(s)

- Member countries implementing policy framework to promote SFM
- Increased trade in verified legally harvested timber
- Forest area under management plans
- Forest area under SFM
- ITTO indicators for SFM

Activity No. 9

STATISTICAL CAPACITY BUILDING WORKSHOPS

I. Background

The level and quality of reporting on forestry sector statistics by ITTO producer countries is variable and many countries are unable to meet their international and national statistical reporting requirements. Although ITTO has conducted a number of regional statistical training workshops, country-level assistance is also required because each country's problems and solutions will differ and a more effective approach is to tailor training needs accordingly. ITTO will work in liaison with FAO and other partners in delivering these workshops, building on collaborative relationships developed under previous related BWP activities

II. Description

The purpose of this activity is to support up to four regional training workshops or other activities on request, to enable producer countries to meet their reporting requirements on forestry sector statistics. In order to maximize the number of participants per workshop, ITTO and FAO have been organizing regional workshops for which 30-40 participants from 15-20 countries are invited to participate to meetings and a field trip for 3-4 days. Both organizations coordinate these regional workshops on a round basis in the three producing regions (Africa, Asia-Pacific and Latin America-Caribbean regions).

Although the objectives of country-level workshops will be tailored to specific needs, these will include the following:

- Establish and reinforce a network of forest products statistical correspondents;
- Review and assess the current state of national forest products statistics at regional and national levels, identifying the main weaknesses and constraints of the current systems;
- Improve the framework for future national statistical processes, including methodologies for statistical reporting and requirements for resources and equipment;
- Provide training on standardized international definitions as a base for completing the Joint Forest Sector Questionnaire; and
- Promote an information culture.

III. Expected outputs

- Information on the status and constraints of current national forestry sector statistics discussed;
- The network of different actors in the value chain, including the public and private sectors, are linked to generate national statistics on production, consumption and trade in wood products. Agreement is reached on sustainable cooperation on forestry sector statistics between the various agencies;
- A roadmap for strengthening the national system of forest products national and international statistical reporting is developed; and
- The country's international reporting requirements and requirements of the ITTO Joint Forest Sector Questionnaire are understood.
- Share common concerns and possible solutions among the participants from various countries.

IV. Target countries ITTO member countries

V. Duration & timing 24 months

VI. Budget US\$100,000

The aim of this activity is to be able to organize up to 4 regional workshops which costs are shared equally between FAO and ITTO. The estimated total cost for one workshop is \$50,000 (\$25,000 for ITTO and \$25,000 for FAO).

The expected cost breakdown for one regional workshop inviting 20 participants for 3 days is as follows:

Participants air travel fees	US\$15,000
Participants accommodation, DSA	US\$15,000
Meeting rooms, logistic, conference	
Facility, documents printing	US\$10,000
Miscellaneous/field trip	US\$10,000

Expected SAP outcome(s)

- Public institutions, communities and commercial entities have adequate forest management, planning, policy and business skills needed to implement SFM and engage in international trade
- Increase in the awareness of the contribution of SFM to economies
- Increase in exchange of experiences, knowledge innovations in SFM, and promotion of trade and timber processing among members

SAP indicator(s)

- Number of individuals receiving training or education

Activity No. 10(a)

DEVELOPING AND OPERATIONALIZING ITTO'S POLICY GUIDELINES TO MEMBERS

OPERATIONALIZING THE ITTO POLICY GUIDELINES ON GENDER EQUALITY AND EMPOWERING WOMEN

I. Background

ITTO is committed to gender mainstreaming and enhancing gender equality outcomes across its policy and project work. The draft ITTO Policy Guidelines on Gender Equality and Empowering Women (GEEW) to be presented to the 53rd ITTC for endorsement/approval will institutionalize this commitment. The Policy Guidelines will serve as a framework for gender integration in ITTO policies, plans, programmes, projects, activities and internal functioning and are intended to enhance the impact and effectiveness of the Organization's operations in all areas and at all levels.

II. Description

In order to implement the gender policy guidelines, a number of possible actions are proposed in the report of the consultant presented to the 53rd ITTC. While a number of the proposed actions can be initiated or undertaken within existing resources, the following actions proposed for implementation under the BWP 2018-2019 require voluntary contributions from Members for their implementation.

- Supplement the gender guidance contained in the ITTO Manual for Project Formulation (2009 edition) with a new Appendix D to provide guidance on gender analysis.
- Update ITTO project-related manuals to include guidance on gender-related results-based management (outcomes, impacts, etc.), including gender-sensitive results indicators and sex-disaggregated data
- Include a training module on gender integration in all ITTO training workshops on proposal preparation to ensure Executing Agencies and project coordinators have the skills needed to properly integrate gender issues into project planning, design, monitoring and evaluation.
- Provide training to all ITTO staff members so that they understand the importance of GEEW and how to integrate gender issues in their work.
- Participate in meetings/initiatives to develop a network of forest gender experts from CPF organizations, GCF, UN WOMEN, GPC and interested CSAG and TAG organizations.
- Conduct a study on gender roles in forest industry, manufacturing and trade.

III. Expected Outputs

Enhance the effective integration of gender considerations in all aspects of ITTO's policy and project work. Build the capacity of ITTO and its Members to promote gender quality and empower women in the tropical forest sector.

IV. Target Countries ITTO member countries

V. Duration & timing 24 months

VI. Budget	Review and update ITTO Manuals	US\$100,000
	Development and implementation of a training module on Gender for proposal preparation workshops	US\$100,000
	Participation in meetings and networking	US\$ 70,000
	Training of ITTO staff	US\$ 50,000
	Study on gender roles in forest industry	<u>US\$ 30,000</u>
	Total:	US\$350,000

Expected SAP outcome(s)

- Public institutions, communities and commercial entities have adequate forest management, planning, policy and business skills needed to implement SFM and engage in international trade

SAP indicator(s)

- Number of individuals receiving training or education
- Number of trained individuals per hectare of forest per country

Activity No. 10(b)

DEVELOPING AND OPERATIONALIZING ITTO'S POLICY GUIDELINES**UPDATE ITTO GUIDELINES FOR FOREST LANDSCAPE RESTORATION****I. Background**

The aim of this BWP Activity is to provide support to the ITTO member countries through appropriate regional and sub-regional institutions/organizations (mainly ACTO for Latin America, ASEAN in Asia, COMIFAC in Central Africa, ECOWAS in West African, SADC for Southern Africa, etc.), on the forest and landscape restoration process in line with the ITTO *Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests* and also in compliance with relevant international initiatives (Paris Agreement on Climate of 2015, United Nations Strategic Plan for Forests 2017-2030, Bonn Challenge Global Call, WRI 20-20 Target Initiative, etc.). Potential international partners could be, among others, the following: Bonn Challenge with its global call for the restoration of 150 million ha by 2020; TICAD-VI through the Pilar 3/3.1 of the TICAD-VI Nairobi Implementation Plan approved in August 2016; African Development Bank through its initiatives (Africa Climate Change Fund, Africa Carbon Support Program, African Natural Resources Center, Climate Investment Funds); World Resources Institute (WRI) through its 20-20 Target Initiative.

II. Description

This BWP Activity is a follow-up to the recommendations of the ITTO technical report prepared by WRI through the implementation of the Activity PP-A/49-288 under BWP 2013-2014, in order to take into account some important aspects of forest landscape restoration contributing to make progress towards relevant forest-related climate goals, as well as towards relevant United Nations sustainable development goals (SDGs) and global forest goals (GFG).

Taking into account the fact that there have been major developments in forest-related policy international initiatives, such as the United Nations Sustainable Development Goal 15 (SDG-15) that promotes halting the global deforestation and the Paris Agreement on Climate which places efforts to tackle deforestation and promote sustainable forestry as a core achievement within the framework of global carbon mitigation measures, this BWP Activity will be implemented as follows:

- First year (2018) for revising and updating the current ITTO Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests, through a consultation process with relevant stakeholders, while making sure to take into account the global environmental emerging issues and priorities (forest-related climate change goals in the Paris Agreement on Climate, global forest goals promoted by United Nations Forum on Forests, etc.); and
- Second year (2019) for the translation, design, editing, publication and dissemination of the revised and updated document after being adopted by ITTC.

III. Expected Outcomes

- Revised and updated ITTO guidelines for forest landscape restoration, in relation to the recommendations of the World Resources Institute (WRI) experts, made available and duly adopted by ITTC;
- Revised and updated ITTO guidelines for forest landscape restoration adopted, made available and published for dissemination in ITTO member countries.

IV. Target Countries

- ITTO producing member countries for the dissemination and implementation of the revised and updated ITTO guidelines for forest landscape restoration; and
- Regional and sub-regional institutions/organizations to be used as channel for the internalization of the revised and updated ITTO guidelines for forest landscape restoration in the country forest policies.

V. Duration & timing 24 months

VI. Budget	International Consultant:	US\$ 50,000
	Regional Consultant:	US\$ 40,000
	Translation, design, editing, publication and dissemination:	<u>US\$ 50,000</u>
	Total:	US\$140,000

Expected SAP outcome(s)

- Increased forest area that is managed sustainably and legally harvested
- Increase in the capacity of members to address climate change adaptation and mitigation through SFM

SAP indicator(s)

- Member countries implementing policy framework to promote SFM
- Number of member countries with forest policy framework for climate change mitigation and adaptation
- Number of countries with initiatives in place for payments for environmental services or similar mechanisms

Activity No. 11

FORMULATE A NEW ITTO STRATEGIC ACTION PLAN**I. Background**

Article 24(3) of the ITTA defines that the Council shall establish on a regular basis an action plan to guide policy activities and identify priorities and the thematic programmes referred to in article 20, paragraph 4, of that Agreement. Priorities identified in the action plan shall be reflected in the work programmes approved by the Council. Policy activities may include the development and preparation of guidelines, manuals, studies, reports, basic communication and outreach tools, and similar work identified in the Organization's action plan. The current ITTO Strategic Action Plan 2013-2018 is due to expire at the end of the 2018 and a new Strategic Action Plan (SAP) under the ITTA, 2006 should therefore be formulated and approved by the Council.

II. Description

The new SAP will highlight the key features of the scope of the ITTA 2006, namely the wider contribution to sustainable development; the inclusion of other forest products than timber; the consideration of environmental services; illegal logging and governance issues; and the increased need for capacity building and economic development for small forest users and local communities. It will be the second SAP implemented under the ITTA, 2006 and will govern the operations of the Organization towards the achievement of the objectives defined in the ITTA, 2006 for the period from 2019-2023. Building upon the SAP 2013-2018, the new SAP will also take into account as appropriate relevant developments in the wider international policy framework within which ITTO operates, including the United Nations Strategic Plan for Forests 2017-2030 (UNSPF), the 2030 Agenda for Sustainable Development, the Paris Agreement, the Convention on Biological Diversity and/or other international forest-related instruments and processes

The main activities foreseen under this Activity are:

- Consultancy services involving one Producer and one Consumer expert;
- Convening a Working Group of a balanced number of Producer and Consumer representatives, as well as representatives of the Trade Advisory Group and the Civil Society Advisory Group to review and refine the draft prepared by the consultant.

III. Expected Outputs

An ITTO Strategic Action Plan to govern the operations of the Organization for the period from 2019-2023.

IV. Target Countries ITTO member countries

V. Duration & timing 8 months (in 2018)

VI. Budget US\$200,000

Expected SAP outcome(s)

- Cross-cutting. The new SAP will define the SAP Outcomes for the period from 2019-2023

SAP indicator(s)

- Cross-cutting. The new SAP will define the SAP Indicators for the period from 2019-2023

Activity No. 12

PREVENTION AND MANAGEMENT OF FIRE IN TROPICAL TIMBER-PRODUCING FORESTS**I. Background**

ITTO project work in forest fire has been promoted in line with the ITTO Guidelines on Fire Management in Tropical Forests (PS-6) published in 1997 in order to promote the development of forest fire prevention and control strategies to the operational forest managers, planners and local communities in tropical countries. In view of ITTO's commitment as a core member of the United Nations International Strategy for Disaster Reduction (UNISDR) Global Wildland Advisory Group, and the related Global Wildland Fire Network (GWFN) and the Global Fire Monitoring Center (GFMC), cooperating organizations and agencies have encouraged ITTO proactive role in the development and implementation of national action plans for forest fires and organization of meetings for regional forest fire-related networks focusing on the tropics, and in the preparation for International Wildland Fire Conference. ITTO organized a side-event and supported the attendance of 18 participants from producer member countries implementing ITTO fire-related projects in the 6th International Wildland Fire Conference held in October 2015 in Pyeongchang, Korea, which appealed to the international community to consider the systematic application of the principles of Integrated Forest Fire Management (IFM) to maintain and increase terrestrial carbon stocks, and reduce unnecessary emissions of pollutants.

II. Description

The objective of this activity is to assist the participation of ITTO and members in national/regional forest fire meetings and in the 7th International Wildland Fire Conference (IWFC) which will be held in May 2019 in Campo Grande, Mato Grosso do Sul, Brazil in collaboration with FAO, UN International Strategy for Disaster Reduction (UNISDR), Global Fire Monitoring Center, USFS and other partners. The theme of the 7th IWFC is related to integrated fire management in the context of achieving SDG and climate goals and its objectives include meeting the challenges of the Sendai Framework for Disaster Risk Reduction (SFDRR). The 7th IWFC is being hosted by the Ministry of Environment of Brazil through IBAMA. The activity will facilitate the organization of a side-event on forest fire prevention and the participation of selected 15 participants from producer member in the 7th International Wildland Fire Conference in order to enhance their integrated forest fire management capacity.

III. Expected Outputs

- Partnerships with the United Nations International Strategy for Disaster Reduction (UNISDR), Global Wildland Advisory Group, and the related Global Wildland Fire Network (GWFN) and the Global Fire Monitoring Center (GFMC) to promote and facilitate the successful implementation of forest fire policies, strategies and initiatives in tropical regions;
- Improved capacity of selected participants to address integrated forest fire management through their participation in the the 7th International Wildland Fire Conference; and
- Delivery and dissemination of policy support and technical relevant information, recommendations and practical tools such as principles of Integrated Fire Management (IFM), to government agencies, forest managers, local communities and supporting organizations.

IV. Target Countries ITTO member countries

V. Duration & timing 24 months

VI. Budget	National /regional forest fire network	US\$ 40,000
	Participation in the 7th International Wildland Fire Conference	<u>US\$ 80,000</u>
	Total	US\$120,000

Expected SAP Outcomes

- Increased forest area that is managed sustainably and legally harvested
- Improvement in good governance and effectiveness of forest law enforcement
- Increase in the capacity of members to address climate change adaptation and mitigation through SFM

SAP Indicators

- Forest area under SFM
- Number of member countries with forest policy framework for climate change mitigation and adaptation
- Number of stakeholders participating in SFM policy development processes

Activity No. 13

INTERNATIONAL CONFERENCE ON HALTING DEFORESTATION AND INCREASING FOREST AREA**I. Background**

In 2015, countries made a bold and ambitious commitment when adopting the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs). Target 15.2 of SDG 15 on Life on Land calls for halting deforestation by 2020, among others. In addition, the UN Strategic Plan for Forests 2017- 2030 (UNSPF) adopted in 2017 by the UN General Assembly calls for reversing the loss of forest cover and increasing forest area by 3 percent worldwide by 2030 (Global Forest Goal 1, Target 1.1).

Recognizing the importance of collective international action for halting deforestation and increasing forest area, the Collaborative Partnership on Forests (CPF) supported the organization of an international conference and FAO has been taking the lead for the organization of International Conference on Halting Deforestation and Increasing Forest Area – from Aspiration to Action on 21 - 23 February 2018, in Rome, Italy. The main objective of the conference is to make recommendations, through UNFF13, to the High Level Political Forum (HLPF) on Sustainable Development on actions to be undertaken globally and by countries to help achieve the SDG and GFG targets of halting deforestation and increasing forest cover.

II. Description

The objective of this activity is to assist the participation of ITTO and members in the International Conference on Halting Deforestation and Increasing Forest Area – from Aspiration to Action which will take place on 21 - 23 February 2018, in Rome, Italy. It will facilitate the participation of two members of the ITTO Secretariat and around 10 selected experts from producer member countries who will contribute to discussions to increase the role of productive tropical forests in halting deforestation and increasing forest area among others and identification of recommend ways forward, including key policy measures and actions by countries and the international community.

III. Expected Outputs

- Partnerships with the CPF members in assessing and promoting the achievement of Target 15.2 of SDG 15 on Life on Land enhanced; and
- ITTO's knowledge and awareness of collective international action on halting deforestation and increasing forest cover to be brought to the attention of the HLPF 2018 through UNFF13 enhanced.

IV. Target Countries ITTO member countries

V. Duration & timing 3 months

VI. Budget	ITTO Secretariat participation	US\$15,000
	ITTO Stakeholders participation	<u>US\$35,000</u>
	Total	US\$50,000

Expected SAP outcome(s)

- Increased forest area that is managed sustainably and legally harvested
- Increase in the capacity of members to address climate change adaptation and mitigation through SFM

SAP indicators

- Forest area under SFM
- Number of member countries with forest policy framework for climate change mitigation and adaptation
- Number of stakeholders participating in SFM policy development processes

Activity No. 14

COOPERATION AND CONSULTATION WITH THE CPF, UNFF AND OTHERS**I. Background**

As a founding member of the CPF, ITTO has established, maintained and strengthened cooperation with the UNFF since its establishment in 2000. Following the Tenth Session of the UNFF held in April 2013, ITTO and other members of the CPF have been called upon to collaborate and make contributions to the follow-up of the outcomes of the session involving inter-sessional work and preparations leading to the convening of the Eleventh Session of the UNFF in New York in 2015.

II. Description

The objective of this activity is to promote and integrate the role of productive forest and trade in major global processes (UNFF, CPF, UNFCCC, UNCCD, CBD, UN Environment, UNCTAD, GFLR and other initiatives) for achieving SDG and Global Forest Goals of green and inclusive growth, securing livelihood needs and protecting national and global public good values. ITTO will generate understanding for the need of investing into forest resources and landscape to offset the emerging global supply deficit of timber and non-timber products and to enhance their role in moving towards a circular economy. ITTO will help increase the understanding that sustainable forest management and legal and sustainable supply chains will generate multiple wins for the benefit of people, the environment and climate. Through this activity, ITTO will be able to collaborate and contribute concretely and meaningfully to the work of the UNFF and CPF as well to other global initiatives by providing relevant inputs, participating proactively in these global fora s as well as to contributing to the costs of joint activities

III. Expected Outputs

- Representation of ITTO at UNFF and CPF enhanced;
- Cooperation and collaboration between ITTO, UNFF and CPF and other relevant initiatives maintained and strengthened;
- ITTO's outreach, communication and interaction at international and regional levels broadened;
- Perspective and importance of the role of sustainable productive tropical forests and associated supply chains in UNFF and CPF work and activities adequately presented and augmented;
- ITTO's knowledge and awareness of major and emerging forest issues and developments enhanced; and
- Efficiency and effectiveness of ITTO's work enhanced and synergized through cooperation and collaboration.

IV. Target Countries Global forest for and initiatives

V. Duration & timing 24 months

VI. Budget	Travel for ITTO staff:	US\$ 60,000
	Travel from producer countries:	US\$ 40,000
	Consultant Fees:	US\$ 40,000
	Material/ printing:	<u>US\$ 10,000</u>
	Total	US\$150,000

Expected SAP outcome(s)

- Understanding of productive forests and sustainable supply chains for green and inclusive growth and livelihood benefits augmented and national and global public goods augmented and reflected in official statements and declarations
- Role of ITTO as a discussion leader recognized
- Investments in productive forests and landscapes as well as in legal and sustainable supply chains increased

SAP indicator(s)

- Decisions and declaration in international fora (number)
- Investments finance increased (\$)
- Volume of legal and sustainably trade timber/non-timber products increased (M3)

Activity No. 15

COLLABORATION ON CRITERIA AND INDICATORS FOR SFM

I. Background

Under ITTC Decisions 5(XXX), 9(XXX), 4(XXXIV), ITTO has collaborated extensively with other C&I processes (e.g. Montreal Process, Pan-European Process, FAO Forest Resource Assessment, etc.) to promote the understanding of the role of C&I in contributing to sustainable forest management and the use of this important tool for forest monitoring reporting and assessment (MAR). This activity will allow for on-going collaboration with other related forest reporting processes to continue.

II. Description

The activity will also facilitate active ITTO participation in the global dialogue on MAR related to forests, including the CPF Task Force on Streamlining Forest Reporting, discussions on harmonizing reporting on forests between ITTO's SFM Tropics and FAO's Forest Resources Assessment (including through the Collaborative Forest Resources Questionnaire process), and various relevant meetings and initiatives of other international C&I processes.

III. Expected outputs

- More countries able to effectively report on forests/forest management using the ITTO C&I reporting format; and
- ITTO concerns and priorities reflected in international initiatives on MAR related to forests.

IV. Target countries Global

V. Duration & timing 24 months

VI. Budget Participation in relevant meetings/initiatives: US\$50,000
Total: US\$50,000

Expected SAP outcome(s)

- Increase forest area that is managed sustainably and legally harvested

SAP indicator(s)

- ITTO indicators for SFM
- Forest area under management plans
- Forest area under SFM
- Forest area certified

Activity No. 16

ITTO COMMUNICATION STRATEGY

I. Background

To be effective, outreach and communication efforts must be coherent and have a common direction. ITTO has never had a formal communication strategy, and although outreach on ITTO's global policy work is well coordinated, it tends to be ad hoc for programmes and projects. Moreover, there is an increasing need to integrate communication efforts with digital platforms such as websites, social media and apps, requiring strong coordination.

II. Description

Develop a formal, long-term communication strategy to optimize the use of ITTO's knowledge, communication resources and outreach capabilities in fulfilling its mission; increase the exposure of ITTO's work to its members; and facilitate and accelerate fundraising tailored towards target groups.

III. Expected outputs

A long-term strategy that sets out the Organization's outreach objectives and programme and identifies the actions, tools, approaches, stakeholders and resources required to put the strategy into effect.

IV. Target countries All members

V. Duration & timing 24 months

VI. Budget	Consultant fees	US\$40,000
	Translation	US\$ 7,500
	Printing	US\$ 5,000
	Training	US\$10,000
	Software, hardware and equipment	<u>US\$ 7,500</u>
	Total	US\$70,000

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available
- ITTO members use accurate supplied information in policymaking, forest management, market development and investment promotion
- The use of ITTO data by other institutions and processes is improved

SAP indicator(s)

- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion
- Number of visitors to ITTO's website
- Number of websites linked to ITTO's website

Activity No. 17

ITTO TROPICAL FOREST UPDATE (TFU)**I. Background**

The Tropical Forest Update (TFU) newsletter has been produced since 1990 with the aim of promoting the conservation and sustainable development of tropical forests and it's currently distributed in hard copy to around 15,000 individuals in more than 160 countries in English, French and Spanish. TFU is also available online at ITTO's website and since 2016 on the TFU app.

II. Description

The activity will allow for production and distribution (as described above) of up to 4 issues per year of the TFU in ITTO's three working languages.

III. Expected outputs

Up to eight issues of TFU for the biennium in the three ITTO working languages in hard copy and electronic versions.

IV. Target countries Global

V. Duration & timing 24 months

VI. Budget	Printing and distribution	US\$320,000
	Layout and design	US\$ 54,000
	Translation	US\$100,000
	Consultant fees	US\$ 40,000
	Miscellaneous	US\$ 6,000
	Total	US\$520,000

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available
- ITTO members use accurate supplied information in policymaking, forest management, market development and investment promotion
- The use of ITTO data by other institutions and processes is improved

SAP indicator(s)

- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion
- Number of visitors to ITTO's website
- Number of websites linked to ITTO's website

Activity No. 18 (a)

PUBLIC RELATIONS, EDUCATION AND OUTREACH ACTIVITIES**COMMUNICATIONS ACTIVITIES (WEBSITE, REPORTS, PR, ETC.)****I. Background**

ITTO projects and activities produce a wide-range of outputs and impacts in the field which need to be effectively and extensively disseminated, so as to raise awareness of such knowledge among members and other relevant stakeholders, while promoting the Organization's work and raising its profile.

II. Description

ITTO undertakes a range regular communications and outreach activities including, inter alia, improvements and updates to the ITTO website in the three official languages plus Japanese; publishing and disseminating relevant ITTO reports –including annual reports, project and activity reports, newsletters, among others–; producing and disseminating public relations materials (brochures, calendars, infographics, pamphlets, posters, videos, etc.); enhancement of photographic material that conveys the work of the Organization; and other ad hoc initiatives in collaboration other partners when relevant.

III. Expected outputs

Up to two new policy/technical series documents published and disseminated; up to 10 issues of Tropical Forest News newsletter published and distributed; new brochures, calendars, infographics, pamphlets, posters and videos produced and disseminated; two annual reports in three languages published; photo database enhanced and an enhanced ITTO website with improved design and functionalities.

IV. Target countries Global

V. Duration & timing 24 months

VI. Budget	Website programming fees	US\$ 30,000
	Consultant fees (editing, layout and design)	US\$ 50,000
	Translation	US\$ 70,000
	Printing cost	US\$ 70,000
	Software	<u>US\$ 10,000</u>
	Total	US\$ 230,000

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available
- ITTO members use accurate supplied information in policymaking, forest management, market development and investment promotion
- The use of ITTO data by other institutions and processes is improved

SAP indicator(s)

- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion
- Number of visitors to ITTO's website
- Number of websites linked to ITTO's website

Activity No. 18 (b)

PUBLIC RELATIONS, EDUCATION AND OUTREACH ACTIVITIES**OUTREACH ACTIVITIES (BOOTHES AND/OR SIDE EVENTS AT RELEVANT INTERNATIONAL FORA)****I. Background**

ITTO raises awareness of its work in promoting the conservation and sustainable management, use and trade of tropical forest resources by reaching out to targeted stakeholders at relevant international events and fora, where the Organization can actively participate and exhibit the outputs and impacts of its work.

II. Description

Exhibit the work of ITTO at relevant international events during the biennium [e.g. COFO-24 (July 2018 in Rome); Ramsar COP13 (October 2018 in Dubai); CBD COP-14 (November 2018 in Egypt); UNFCCC COP-24 & COP-25 (in 2018 and in 2019); CITES COP-18 (2019 in Sri Lanka); XXV IUFRO World Congress (September/October 2019 in Brazil)], and other fora not covered under other BWP activities.

III. Expected outputs

Awareness raised on the work of ITTO in up to five international events/fora.

IV. Target countries Global

V. Duration & timing 24 months

VI. Budget	Fees for booths	US\$ 15,000
	Shipping cost	US\$ 25,000
	Staffing booths	US\$ 50,000
	Assistance to members	US\$ 45,000
	Duty travel	<u>US\$ 45,000</u>
	Total	<u>US\$180,000</u>

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available
- ITTO members use accurate supplied information in policymaking, forest management, market development and investment promotion
- The use of ITTO data by other institutions and processes is improved

SAP indicator(s)

- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion
- Number of visitors to ITTO's website
- Number of websites linked to ITTO's website

TRADE (TAG) AND CIVIL SOCIETY (CSAG) ADVISORY GROUP INVOLVEMENT

I. Background

Since the formal establishment of the Trade Advisory Group (TAG) and the Civil Society Advisory Group (CSAG) in 1999 and 2002 respectively, ITTO has benefited tremendously from these advisory groups in terms of their advice, expertise, contributions, inputs and participation in the sessions of ITTC and its associated Committees as well as in the implementation of ITTO projects, pre-projects and activities. The contributions of these advisory groups particularly in the sessions of the ITTC can be further enhanced if adequate participation of representatives of these groups is facilitated and assisted.

II. Description

This activity is aimed at encouraging active and meaningful participation of TAG and CSAG members in the sessions of the ITTC by providing financial support covering duty travel and daily subsistence allowances for selected members to attend the sessions of the ITTC. The selection of the members of TAG and CSAG to be provided with ITTO financial support will be taken by the Executive Director based on the recommendations made by the coordinators of TAG and CSAG respectively, taking into account the need for balance between producers and consumers, and the need to ensure the balanced participation and effectiveness of these advisory groups.

III. Expected Outputs

- Adequate and more effective participation of TAG and CSAG members in ITTC Sessions;
- Improved quality of ITTC decisions and deliberation; and
- Overall efficiency and effectiveness of ITTC and ITTO enhanced.

IV. Target Countries ITTO member countries

V. Duration & timing 24 months

VI. Budget US\$80,000

Expected SAP outcome(s)

- Public institutions, communities and commercial entities have adequate forest management, planning, policy and business skills needed to implement SFM and engage in international trade
- Increase in the awareness of the contribution of SFM to economies
- Increase in exchange of experiences, knowledge innovations in SFM, and promotion of trade and timber processing among members

SAP indicator(s)

- Number of stakeholders participating in SFM policy development processes

Activity No. 20

ITTO ANNUAL MARKET DISCUSSION

I. Background

The ITTO Annual Market Discussion is an annual forum for international dialogue on a selected theme of the international tropical timber trade. The event is important for delegates of ITTO member countries and trade representatives to discuss and deliberate on germane and often complex trade policy issues confronting tropical timber and timber products. This strategic policy activity strengthens the event by providing for the engagement of keynote speakers at the event.

II. Description

The theme of the ITTO Annual Market Discussion is selected by the Trade Advisory Group (TAG) in consultation with the Executive Director during the session of the ITTC preceding the event. The event is coordinated by the Secretariat and the Trade Advisory Group (TAG), in consultation with other relevant experts and held in a joint session of the technical committees. Keynote speakers will be selected and invited by the Executive Director in consultation with the Coordinator of TAG and will be provided with ITTO financial support to cover duty travel and DSA.

III. Expected Outputs

- Quality of keynote address presented at ITTO Annual Market Discussion enhanced;
- Germane issues on international trade in tropical timber identified, ventilated and deliberated upon with appropriate recommendations for ITTO member countries, trade, industry and other relevant stakeholders; and
- Quality and relevance of ITTO Annual Market Discussion improved.

IV. Target Countries ITTO member countries

V. Duration & timing 24 months

VI. Budget US\$70,000 (Travel and DSA for 6-8 Speakers per year)

Expected SAP outcome(s)

- Information on production of timber and non-timber forest products and trade is accurate and widely available
- Accurate information is used in policy making, forest management, market development & investment promotion

SAP indicator(s)

- Number of ITTO members providing timely, accurate data
- Number of countries using information for policy, market development and investment promotion

Activity No. 21

EXPERT PANEL FOR TECHNICAL APPRAISAL OF PROJECT PROPOSALS**I. Background**

The Expert Panel for technical appraisal of project proposals appraises and classifies the proposals received under the ITTO Project Cycle based on the 'Revised ITTO System for Technical Appraisal of Project and Pre-project Proposals'. The panel is composed of twelve members, divided into six members from producer countries (two from each sub-region) and six members from consumer countries. The Panel makes recommendations for adjustments to proposals in order to ensure their technical soundness. Panel members are nominated for period of two years with the possibility to extend for a third year.

II. Description

As defined the TORs for the Expert Panel, the Panel shall: (i) Assess new Project and Pre-project Proposals submitted to the organization. The recommendations for amendments to these proposals shall be made by the Expert Panel exclusively for the purpose of ensuring their technical soundness; (ii) Screen the Project Proposals for their relevance to ITTO's Action Plan and Work Programs (in the areas of Economic Information and Market Intelligence, Reforestation and Forest Management, and Forest Industry), and consistency with ITTO decisions and policy guidelines, but not otherwise prioritize them; (iii) Where reformulation involving major amendments is recommended, request to carry out a final appraisal of the revised versions of Project and Pre-project Proposals, prior to their presentation to the relevant ITTO Committees; (iv) Report on the results of the technical assessment of Project and Pre-project Proposals to the submitting governments and to the ITTO Council and Committees, through the ITTO Secretariat; (v) The Expert Panel shall take into consideration previous Expert Panels' reports. The Expert Panel, in assessing Projects and Pre-projects, shall also take into account: their relevance to the objectives of the ITTA, 2006 and the requirement that a Project or Pre-project should contribute to the achievement of one or more of the Agreement objectives; their environmental and social effects; their economic effects; their cost effectiveness; the need to avoid duplication of efforts; and, if applicable, their relationship and integration with ITTO policy work and their consistency with the ITTO Action Plan 2013-2018 and relevant ITTO Guidelines.

III. Expected Outputs

- Two meetings of the Expert Panel in 2018 and in 2019 each.
- Recommendations for amendments to ensure technical soundness of proposals provided to submitting Governments through the Secretariat;
- Reports of the Expert Panel on the results of the technical assessment presented to the ITTO Council and Committees. The Panel may also express technical viewpoints on improving ITTO's procedures for the development of technically sound projects and the relevance of projects to the ITTO Strategic Action Plan.

IV. Target Countries ITTO member countries

V. Duration & timing 24 months

VI. Budget

Year 2018 –	US\$140,000
Year 2019 –	<u>US\$140,000</u>
Total:	US\$280,000

Expected SAP outcome(s)

- Cross-cutting

SAP indicator(s)

- Cross-cutting

Activity No. 22

ITTO FELLOWSHIP PROGRAMME**I. Background**

The ITTO Fellowship programme began in 1989 under PD 60/89(M,F,I) and was replaced by PD 001/93 (M,F,I) in 1993 which was also subsequently replaced in 1999 by the Freezailah Fellowship Fund through Council Decision 4(XXVII). As at November this year, the Programme which began in 1989, has enabled more than 1,180 young and mid-career people from over 42 countries working for governments, research institutions, universities, civil society and the private sector to pursue their professional development and improved their career prospects. The Fellowships are awarded mainly to nationals of ITTO Producer member countries.

II. Description

The Fellowship programme is geared towards building capacity in the following priority areas:

- Improving the transparency of the tropical timber market;
- Improving marketing and distribution of tropical timber species from sustainably managed sources;
- Improving market access for tropical timber exports from sustainably managed source;
- Securing the tropical timber resource base;
- Improving the tropical timber resource base, including through the application of criteria and indicators for sustainable forest management;
- Enhancing, technical, financial and human capacities to manage the tropical timber resource base;
- Promoting increased and further processing of tropical timber from sustainably managed sources;
- Improving marketing and standardization of tropical timber exports; and
- Improving efficiency of processing tropical timber from sustainable sources.

III. Expected Outputs

130-140 awards for the two year period 2018-2019

IV. Target Countries ITTO producer member countries

V. Duration & timing 24 months

VI. Budget	Year 2018 – US\$400,000
	Year 2019 – <u>US\$400,000</u>
	Total : US\$800,000

Expected SAP outcome(s)

- Public institutions, communities and commercial entities have adequate forest management, planning, policy and business skills needed to implement SFM and engage in international trade
- Increase in the awareness of the contribution of SFM to economies
- Local communities are informed and able to participate in SFM policy development and related activities
- Increase in exchange of experiences, knowledge innovations in SFM, and promotion of trade and timber processing among members

SAP indicator(s)

- Number of individuals receiving training or education
- Number of trained individuals per hectare of forest per country
- Number of visitors to ITTO's website

ITTO MARKET INFORMATION SERVICE (MIS)

I. Background

The Market Information Service (MIS) has been part of the Secretariat's work since 1996. The main output of the activity [originally PD 16/93 Rev.3 (M)] is the *Tropical Timber Market Report* (TTMR). The report contains price data for about 500 tropical timber products as well as relevant market news from around the globe. The TTMR is disseminated online, by email and in hardcopy to over 12,000 subscribers.

II. Description

The Market Information Service serves to broaden awareness and disseminate information on the state of the tropical timber market. It is undertaken by a full-time Coordinator, who is responsible for publishing the *TTMR* and liaising with eleven market correspondents in producer and consumer countries to obtain up-to-date market news, information and prices on tropical timber products. The Market Information Service Coordinator also engages with other experts in the trade and works with the Trade Advisory Group (TAG) to convene the ITTO Annual Market Discussion.

III. Expected Outputs

- Publication of up to 46 issues of the Tropical Timber Market Report (the number of issues published annually will depend on funding availability);
- Strengthened information base on the market situation for tropical timber products;
- Trade experts and associations from around the globe engaged; and
- Council and other members of the public informed about markets for tropical timber products.

IV. Target Countries Global

V. Duration & timing 24 months

VI. Budget	Correspondents	US\$ 231,000
	Coordinator	<u>US\$ 189,000</u>
	Total:	US\$ 420,000

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forest products and trade is accurate and widely available
- Accurate information is used by ITTO members in policy making, forest management, market development and investment promotion

SAP indicator(s)

- Number of ITTO members providing timely, accurate data
- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion

Activity No. 24

ENHANCEMENT OF STATISTICAL WORK AND DATABASES ON STATISTICS**I. Background**

The Joint Forest Sector Questionnaire is the primary data source of ITTO forestry sector statistics and is a collaborative activity undertaken by ITTO, FAO, UNECE and Eurostat. These organizations meet annually to review datasets of the previous year and determine any improvements that are required, plan the next year's questionnaire, and make recommendations on changes to international customs classifications for timber codes. ITTO's participation ensures that tropical wood products are given the appropriate attention in international statistical reporting mechanisms.

Statistical data derived from the Joint Forest Sector Questionnaire is, however, insufficient to provide a complete analysis of the tropical timber market situation. Additional data and other information are required to complete the analysis and to provide a cross check with ITTO derived datasets. A major source of inaccurate reporting of international data on tropical timber production and trade is the deficiency in usage of accurate conversion factors, particularly for weight to volume measurements.

II. Description

This strategic policy activity is aimed at:

- Maintaining the involvement of ITTO staff in the work of the Inter-secretariat Working Group (IWG) on Forestry Sector Statistics and Joint Forest Sector Questionnaire Process;
- Maintaining data subscriptions and maintenance of access to international forest products trade databases and additional market and trade information;
- Participating to international conferences on forest wood products statistic; and
- Reviewing and consolidating tropical wood products conversion factors for determining wood products production and trade statistics.

III. Expected outputs

- JFSQ process and the accuracy of international statistical data on tropical timber production and trade improved and enhanced; and
- Recommendations on appropriate conversion factors formulated and provided to ITTO member countries in the JFSQ process.

IV. Target countries ITTO member countries

V. Duration & timing 24 months

VI. Budget	IWG participation	US\$20,000
	Participation to statistical conference	US\$10,000
	Data subscription	US\$ 5,000
	Miscellaneous	<u>US\$ 5,000</u>
	Total	US\$40,000

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forests products and trade is accurate and widely available
- Accurate information is used by ITTO members in policy making, forest management, market development and investment promotion

SAP indicator(s)

- Number of ITTO members providing timely, accurate data
- Coverage and accessibility of ITTO databases
- Number of countries using information for policy, market development and investment promotion

Activity No. 25

BIENNIAL REVIEW AND ASSESSMENT OF THE WORLD TIMBER SITUATION**I. Background**

ITTO's Biennial Review and Assessment of the World Timber Situation compiles the most up-to-date and reliable international statistics available on global production and trade of timber, with an emphasis on the tropics. It also provides information on trends in forest area, forest management and the economies of ITTO member countries. The review is based on information submitted by ITTO member countries through the Joint Forest Sector Questionnaire, supplemented by other sources as necessary.

Under the ITTA, 1994, draft elements were produced by the ITTO Secretariat to assist the International Tropical Timber Council (ITTC) in undertaking its annual review of the international timber situation. In accordance with Article 28 of ITTA, 2006, the review and assessment of the international timber situation has been undertaken biennially beginning with the 2013-2014 biennium.

The ITTC will undertake the biennial review and assessment based on draft elements for the review and assessment of the international timber situation. These draft elements will be prepared by the Secretariat and will comprise statistics and available data on production, imports and exports of timber products, with emphasis on tropical timber products, and an analysis of economic and market developments. The elements for the review will be mainly based on information extracted from national responses to the ITTO/UNECE/FAO/EUROSTAT Joint Forest Sector Questionnaire and from other sources.

II. Description

The draft elements for the biennial review and assessment of the world timber situation for 2017-2018 will be considered by the ITTC at its Fifty-fourth Session in 2018, and the biennial review and assessment of the world timber situation for 2017-2018 will be published in mid-2019.

III. Expected outputs

- Biennial review and assessment for the 2017-2018 biennium published in 2019.
- Draft elements for the biennial review and assessment for the 2017-2018 biennium considered at the Fifty- fourth Session of the ITTC in 2018;

IV. Target countries ITTO member countries

V. Duration & timing 24 months

VI. Budget	Consultant	US\$ 50,000
	Translation	US\$ 20,000
	Design	US\$ 10,000
	Printing	US\$ 10,000
	Shipping	US\$ 5,000
	Miscellaneous	<u>US\$ 5,000</u>
	Total	US\$100,000

Expected SAP outcome(s)

- Information on tropical forests, production of timber and non-timber forest products and trade is accurate and widely available
- Accurate information is used by ITTO members in policy making, forest management, market development and investment promotion

SAP indicator(s)

- Number of ITTO members providing timely, accurate data
- Number of countries using information for policy, market development and investment promotion

Activity No. 26

STATUS OF TROPICAL FOREST MANAGEMENT 2019 REPORT**I. Background**

ITTO published its first SFM Tropics report in 2005. The 2008-2009 BWP provided funds to update/revise the report and a second version was published in 2011.

II. Description

The activity seeks funding for the SFM Tropics 2019 report. The report will be prepared in 2018 and the first half of 2019 and will be published in time for the 55th ITTC session in 2019. The requested funding will provide for a small team of consultants to be recruited to compile the report; limited assistance to producer countries to compile information using the ITTO C&I Reporting Format for the report; payments to other data providers for data sets and analysis (e.g. UNEP-WCMC for protected areas); layout, design, translation and printing of the report; and a publicity campaign to announce the report's findings to a broad audience.

III. Expected outputs

- SFM Tropics report in the three working languages of ITTO; and
- Publicity campaign and launching event.

IV. Target countries ITTO member countries

V. Duration & timing 24 months

VI. Budget	Consultant fees:	US\$300,000
	Data charges:	US\$ 50,000
	Assistance to members:	US\$100,000
	Translation, printing and PR:	<u>US\$150,000</u>
	Total:	<u>US\$600,000</u>

Expected SAP outcome(s)

- Better managed forest sector with increased finance/ investment access
- Increased forest area managed sustainably and legally harvested
- Improvement in governance and forest law enforcement
- Reduction in illegal logging and resulting forest degradation

SAP indicator(s)

- Information available on SFM implementation
- Number of countries with appropriate policy framework and legislation that is consistent with ITTO Objectives
- Member countries implementing policy framework to promote SFM