



INTERNATIONAL TROPICAL TIMBER COUNCIL

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27 November – 2 December 2017
Lima, Peru

REPORT OF THE AD HOC WORKING GROUP TO CONSIDER ROTATION IN THE FRAMEWORK OF THE SELECTION OF THE EXECUTIVE DIRECTOR ESTABLISHED PURSUANT TO DECISION 9(LII)

INTRODUCTION

1. The Working Group established pursuant to Decision 9(LII) (see Annex I), met in Yokohama from 23 to 25 May 2017. The twelve-member Working Group comprised six producer and six consumer members working in their personal capacity. The Working Group was assisted by UNCTAD Legal Advisor, Dr. Carlos Moreno, supported by staff of the Secretariat. The Working Group was established “to examine options for rotation in the appointment of the Executive Director (ED) of the International Tropical Timber Organization (ITTO) and to present the results of its work to the Council for consideration at its 53rd Session”. The list of the Working Group members is shown in Annex II.

OPENING

2. The meeting was opened by the Executive Director, Dr. Gerhard Dieterle, who welcomed the Working Group members. He reiterated the importance of producers and consumers working together in ITTO.

3. The ED left the meeting following his opening remarks and the UNCTAD Legal Advisor and staff from the Secretariat remained to advise and support the closed meeting of the Working Group.

ELECTION OF CO-CHAIRS

4. The Working Group unanimously elected Dr. Jorge Malleux (Peru) and Dr. Zhang Zhongtian (China) as co-chairs of the Working Group.

ESTABLISHMENT OF THE AGENDA

5. The Working Group adopted the following agenda:

- Scope and Mandate of the Working Group
- Examples of rotation in other organizations and implications
- Review of previous Council discussions regarding rotation
- Elaboration of options taking into account principles, criteria and practicalities

SCOPE AND MANDATE OF THE WORKING GROUP

6. The Working Group was conscious that the implementation of Decision 5(LI) on “Matters related to Article 14 of the ITTA, 2006” had proved difficult and that the Council was interested in looking at means of improving the selection process for the ED.

7. The Working Group respected the precise language of Decision 9(LII), which required it to examine options and to present the results of its work to Council for consideration. The process for examining options included considering scenarios and discussing and capturing their implications, advantages, disadvantages and the practicalities of implementation.

8. The Working Group noted that, as set out in the preamble to Decision 9(LII), the paramount consideration in the appointment of the Executive Director was to secure the highest standard of efficiency, competence and integrity. The Working Group agreed that this standard might be met by more than one candidate.

9. The Working Group also noted the relevance of Article 14.6 of the ITTA 2006, which reads: "In the performance of their duties, the Executive Director and staff shall not seek or receive instructions from any member or from any authority external to the Organization. They shall refrain from any action which might reflect adversely on their positions as international officials ultimately responsible to the Council. Each member shall respect the exclusively international character of the responsibilities of the Executive Director and staff and shall not seek to influence them in the discharge of their responsibilities."

EXAMPLES OF ROTATION IN OTHER ORGANIZATIONS AND IMPLICATIONS

10. The Working Group examined the appointments of the Heads of various commodity agreements and UN bodies. The Working Group could not find rotation included as a formal principle in legal documents relating to appointments. However, it noted that rotation was an unwritten practice in many UN bodies, but not in commodity organizations.

REVIEW OF PREVIOUS COUNCIL DISCUSSIONS REGARDING ROTATION

11. The Working Group studied the challenging discussions on the selection of the Executive Director during ITTC 51 and 52, which had raised rotation as a possible means to reconcile views.

12. The Working Group noted the potential usefulness of the Council further defining the criteria for appointing an ED well before the vacancy next arises in order to provide legal certainty and avoid misunderstandings among members.

ELABORATION OF OPTIONS TAKING INTO ACCOUNT PRINCIPLES, CRITERIA AND PRACTICALITIES

13. The Working Group had a thorough discussion on the options as elaborated in Table 1 below. The Working Group saw a connection between the options and the term limits for the Executive Director and analyzed these as shown in Table 2.

14. It was confirmed by the UNCTAD Legal Advisor that implementing these options and term limits would not require any amendment to the ITTA 2006.

Table 1: Rotation Options

	Option	Description	Implementation	Advantages	Disadvantages
1a	Between Caucuses	Alternate between consumer and producer caucuses with no sub-divisions	Option would need to be explicit in vacancy notice	<ul style="list-style-type: none"> - Reduces probability of future ED election deadlock - Provides equal opportunities for both caucuses 	<ul style="list-style-type: none"> - Puts potential candidates from the other caucus at a disadvantage - May cause difficulties within the priority caucus
1b		Alternate between consumer and producer caucuses and within sub-divisions in each caucus in a sequence agreed by the Council	<ul style="list-style-type: none"> - The Council will need to set the sequence to start rotation - Option would need to be explicit in vacancy notice 	<ul style="list-style-type: none"> - Reduces probability of future ED election deadlock - Provides equal opportunities for both caucuses and sub-divisions - Provides clarity on sub-division sequence in each caucus 	Puts all potential candidates except from the priority sub-division at a disadvantage thereby lowering the choice of ED
2a	Among Regions	<ul style="list-style-type: none"> - Producers split into 3 regions - Consumers split into two regions which could be EU & non-EU 	<ul style="list-style-type: none"> - The Council will need to set the sequence to start rotation - Option would need to be explicit in vacancy notice 	<ul style="list-style-type: none"> - Producer regions as defined in ITTA 2006; - Reduces polarization between producers and consumers 	Puts all potential candidates except from the priority region at a disadvantage thereby lowering the choice of ED
2b		<ul style="list-style-type: none"> - Producers split into 3 regions - Consumers are one group 	<ul style="list-style-type: none"> - The Council will need to set the sequence to start rotation - Option would need to be explicit in vacancy notice 	Producer regions as defined in ITTA 2006;	Likely to be seen as unbalanced by consumers
3	Among individuals (no predetermined rotation)	Status quo, with potential to change term limit options	Option would have no effect in vacancy notice	Treats all potential candidates (100% of member countries) equally, highest probability of obtaining highest quality leadership for ITTO	Potential to create deadlock between caucuses in future ED selection

Table 2: Term Options

ED term limits	Advantages	Disadvantages
3 year term, renewable once (or 4 year term + 2 year extension)	<ul style="list-style-type: none"> - Fairly frequent rotation - More opportunity for new ideas than 4+4 	<ul style="list-style-type: none"> - ITTO Biennial Work Programme and budget cycle run for two years - If 3 year term not renewed would entail change in ED in the middle of planning - May mean not enough continuity
4 year term, non-renewable	More frequent rotation	<ul style="list-style-type: none"> - Less time for ED to implement his/her vision - Reduces stability for ITTO - More time & resources spent on selection - Difficult to attract highest quality applicants
4 year term, renewable once	<ul style="list-style-type: none"> - Reflects current arrangement under Decision 3(XXV) and common practice in many other organizations - More time for a successful ED to implement his/her vision 	Would mean a complete cycle would take 48 years under Option 1b and 40 years under Option 2a if all terms were renewed
5 year term, renewable or non-renewable	Slightly more attractive for applicants than 4 year options	ITTO Biennial Work Programme and budget cycle run for two years, so would entail change or renewal of ED in the middle of planning
6 year term non-renewable	<ul style="list-style-type: none"> - Term sufficient to implement vision - Avoids conflict on extensions - Maximum practical for Option 1b (36 years) and Option 2a (30 years) 	Non-renewable is not as attractive to applicants
6 year term renewable once	Attractive to applicants	<ul style="list-style-type: none"> - Would mean a complete cycle would take 72 years under Option 1b and 60 years under Option 2a if all terms were renewed - A single ED with renewal would last longer than the term of ITTA

ACKNOWLEDGEMENTS

15. The Working Group thanked the Secretariat and the UNCTAD Legal Advisor for their assistance and for the logistical arrangements for the meeting.

ADOPTION OF THE REPORT

16. The Working Group concluded its meeting on 25 May 2017 and adopted this report.

Annexes

Annex I – Decision 9(LII)

Annex II – List of Working Group members

Annex I



**INTERNATIONAL TROPICAL
TIMBER COUNCIL**

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12 November 2016

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FIFTY-SECOND SESSION
7-12 November 2016
Yokohama, Japan

DECISION 9(LII)

AD HOC WORKING GROUP TO CONSIDER ROTATION IN THE FRAMEWORK OF THE SELECTION OF THE EXECUTIVE DIRECTOR OF ITTO

The International Tropical Timber Council,

Recalling Article 14 of the ITTA, 2006;

Recalling Decision 5 (LI) which established an open and transparent procedure for identifying qualified candidates for the Council to appoint an Executive Director;

Noting that the paramount consideration in the appointment of the Executive Director shall be to secure the highest standard of efficiency, competence and integrity;

Decides to:

1. Establish an Ad Hoc Working Group made up of 6 experts from producer members and 6 experts from consumer members, working in their personal capacity, to examine options for rotation in the appointment of the Executive Director;
2. Request the Ad Hoc Working Group to present the results of its work to the Council for consideration at its 53rd Session;
3. Authorize the Executive Director to utilize an amount not exceeding US\$100,000 from the Working Capital Reserve to meet the expenses related to the above activities.

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Annex II

Membership of the Working Group

Producer Members:

Ms. Victoire Eheth, Cameroon
Mr. Jorge Pedro Flores Marker, Mexico
Mr. Richard Gbadoe Edjidomélé, Togo
Mr. Jorge Malleux, Peru
Mr. Samson Yabon, PNG
Mr. Mad Zaidi Mohd. Karli, Malaysia

Consumer Members:

Ms. Yealim Chae, Republic of Korea
Ms. Jill Hanna, European Union
Ms. Marjukka Mähönen, Finland
Mr. Hiroyuki Nishiura, Japan
Mr. Luke Thompson, USA
Mr. Zhang Zhongtian, China

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