



INTERNATIONAL TROPICAL TIMBER COUNCIL

COMMITTEE ON ECONOMICS,
STATISTICS AND MARKETS

COMMITTEE ON FOREST INDUSTRY

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FIFTY-FIFTH SESSION
29 November – 3 December 2021
Virtual Session

PROVISIONAL AGENDA

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ANNOTATIONS TO THE PROVISIONAL AGENDA

Item 1 - Opening of the Session

The Fifty-fifth Sessions of the Committees will be conducted jointly and chaired by Mr. Zahrul Muttaquin (Indonesia), Chairperson of the Committee on Forest Industry (CFI) and the Chairperson of the Committee on Economics, Statistics and Markets (CEM - to be confirmed).

Item 2 - Adoption of Agenda and Organization of Work

[Document CEM-CFI(LV)/1]

The Committees may consider the Provisional Agenda and adopt the Agenda for their sessions. On the organization of work, it is to be noted that the schedule of meetings for the work of the Committees will be determined after usual consultations. The Committees may also constitute the usual informal open-ended working group(s) to assist in the consideration of specific matters related to the Agenda. Due to the ongoing consultations with the Informal Advisory Group regarding logistics of convening the Fifty-seventh ITTC Session virtually, additional communications regarding how/whether items on the Committees' agenda will be handled will be communicated to members as relevant decisions are taken and/or at the start of the virtual session.

Item 3 - Admission of Observers

The Committees may admit those observers as approved by the Council to attend the sessions as observers.

Item 4 - ITTO Annual Market Discussion - 2021

The theme of the virtual ITTO Annual Market Discussion - 2021 as proposed by the Trade Advisory Group (T-A-G) is "Challenges in the COVID-19 pandemic". The Market Discussion will be convened under the Council (rather than under a session of the Joint Committees) as an extraordinary measure during the virtual ITTC 57 session. An information note detailing the schedule and speakers for the ITTO Annual Market Discussion - 2021 will be circulated prior to the session.

Item 5 - Report of the Expert Panel for Technical Appraisal of Project Proposals

[Document ITTC(LVII)/5]

The report of the Fifty-sixth Expert Panel, which was convened virtually due to COVID-19, is contained in document ITTC(LVII)/5. The report will be presented to the Council (rather than to a session of the Joint Committees) as an extraordinary measure during the virtual ITTC 57 session.

Item 6 - New Projects and Pre-projects

[Document ITTC(LVII)/5]

The Committees may note the following project and pre-project which have been approved under time-bound electronic no objection procedure to accept Expert Panel ratings and circulated to member countries pursuant to ITTC Decision 6(XLIII), following the recommendations of the 56th Expert Panel for the Technical Appraisal of Project Proposals from its virtual consideration of projects in June-July 2021, as contained in document ITTC(LVII)/5. All Category 1 project and pre-project listed below were approved under the above procedure; the category 4 pre-project is included to inform the Committees that no member objected to the categorization of this pre-project and therefore not approved unless the Committees decide otherwise:

Fifty-sixth Expert Panel

Category 1:

Committee on Forest Industry		
PD/PPD NUMBER	TITLE	SUBMITTING COUNTRY
PD 922/21 Rev.1 (I) ¹	Promotion of Sustainable Domestic Wood Consumption in Vietnam	Vietnam
PPD 200/21 Rev.1 (I)	Capacity-Building of Woodworking Artisans in Southern Benin	Benin

1 This project arose from a concept note submitted under the call for proposals mandated by Decision 4(LVI).

Category 4:

Committee on Economics, Statistics and Markets		
PD/PPD NUMBER	TITLE	SUBMITTING COUNTRY
PPD 199/21 (M)	Strengthening the Competitiveness and Sustainability of the Forest Value Chain through Eco-Efficiency	CAF/Colombia/ Ecuador/ Mexico/ Panama/ Paraguay

Rating schedule for proposals

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

Category 4: The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the Project proposal.

Item 7 - Review of Projects and Pre-projects in Progress

[Document CEM-CFI(LV)/2]

In order to further streamline their work, the Committees, in accordance with ITTC Decision 4(XXV), Annex A, Section VI, requested that reporting and discussion during the Session be limited to projects and pre-projects that are:

- having implementation problems;
- requiring additional funding;
- requesting extension in time of more than six months beyond the original duration of the project; or
- requesting essential major modifications of the work plan and budget.

The Committees may consider the report prepared by the Secretariat as contained in document CEM-CFI(LV)/2 on the progress or status of projects, pre-projects and activities approved for financing and implementation by the Council. The report covers the following:

(A) Projects under implementation

Committee on Economics, Statistics and Markets

1. PD 732/14 Rev.2 (M) Improve Forest Governance in Mozambique
2. PD 832/16 Rev.2 (M) Implementing Mechanisms to Improve Traceability in the Forest Production Chain in Guatemala
3. PD 845/17 Rev.3 (M) Enhancing the Capacity of Forest Communities in Forest Governance, Monitoring and Community Development Projects in Mankraso Forest District Ghana

Committee on Forest Industry

1. PD 737/14 Rev.2 (I) Developing Supply Capacity of Wood-based Biomass Energy through Improved Enabling Conditions and Efficient Utilization of Degraded Forest Lands Involving Local Communities in North Sumatra Province of Indonesia
2. PD 770/15 Rev.1 (I) Promotion and Sustainable Management of Lesser-Used Timber Species (LUTS) in the Moist Forests of the Departments of Atlantida, Colon and Northern Olancho in Honduras
3. **PD 815/16 Rev.2 (I) Increasing Efficiency of Acacia Plantation and Timber Processing Industry in Vietnam**

(B) Projects pending financing

Committee on Economics, Statistics and Markets

1. PD 878/18 Rev.2 (M) Support for the Certification of National Teak Plantations of the National Timber Board (ONAB), Benin
2. PD 879/18 Rev.2 (M) Building the Capacity of the National Forest Information and Statistics System (Benin)
3. PD 913/20 Rev.1 (M) Strengthening Forest Monitoring and Extending the Coverage of the Traceability System in Panama

Committee on Forest Industry

1. PD 900/19 Rev.2 (I) Developing Gender Sensitive, Community-based Bamboo Industry Development to Support Sustainable Bamboo Resource Management and Conservation in Lake Toba Catchment Area (LTCA) of the North Sumatra Province of Indonesia
2. PD 912/20 Rev.1 (I) Strengthening Technical and Business Management in the Timber Forest Industry of Peru
3. PD 922/21 Rev.1 (I) Promotion of Sustainable Domestic Wood Consumption in Vietnam
4. PPD 195/19 Rev.2 (I) Pre-project for a Feasibility Study on Processing and Valorizing Timber in Togo
5. PPD 200/21 Rev.1 (I) Capacity-Building of Woodworking Artisans in Southern Benin

Item 8 - Report on Completed Projects and Pre-projects

The Committees may recall that the below project was declared complete at its Fifty-fourth Session in November 2020, with the financial account still containing an unspent balance of US\$61,045. The Secretariat agreed to the use of these funds for implementing the “Additional Technical Functionalities of the National Forest Stocks Monitoring System (NFSMS)”. This work is scheduled to be completed by September 2021. Due to the significant delays already experienced in completing this project (which commenced implementation nearly a decade ago), it was agreed with the Executing Agency (EA) and ITTO’s auditors that if a satisfactory report on the use of the additional funds along with a detailed financial statement was not submitted to the Secretariat prior to ITTC 57, the agreement for the EA to use the remaining funds would be terminated and a refund would be requested. The Secretariat and/or the representative of the Philippines will provide a report to the Committee during this session.

Committee on Economics, Statistics and Markets

1. PD 599/11 Rev.1 (M) Development and Testing of National Forest Stock Monitoring System (FSMS) with Improved Governance Capabilities at all Levels of the Forest Administration (Philippines)

Committee on Forest Industry

None.

Item 9 - Ex-post Evaluation

(A) Ex-post Evaluation Reports

The Committees may recall that no project was selected for ex-post evaluation during their Fifty-fourth Sessions.

(B) Selection of Projects for Ex-post Evaluation

According to ITTC Decision 3(XXVIII) on “Ex-post Evaluation of Projects”, the Committees are requested to consider for ex-post evaluation all completed individual projects or group(s) of projects based on the criteria contained in Annex 1 of the Decision. The consideration by the Committees is normally to be taken at the session at which the projects are declared complete. The Committees may recall that at their

2020 sessions, they reviewed a table of recently completed projects contained in CEM-CFI(LIV)/1 Rev.1 and decided to defer making recommendation(s) for ex-post evaluation(s) until their next meeting when it will hopefully be possible to recruit consultants able to travel to project locations to undertake evaluations. A list showing projects declared complete by both Committees from 2017-21 (indicating in bold any meeting the criteria of Decision 3(XXVIII) of ITTO budget over US\$400,000) is included below. The table also includes relevant thematic program projects declared complete by Council. When considering projects for possible ex-post evaluation, the Committees should note that funds in the pooled ex-post evaluation fund established under Decision 3(XXVIII) currently total US\$57,930.26 /US\$15,000 for CEM/CFI. The Committees should also note that travel to most project locations remains difficult or impossible.

Submitted by	Project ID	Title	ITTO Funding	Reported complete
Philippines	PD 599/11 Rev.1 (M)	Development and Testing of National Forest Stock Monitoring System (FSMS) with Improved Governance Capabilities at all Levels of the Forest Administration	\$497,930	2020
Panama	TFL-PD 044/13 Rev.2 (M)	Strengthening of ANAM's management capacity to reduce illegal logging and trade in the eastern region of Panama (Bayano and Darien) through monitoring and control mechanisms	\$412,556	2020
Côte d'Ivoire	PD 692/13 Rev.1 (M)	Implementation and Operationalization of a National Information System for the Sustainable Management of Forest Resources	\$290,541	2019
Ecuador	PD 751/14 Rev.3 (M)	Sustainable Forest Management in the Chimbo River Basin, Ecuador: Conserving Forest Resources and Agroforestry Systems as a Mechanism to Strengthen the Economic Inclusion of Community Families, Particularly Rural Women, Settled in the Area	\$130,000	2019
Australia	TFL-PD 037/13 Rev.2 (M)	Implementing a DNA timber tracking system in Indonesia	\$518,833	2019
Indonesia	PD 600/11 Rev.1 (I)	Model Capacity Building for Efficient and Sustainable Utilization of Bamboo Resources in Indonesia	\$537,095	2018
Indonesia	TFL-PD 032/13 Rev. 2 (M)	Strengthening the Capacity of Local Institutions to Sustainably Manage Community Forestry in Sanggau for Improving Livelihood	\$456,680	2018
Guatemala	PD 756/14 Rev.1 (M)	Development of a Business Management Services Program of Forest MSMEs (Micro, Small and Medium Enterprises) in Guatemala	\$149,341	2018
Peru	PD 621/11 Rev.3 (M)	Traceability of Timber Produced by Forest Concessions and Native Communities in Madre de Dios and Ucayali	\$349,032	2017
Malaysia	PD 722/13 Rev.1 (I)	Capacity Building on Reduced Impact Logging (RIL) in Dry Inland Forest in the Permanent Forest of Peninsular Malaysia	\$226,041	2017
Mexico	RED-PD 045/11 Rev.2 (M)	Environmental assessment and economic valuation of ecosystem services provided by coastal forests (mangrove forests, flood forests, rain forests and scrub forests on dunes) and their agricultural replacement systems on the central coastal plain of Veracruz, Mexico	\$470,682	2017
Indonesia	TFL-PD 033 /13 Rev. 2 (M)	Strengthening the governance of community forest through improved capacity to adequately perform timber administration in Java and Nusa Tenggara region in Indonesia	\$495,880	2017
Guatemala	TMT-PD 004/11 Rev.2 (M)	Strengthening of the forest information system of Guatemala to improve market and trade transparency and decision-making in the forest sector.	\$359,716	2017

Extract from Decision 3(XXVIII) Annex I, Paragraph 1(iii):
Procedures to Identify Projects/Groups of Projects for Ex-Post Evaluation

To assess if a project requires ex-post evaluation, the Committee(s) should take into account the nature of the project (ex-post evaluation is particularly important for human resources and institutional/infrastructure development projects). A short-list of projects whose ex-post evaluations would be beneficial should be prepared by selecting those meeting the following requirements:

- (a) ITTO budget of individual projects or groups of projects above an appropriate level(e.g. US\$400,000);

- (b) Clear benefits to be derived from learning more about facts, achievements and difficulties during project implementation and completion, including information and data on:
- whether the expected outputs were achieved;
 - whether the project achieved its specific objective(s);
 - whether there were unexpected results and impacts, either harmful or beneficial;
 - who benefited from the project;
 - what were the key lessons learned from the project;
 - what direct recommendations have arisen for future projects; and
 - whether the project activities are sustainable.
- (c) The potential for wider application of lessons learned;
- (d) Other factors as considered appropriate by the Committees.

Item 10 - Policy Work

ITTC policy work instructions to Committees, pursuant to ITTC Decision 4(XXV) include:

- Restructure the agendas of the Committees to include a separate agenda item for policy work.
- Use the current ITTO Strategic Action Plan, the policy-relevant aspects of the ITTO Biennial Work Programmes, the findings of completed projects and Council Decisions as the primary basis for identifying items for policy development.
- Decide during each session of each Committee those subjects which will be discussed under the agenda item Policy Work during its next session and agree upon the way to prepare for such a discussion in the Committee.

Committee on Economics, Statistics and Markets

The Committees at their Fifty-fourth Session held discussions and agreed to continue to work in the Fifty-fifth Session on the following policy-related matters under the Committee on Economics, Statistics and Markets:

- Market Access;
- Forest and Timber Certification;
- APEC EGILAT and ITTO collaboration; and
- IMM Progress Report.

A Secretariat presentation on market access and certification issues as well a presentation from the lead consultant on IMM progress will be circulated prior to the virtual session; an IMM progress report will also be contained in document ITTC(LVII)/10. ITTO participated at and presented an update of its work at the 18th APEC-EGILAT meeting in February 2021, convened virtually and hosted by New Zealand. ITTO further participated at and contributed to the APEC-EGILAT 3rd Policy Theme Workshop ‘*Advancing the Trade and Distribution of Legally Harvested Forest Products*’ at the end of May 2021. ITTO will continue to proactively engage with APEC-EGILAT at its future meetings in 2022 (to be hosted by Thailand) and beyond.

Committee on Forest Industry

The Committees at their Fifty-fourth Session held discussions and agreed to include the following policy-related matter in the Fifty-fifth Session under the Committee on Forest Industry:

- Enhancing conservation and sustainable management of teak forests in Greater Mekong Sub-region.

A progress report on this activity is contained in document ITTC(LVII)/10.

Item 11 - Election of Chairpersons and Vice-Chairpersons for 2022

The election of Chairpersons and Vice-Chairpersons for 2022 will be the subject of consultations within the Council and the Committees.

Item 12 - Dates and Venues of the Fifty-sixth and Fifty-seventh Sessions of the Committees

The dates and venues of the Fifty-sixth and Fifty-seventh Sessions of the Committees are determined in relation to the dates and venues fixed by the Council for its Fifty-eighth and Fifty-ninth Sessions.

Item 13 - Other Business

The Committees may consider any matters raised for discussion under this item.

Item 14 - Recommendations to the International Tropical Timber Council

The Committees may consider recommendations to the Council on projects, pre-projects, policy work and any other matters concerning economics, statistics and markets and forest industry.

Item 15 - Report of the Session

The Committees may consider and adopt a report containing recommendations to the Council. The Committees may request the Chairperson to present the report during the Fifty-seventh Session of the Council for consideration and adoption.

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