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PROCEDURES FOR EXTENDING THE INTERNATIONAL TROPICAL TIMBER AGREEMENT (ITTA), 2006

Procedures for Extending the International Tropical Timber Agreement (ITTA), 2006

Article 44 of the ITTA, 2006 defines the duration of the agreement and procedures for extension and renegotiation.

Duration

ITTA, 2006 Article 44, Paragraph 1 states that the "Agreement shall remain in force for a period of 10 years after its entry into force unless the Council, by special vote in accordance with Article 12¹, decides to extend, renegotiate or terminate it in accordance with the provisions of this article." If there is consensus, there is no need for a special vote.

- ➤ The ITTA, 2006 came into force on 7 December 2011 and will therefore expire on 6 December 2021 (after 10 years) unless the Council, by special vote, decides to extend, renegotiate or terminate it.
- A Council Decision on the extension of the Agreement was tabled at the ITTC56 for Council's consideration but was postponed to ITTC57 due to several members needing time to complete respective internal procedures prior to a Council decision being adopted. Noting that ITTC57 is scheduled to end on 3 December 2021, Council is urged to adopt a decision by that date to enable the necessary notification to the relevant body by 6 December 2021 (please see Additional Information below).

Extension

The ITTA, 2006 Article 44 Paragraph 2 states that the "Council may, by special vote in accordance with Article 12, decide to extend this Agreement for two periods, an initial period of five years and an additional one of three years."

Furthermore, ITTA, 2006 Article 44, Paragraph 3 states that if, before the expiry of the Agreement, "the new Agreement to replace this Agreement has been negotiated but has not yet entered into force either definitively or provisionally, the Council may, by special vote in accordance with article 12, extend this Agreement until the provisional or definitive entry into force of the new Agreement." Paragraph 4 states that if "the new Agreement is negotiated and enters into force during any period of extension of this Agreement under paragraph 2 or paragraph 3 of this article, this Agreement, as extended, shall terminate upon the entry into force of the new Agreement."

- Council may therefore decide, by consensus or by special vote, to extend the ITTA, 2006 three times:
 - 1. From 7 December 2021 to 6 December 2026;
 - 2. From 7 December 2026 to 6 December 2029; and
 - 3. Until the provisional or definitive entry into force of a successor Agreement to the ITTA, 2006.

ADDITIONAL INFORMATION:

- 1. The party to be notified of any proposed extension is the UN 'depositary' of the ITTA, 2006 the UN Treaties Office in New York.
- 2. Based on the extensions of previous ITTAs, there is no notification period requirement as such imposed by the UN Treaties Office.
- 3. Any renegotiation of the ITTA, being a commodity agreement, will be under the auspices of

¹ Article 12 of the ITTA, 2006 Decisions & the Recommendations of Council states:

^{1.} The Council shall endeavour to take all decisions and to make all recommendations by consensus.

^{2.} If consensus cannot be reached, the Council shall take all decisions and make all recommendations by a simple distributed majority vote, unless this Agreement provides for a special vote.

the UNCTAD, who will need to be notified when a decision to renegotiate the ITTA is taken by Council.

- 4. A Council decision on the extension of the ITTA, 2006 by 3 December 2021 will enable the UN Treaties Office in New York to be notified, to avoid the ITTA, 2006 showing as having lapsed in their database if not informed prior to 6 December 2021.
- 5. The text of the draft decision appended to the IAG report is an exact copy of the decision (with the exception of date changes) adopted for the extension of the ITTA, 1994, which was easily adopted by consensus.
- 6. The ITTA 1994 was extended three times:
 - a. Decision 4 (XXVIII) from 1 January 2001 until 31 December 2003;
 - b. Decision 9 (XXXIII) from 1 January 2004 until 31 December 2006; and
 - c. Decision 3 (XLI) until the provisional or definitive entry into force of the successor Agreement (7 December 2011).

Background Information on the Renegotiation of the ITTA, 1994

Steps taken during the renegotiation of the ITTA, 1994 are as follows:

- ➤ Decision 4(XXXII) Appointed two consultants to produce a report looking into work and mechanisms of other relevant Organizations and treaties, and identifying emerging issues and developments in international trade;
- Decision 8(XXXIII) Adopted the schedule for the Preparatory Committee (see below), requested Members feedback, formed a working group including the legal advisor from UNCTAD;
- ➤ Budget allocations need to be made accordingly, including in the Biennial Work Programme (Decision 3(XXXIII);
- ➤ The total budget for the renegotiation of the ITTA, 1994, was approximately US<u>\$1 million</u> for travel, translation, and administrative costs related to convening the meetings indicated below. The budget was provided thorough voluntary contributions by Japan, U.S.A., Switzerland, and Korea, and through the Working Capital Reserve.

Note: The costs indicated above do not include the expenditure incurred by the many Member delegations who attended the renegotiation sessions, so the actual costs were well in excess of the approximate figure of US \$ 1 million stated above. The US\$1 million reflects direct costs to the organization.

THE ITTA, 1994 RENEGOTIATION CALENDAR

May 2003	34 th Council Session (6 days) + Producer/Consumer Coordination Meeting (1 day) + PrepCom I (2 days) Venue: Panama, 12-21 May 2003
November 2003	35 th Council Session (6 days) + PrepCom II (3 days) Venue: Yokohama, 3-12 November 2003
July 2004	UNCTAD Renegotiation I (5 days Venue: Geneva, 26-30 July 2004
February 2005	UNCTAD Renegotiation II (5 days) Venue: Geneva, 14-18 February 2005
June 2005	UNCTAD Renegotiation III (5 days) Venue: Geneva, 27 June - 1 July 2005
January 2006	UNCTAD Renegotiation IV (12 days) Venue: Geneva, 16-27 January 2006

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