

# ITTO Strategic Action Plan

## 2013 - 2018



International Tropical Timber Organization

ITTO STRATEGIC ACTION PLAN 2013-2018

ITTO Action Plan 2013–2018 ITTO Policy Development Series 19 The **International Tropical Timber Organization** (ITTO) is an intergovernmental organization promoting the conservation and sustainable management, use and trade of tropical forest resources. Its members represent the bulk of the world's tropical forests and of the global tropical timber trade. ITTO develops internationally agreed policy documents to promote sustainable forest management and forest conservation and assists tropical member countries to adapt such policies to local circumstances and to implement them in the field through projects. In addition, ITTO collects, analyzes and disseminates data on the production and trade of tropical timber and funds projects and other actions aimed at developing industries at both community and industrial scales. Since it became operational in 1987, ITTO has funded over 1000 projects valued at around US\$350 million. All projects are funded by voluntary contributions, with major donors to date the governments of Japan, Switzerland, the United States of America, Norway and the European Union.

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#### Foreword

The International Tropical Timber Organization (ITTO) brings together countries concerned about the sustainable management and conservation of tropical forests and the sustainable trade of products derived from these forests. Each ITTO member country is represented on the International Tropical Timber Council, which meets annually to plan and finance new initiatives. The Organization's challenging task is to foster a trade in tropical timber and other tropical forest goods and/or services that simultaneously contributes to sustainable development in tropical countries and conserves the tropical forest resource on which such trade is based.

This ITTO Strategic Action Plan covers the period 2013-2018, spanning the initial operations of ITTO under the International Tropical Timber Agreement (ITTA), 2006, which entered into force in December 2011. It builds on, and draws from achievements under ITTO's first three Action Plans and elaborates a clear strategy and guidance. This guidance is made operational through Biennial Work Programs, Thematic Programs and projects. The Plan also communicates ITTO's objectives and priorities to member countries, stakeholders, partner organizations and the international community, including potential donors and provides a reference for members in developing project proposals and for donors in allocating their voluntary contributions.

The Strategic Action Plan comprises four parts. Part I provides background information on ITTO, its comparative advantages and recent developments relevant to tropical forests. Part II contains detailed descriptions of the six strategic priorities that ITTO will focus on during the six year period of the Strategic Action Plan namely:

Strategic Priority 1:	Promote Good Governance and Enabling Policy Frameworks for Strengthening SFM and Related Trade, and Enhancing SFM Financing and Investment
Strategic Priority 2:	Increase the Contribution of Tropical Forests to National and Local Economies, Including through International Trade
Strategic Priority 3:	Enhance the Conservation and Sustainable Use of Biodiversity in Tropical Timber Producing Forests
Strategic Priority 4:	Reduce Tropical Deforestation and Forest Degradation and Enhance the Provision of Environmental Services
Strategic Priority 5:	Improve the Quality and Availability of Information on Tropical Forests, Forest Product Markets and Trade
Strategic Priority 6:	Build and Develop Human Resource Capacity to Implement SFM and Increase Trade in Forest Goods and Services from Sustainably Managed Forests

Part II also includes examples of relevant actions that could be undertaken to achieve each priority. Part III is a set of expected outcomes and indicators of their achievement, organized according to the six strategic priorities. This section also includes guidance on monitoring of the implementation of the Strategic Action Plan. Part IV provides indicative fund mobilization targets to achieve each strategic priority.

This Strategic Action Plan was formulated by a working group composed of representatives nominated by producer and consumer member countries of ITTO, with inputs from representatives of trade, industry and wider civil society. The document draws on the review of the implementation of the ITTO Action Plan 2008-2011 and of relevant Council decisions made since that Action Plan was adopted in 2007.

The ITTO Strategic Action Plan 2013-2018 which was extensively discussed by the Council prior to its finalization and adoption lays out a bold plan for the Organization and ambitious targets for mobilizing resources to implement it. I call on all member countries and other stakeholders to work together with us to implement this visionary plan and thereby contribute to the achievement of ITTO's essential goal of sustaining tropical forests.

December 2012

Emmanuel Ze Meka Executive Director International Tropical Timber Organization

#### **ITTO Mission Statement**

The ITTO facilitates discussion, consultation and international cooperation on issues relating to the international trade and utilization of tropical timber and the sustainable management of its resource base.

#### PART I. CONTEXT

#### 1. Introduction

The International Tropical Timber Organization (ITTO) is an intergovernmental organization with headquarters in Yokohama, Japan; ITTO was established by the International Tropical Timber Agreement (ITTA) 1983 and became operational in 1987. Subsequent agreements (ITTA, 1994 and the current agreement, ITTA, 2006) renewed ITTO's mandate to promote the expansion and diversification of international trade from sustainably managed and legally harvested tropical forests. The conservation and sustainable management of tropical forests and trade in sustainable forest products can be a significant contributor to poverty alleviation and sustainable development and provides incentives—as well as a possible source of financing—for sustainable management of tropical forests.

ITTO was established recognizing the multiple economic, environmental and social benefits provided by forests, including their potential to contribute to sustainable development through expansion and diversification of trade in products originating from sustainably managed forests. ITTO operates within a large, complex set of international, national and local organizations that have a variety of objectives related to forests and trade, many of which are compatible with ITTO's objectives. ITTO's approach is to use partnerships and networks at the international, regional, and national levels to advance its objectives.

ITTO's core functions include *inter alia*: providing an effective framework for consultation, international cooperation and policy development with regard to all relevant aspects of the world timber economy, developing policies, guidelines and tools for sustainable forest management (SFM) and related trade and assisting member countries to implement them. ITTO also collects, analyzes and disseminates information on all aspects of the world tropical timber economy and the sustainable management of tropical forests. As of November 2012, ITTO has 63 members which together represent nearly 90% of world trade in tropical timber and about 40% of the world's closed tropical forests.

This Strategic Action Plan covers the period 2013-2018 and is the first such plan following the entry into force of the ITTA, 2006. This plan builds on elements of ITTO's previous Action Plans<sup>1</sup> and has four objectives:

- Provide strategic policy guidance to the organization; this guidance is made operational through Biennial Work Programmes, Thematic Programmes and projects;
- Communicate ITTO's objectives and priorities to member countries, stakeholders, partner organizations and the international community, including potential donors;
- Provide a reference for members in developing project proposals and for donors in allocating their voluntary contributions; and
- Provide a reference for producer members in developing national policies for the management of their tropical forests and forest-based industries, and for consumer members in undertaking complementary policies and actions.

#### 2. ITTO Objectives

The ITTA, 2006 defines two closely related, overarching objectives for ITTO:

- To promote the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests
- To promote the sustainable management of tropical timber-producing forests.

The ITTA, 2006 goes on to illustrate a wide variety of means of achieving these objectives, such as: promoting further processing and greater efficiency of wood utilization; providing for technical cooperation and transfer of technologies; improving forest law enforcement and governance; recognizing the role of forest-dependent indigenous and local communities in achieving sustainable forest management; and enhancing the contribution of non-timber forest products and environmental services to sustainable forest management. The ITTA, 2006 provides broad scope for ITTO's work, allowing the Organization to assist members in all three tropical regions to define and implement sustainable management of their forests and to increase their capacity to export legally harvested timber and other forest products from those forests. The ITTA, 2006 also provides guidance to all members on policy development and other measures related to timber trade. Annex I contains the full text of the means of achieving the overarching objectives as described in the ITTA, 2006.

#### 3. Policy and Project Work

ITTO develops internationally agreed policy documents to promote SFM and forest conservation. It assists tropical member countries to adapt those policies to local circumstances and to implement them in the field. In addition, ITTO collects, analyses and disseminates data on the production and trade of tropical timber and funds projects and other

<sup>&</sup>lt;sup>1</sup>There have been four ITTO Action Plans since 1990: the ITTO Action Plan 1990, the ITTO Libreville Action Plan 1996-2001, the ITTO Yokohama Action Plan 2002-2007 and the ITTO Action Plan 2008-2011.

activities aimed at assisting members to develop and sustain tropical forest-based industries at both community and industrial scales.

ITTO has been a pioneer in developing and implementing effective policy tools, such as criteria and indicators for SFM, and has provided leadership in the use and continuing improvement of these tools. Since its establishment, ITTO has provided more than US\$300 million to finance over 800 projects designed to promote SFM, increase the efficiency of forest industries, and improve market intelligence and statistics. These projects and activities were made possible through the voluntary financial contributions of ITTO member countries. ITTO also supports capacity building through the development of guidelines and manuals, regional and international conferences and workshops, and a fellowship programme that supports education and training for young professionals. Annex II provides highlights of ITTO's recent policy work.

ITTO cooperates closely with other international organizations with forest-related mandates and was a founding member of the Collaborative Partnership on Forests (CPF), which was established in 2000 to support the work of the United Nations Forum on Forests (UNFF) and to enhance coordination among the international conventions, organizations and institutions with forest-related mandates. ITTO also cooperates with a wide range of regional and national-level organizations and civil-society and private-sector stakeholders. Annex III provides a list of organizations with which ITTO has formed partnerships.

#### 4. ITTO's Comparative Advantages

ITTO is concerned with trade and industry, as is the case with other commodity organizations, but ITTO is a unique organization in that it also pays equal attention to the conservation and sustainable management of tropical forest resources.

ITTO develops, implements, monitors and evaluates a portfolio of policy-related projects and activities, enabling it to test and operationalize policies that support the management and development of tropical forest resources and related trade. This ability to "put policies into action" is at the core of ITTO's comparative advantages. Other characteristics that contribute to ITTO's comparative advantages include:

- A mandate and demonstrated ability to take a holistic approach to the challenges and opportunities facing tropical forests, addressing the three pillars of sustainability;
- A large, diverse group of member countries that account for a significant share of the world's tropical forests, tropical timber production, trade and consumption of tropical timber products;
- Annual Council sessions that provide a regular policy forum which allows for all producer and consumer members to come together on an equal basis to discuss issues related to tropical forests and trade in tropical timber;
- A small, cost-effective Secretariat with diverse professional skills and extensive experience in all three tropical regions;
- More than 25 years of experience responding rapidly and cost-effectively to develop, implement, monitor and evaluate the results of forest-related projects and activities in all three tropical regions;
- Policy and project work that is developed on the basis of an equal partnership between tropical timber producing countries and tropical timber consuming countries;
- Partnerships with a wide spectrum of intergovernmental organizations and non-government and private sector organizations; and
- Active participation of civil society and tropical timber trade organizations in many aspects of the organization's work.

#### 5. Highlights of Recent Developments Related to Tropical Forests, Trade and International Forest Policy

This Strategic Action Plan was prepared taking into account recent trends and developments related to tropical forest management, tropical timber trade and international forest policy discussions. Highlights of these developments include:

- i. The 2012 UN Conference on Sustainable Development ("Rio+20") highlighted the critical contributions of forests to sustainable development, alleviating poverty, human well-being, and efforts to achieve green economies, and stressed the critical importance of maintaining forests and other natural ecosystems as a key basis for food and water security.
- ii. FAO's Forest Resource Assessment 2010 reveals that afforestation and expansion of natural and planted forests have reduced the net loss of forest area from 8.3 million hectares per year in the decade 1990-2000 to 5.2 million hectares in the decade 2000-2010, although serious losses of primary and other natural tropical forests continue.
- iii. There has been a 50 percent increase in the area of tropical forests under sustainable forest management; although there is considerable work to be done, ITTO's Status of Tropical Forest Management 2011 shows evidence of progress in improved forest management in the tropics, from 36 million hectares in 2005 to 53 million hectares in 2011.
- iv. The area of tropical forests certified as sustainably managed forests increased to 17.7 million hectares in 2010 from 10.5 million hectares in 2005.

- V. Forest-based communities are playing an increasingly important role in forest management throughout the tropics with the absolute area of forests designated for use by communities growing from 43 million hectares in 2002 to 71 million hectares in 2008; devolution of tenure and forest management responsibility including to communities, is improving forest governance and livelihoods for forest communities.
- vi. The importance and diversity of ecosystem services provided by forests are increasingly recognized at the local, regional and global level; this has been accompanied by efforts to create arrangements and market conditions to provide payments for these services and thereby support sustainable forest management.
- vii. A pronounced and prolonged global recession, starting in 2008, has had particularly severe effects on construction and housing markets and demand for all wood products, including tropical timber; the impact has been greatest for small and medium sized forest-based enterprises.
- viii. The value added processing sector in many tropical timber producing countries has had slow growth; investment in this sector has been limited or absent in the period 2008-2011 due in part to the global financial crisis.
- ix. Trade and consumption patterns for tropical wood products have continued to change, with a notable shift in consumption towards emerging markets, as well as regional and domestic markets in tropical countries.
- x. Major markets now demand timber products which have been certified for sustainability or legality through verification or due diligence to ensure compliance with relevant legislation of exporting countries.
- xi. Discussions on forests at various international fora continue to reveal differences in views on the role that forests and forest policies should play, in particular in addressing climate change, conserving biological diversity and providing ecosystem services as a means of achieving sustainable development.
- xii. A number of programmes have emerged to provide financial resources to developing countries engaged in activities that enhance carbon stocks and reduce emissions resulting from deforestation and forest degradation.
- xiii. Financial resources have not been adequate to comprehensively fund the programmes and activities that support capacity building and market access among ITTO producer member countries.

#### PART II. STRATEGIC PRIORITIES FOR 2013-2018

#### 1. Overview

Six strategic priorities were identified based on an examination of issues facing ITTO member countries, the review of recent trends and developments in international forestry policy, and consideration of ITTO's objectives, ongoing work and comparative advantages. These priorities take into consideration the benefits of a balanced work programme as well as the need to remain consistent with the core mandates of ITTO.

The purpose of this plan is to provide strategic guidance for ITTO's work over a six-year period; therefore, the priorities are described as broad areas of work. These priorities will be made operational through a variety of mechanisms that include: Biennial Work Programmes, Thematic Programmes, and projects.

- ITTO's Biennial Work Programme describes the policy-related activities that are to be carried out over a two year period. The Biennial Work Programme is approved by the Council and implemented by the Secretariat.
- Thematic Programmes are an innovation of the ITTA, 2006 to finance projects and activities in broad thematic areas of work. The themes and objectives of the Thematic programmes are established by the Council; the ITTO Secretariat plays an active role in guiding implementation of the Thematic Programmes.
- ITTO project proposals are developed and submitted by ITTO member countries. Proposed projects are reviewed by an Expert Panel and approved by the Council taking into account the advice of the Council's technical committees. Approved projects are eligible for financing; ITTO donors direct funds to specific projects.

This strategic plan is intended to address issues of particular importance to ITTO member countries over the next six years, with a particular emphasis on those issues for which ITTO has a relevant set of mechanisms and institutional skills, and a comparative advantage as compared to other organizations. As noted, ITTO is one among a number of international organizations with objectives related to forests and trade. This strategic plan defines a role for ITTO that draws on ITTO's strengths and complements the work of other forest-related organizations. The plan also recognizes that ITTO achieves some of its objectives and enhances the work of other international, forest-related organizations through strategic alliances and partnerships. ITTO's strategic partners are listed in Annex III.

The fund mobilization targets to implement this plan are described in Part IV of this document. Accomplishing these strategic priorities will depend on ITTO's ability to continue to develop effective partnerships with other organizations and with the private sector.

#### 2. Strategic Priorities and Actions for 2013-2018

The following are ITTO's Strategic Priorities and Actions for 2013-2018. For each of the priorities, examples of relevant actions are provided to illustrate the manner in which ITTO's operational planning can be used to accomplish the priority. The examples provided are intended only to illustrate and do not represent the full scope and variety of Biennial Work Programme activities or projects that should be considered.

In addition, where appropriate the description of relevant actions for implementation includes reference to ITTO's Thematic Programmes. The ITTA, 2006 creates the opportunity to establish Thematic Programmes as a mechanism to increase ITTO's effectiveness in organizing its work; the Thematic Programmes have particular relevance for ITTO's policy work. Thematic Programmes are also expected to enhance ITTO's attractiveness to a wider array of potential donors.

Thematic Programmes were started in 2008, on a pilot basis, pending the entry into force of the ITTA, 2006, but now can be fully incorporated into the operational activities that implement these strategic priorities. More detailed information on the Thematic Programmes implemented on a pilot basis is contained in the respective Thematic Programme Documents.<sup>2</sup> New Thematic Programmes proposed for consideration in this Strategic Action Plan will need to be further elaborated through the Thematic Programme development process.

## <u>Strategic Priority 1.</u> Promote good governance and enabling policy frameworks for strengthening SFM and related trade and enhancing SFM financing and investment

There is a need for long-term investment in all aspects of forest management, efficient processing and developing an enabling environment for SFM and internationally competitive trade. Adequate and reliable financing for all aspects of forest management continues to be a constraint to SFM in many tropical countries. Although harvesting, processing and international trade in timber and a number of other forest products can generate revenue in the short term, funds from these activities are not always sufficient to cover the cost of SFM or, in some cases, are not effectively collected.

Payments for the ecosystem services<sup>3</sup> provided by forests hold great promise to increase funds available for SFM, but

<sup>&</sup>lt;sup>2</sup>All Thematic Programme Documents are available on ITTO's web site at www.itto.int/thematic\_programme\_general/ <sup>3</sup>The terms "ecosystem services" and "environmental services" are used interchangeably.

also require investment, including in new institutions and market arrangements. At the same time, corruption and illegal activity undermine the economic benefits of forests to many countries. There is widespread recognition of the importance of secure, long-term tenure and the link between good forest governance and the ability to collect revenue from forest products and services and attract investment in the sector. ITTO has demonstrated an ability to develop, implement and evaluate innovative policy tools that can be applied to make progress on the intertwined challenges of SFM financing and forest governance.

Examples of specific actions to accomplish this strategic priority through the Biennial Work Programme and projects include:

- Develop approaches that increase financing from all sources for SFM and increase investment in the forest sector
- Enhance partnerships with CPF members and other organizations to further develop innovative financing plans, processes and mechanisms for financing SFM, particularly for financing for small and medium-sized forest enterprises and community-based enterprises
- Collaborate with CPF partners (World Bank and FAO) to promote the use of the framework on forest governance
- Assist ITTO members to implement the revised SFM guidelines, and develop guidelines for promoting legal and sustainable timber

Strengthening the capacity of members to improve forest law enforcement and governance, and address illegal logging and related trade in tropical timber is one of the means of achieving the objectives of the ITTA, 2006. Continued implementation of the Tropical Forest Law Enforcement and Trade (TFLET) Thematic Programme can contribute to accomplishing this strategic priority. The general objective of the TFLET Thematic Programme is to improve national forest law enforcement and governance in tropical ITTO member countries in order to enhance and diversify international trade in tropical timber from sustainably managed forests and to help alleviate poverty in those countries. Examples of relevant TFLET-supported activities include:

- Strengthening forest law compliance and governance
- Support to production and marketing of legally produced tropical timber and effective supply chain management
- Strengthening capacity of community and other small and medium-sized enterprises
- Improve international cooperation in forest law enforcement and governance

## Strategic Priority 2. Increase the contribution of tropical forests to national and local economies, including through international trade

Tropical countries face a number of challenges in their efforts to maximize the economic benefits of sustainable forest management resulting from harvesting, processing and trade in timber and non-timber forest products. International markets can be a source of considerable economic benefits, but these markets are also highly competitive and subject to pronounced cycles. Forest-based communities and community enterprises, and small and medium-sized enterprises, face particular challenges, for example in gaining access to information and in meeting requirements in international markets, and need guidance and tools to enable them to succeed. Changes in consumer demands, public policies and private sector practices in many major markets for tropical forest products require investments on the part of producers and exporters in order to ensure their continuing access to markets and competitiveness.

ITTO has ongoing work to develop, field test and implement a variety of tools and training programmes to help community and other tropical forest-based enterprises sustainably manage resources, increase efficiency in processing and effectively market products and services. Improving the management and business skills of forest-based enterprises will provide incentives as well as financing for sustainable forest management.

Examples of specific actions to accomplish this strategic priority through the Biennial Work Programme and projects include:

- Develop, demonstrate and disseminate information on financial tools for forest-based communities and community enterprises
- · Assist communities and forest-based enterprises with business skills, including marketing
- Promote understanding of new initiatives related to trade in legal and sustainable timber
- Promote complementary policies and actions on the part of consumer members

Implementation of two existing Thematic Programmes, and continued implementation of an ongoing programme to enhance capacity to meet CITES requirements can contribute to accomplishing this strategic priority.

The Community Forest Management and Enterprises (CFME) Thematic Programme seeks to contribute to poverty reduction in tropical forest areas by: (i) strengthening the ability of forest communities and smallholders to sustainably manage their tropical forest resources; and (ii) assisting community forest enterprises (CFEs) to add value to and market the products and services obtained from these resources. Examples of relevant CFME activities include:

- Strengthening of community-level capacity in sustainable forest management and adding value to the forest resource
- Strengthening of country capacity and enabling conditions in the development of community forest management and community forest enterprises

#### • Knowledge management

Although not yet under implementation, the Industry Development and Efficiency (IDE) Thematic Programme was approved for implementation on a pilot basis and will contribute to this strategic priority. The general objective of the IDE Thematic Programme is to strengthen the capacity of tropical timber-producing countries to: (i) increase the production, further processing and trade of tropical timber and other forest products and services from sustainably managed and legally harvested forests; and (ii) improve efficiency in the processing and utilization of tropical timber and timber products and non-timber forest products (NTFPs).

Examples of specific activities to be supported under the IDE Thematic Programme include:

- Support for industrial planning, investment promotion and business development
- Development of efficient harvesting and processing technologies, including utilization of wood residues and wood wastes
- Assistance in organizing commercial supply chains and producer networks and the strengthening of relevant stakeholder associations

Efforts to assist countries meet the CITES requirements for international trade in CITES-listed timber species have yielded conservation and economic benefits. Continuing and building on the existing ITTO-CITES programme to assist ITTO members by building capacity to implement CITES obligations for tropical tree species, will also make a contribution to accomplishing this strategic priority. The ITTO-CITES programme provides assistance to national authorities to meet the scientific, administrative and legal requirements for managing and regulating trade in a number of CITES-listed, commercially valuable tree species in Asia, Latin America and Africa. The programme helps develop guidance to ensure that utilization is not detrimental to the survival of the listed species and assists members in meeting CITES requirements for international trade. Examples of specific activities include:

- Develop or improve inventories, management plans and/or non-detriment findings for species in each of the range states
- Develop co-operative and cost-effective regulatory systems for product tracking and chains of custody
- Strengthen CITES trade compliance systems through training workshops for relevant staff and capacity-building in key CITES compliance areas

## Strategic Priority 3. Enhance the conservation and sustainable use of biodiversity in tropical timber producing forests

The time horizon for this Strategic Action Plan coincides with the United Nations Decade of Biodiversity. Natural tropical forests are estimated to account for up to half of the world's biodiversity; therefore, sustaining tropical forests and habitats is a critical component of broad-scale success in biodiversity conservation. In turn, sustaining tropical forest biodiversity will depend in large part on the ability to conserve or enhance biodiversity in the context of sustainably managed forests that yield products and services that also sustain forest-dependent communities. Therefore, ITTO's mandate and expertise is especially relevant to biodiversity conservation, as illustrated by the pioneering work, collaborating with others, to develop, field test and disseminate guidelines for biodiversity conservation in tropical timber producing forests. ITTO also has an ongoing work programme to guide cooperation with the Convention on Biological Diversity (CBD), based on a Memorandum of Understanding (MoU) signed in 2011.

Examples of specific actions to accomplish this strategic priority through the Biennial Work Programme and projects include:

- Further develop and disseminate guidelines for the conservation and sustainable use of biodiversity in tropical timber producing forests
- Promote regional and transboundary cooperation for biodiversity conservation and sustainable timber production

Over the course of the implementation of this plan, the Council will take actions to implement the existing MoU and work programme jointly established by ITTO and the CBD. This may include consideration of a new Thematic Programme as a means of organizing and highlighting the joint effort. Relevant objectives of the ITTO-CBD Joint Work Programme include (i) transboundary conservation of tropical forest resources; (ii) combating forest degradation and invasive alien species; (iii) biodiversity conservation in tropical production forests; and (iv) forest biodiversity and livelihoods. Examples of possible activities include:

- Enhance local capacity for biodiversity conservation in production forests
- Improve conservation and management of protected areas
- Safeguard tropical forest biodiversity in forestry interventions, including in REDD+ related projects
- Improve health and welfare of local communities and indigenous groups through biodiversity conservation and sustainable use of natural resources, including medicinal and aromatic plants

#### Strategic Priority 4. Reduce tropical deforestation and forest degradation and enhance the provision of environmental services

Efforts to reduce deforestation and forest degradation in developing countries and enhance the provision of environmental services of forests are now in the mainstream of both international climate change negotiations and

national policy development in many tropical countries. The importance of tropical forests in helping to mitigate the consequences of global climate change is now well established.

ITTO can contribute critically important technical expertise to the ongoing development and implementation of programmes to provide financial resources for efforts to reduce tropical deforestation and forest degradation in the context of climate change mitigation and adaptation. In particular, ITTO can help tropical timber producing countries ensure that management to enhance climate services complements management of tropical forests for timber and non-timber forest products.

Examples of specific actions to accomplish this strategic priority through the Biennial Work Programme and projects include:

- Assist ITTO members to gain access to sources of financing for REDD+
- Assist members in developing capacity for monitoring, reporting and verification of REDD+ in the context of SFM, including social and environmental safeguards
- · Assist member countries to implement mechanisms for payment of environmental services in support of SFM

Continued implementation of the Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES) Thematic Programme will contribute to accomplishing this strategic priority. The objectives of the REDDES Thematic Programme are to strengthen capacity to reduce forest degradation and unplanned deforestation, maintain and enhance environmental services of forests, contribute to social and economic sustainability through forest restoration, rehabilitation and payments for environmental services, and enhance the adaptation and resilience of tropical forests to climate change. Examples of activities supported under the REDDES Thematic Programme include:

- Improving data and knowledge regarding forest environmental services and their enhancement
- Creating enabling conditions for reducing deforestation and forest degradation and establishing mechanisms for payment for environmental services
- Demonstrating successful approaches at the community or forest management unit level
- Replicating, scaling up and disseminating successful experiences, approaches and appropriate technologies

#### Strategic Priority 5. Improve the quality and availability of information on tropical forests, forest product markets and trade

Collecting, reporting and analyzing information on tropical forests and trade in forest products and promoting improved understanding of markets including long term trends in consumption and production is mandated by the ITTA, 2006 and is therefore a core function for ITTO. Ensuring the availability of relevant, reliable information serves the needs of the international policy dialogue, national policy makers as well as enterprises trying to be successful in competitive markets. Reliable, widely available information on production and trade is a foundation for efficient, transparent markets. In addition to supporting effective policy and market discussions for the Council, ITTO contributes critically important trade-related expertise in the context of the CPF.

There is a need for steady improvement in the quality of information, efficiency of data collection and, especially, adding value through interpretation and analysis. ITTO can inform ongoing and emerging policy discussions through, for example: information on market conditions for tropical timber and other tropical forest products; the environmental benefits of sustainably harvested tropical timber; and the role of forest industries and products in a "green economy."

Examples, of specific actions to accomplish this strategic priority through the Biennial Work Programme and projects include:

- Conduct studies, disseminate information and provide regular reports on conditions in tropical forests and markets for tropical forest products
- Assist members in improving quality of timber and non timber information collected and reported
- Build capacity of member countries for data analysis and policy formulation
- Develop partnerships with other organizations to collect forest and trade data and further harmonize information

Continued implementation of the Trade and Market Transparency (TMT) Thematic Programme will contribute to accomplishing this strategic priority. The general objectives of the TMT Thematic Programme are to: (i) increase the capacity of producer member countries to develop and employ market intelligence and marketing skills; and (ii) improve market transparency through improved data and analysis. Examples of activities supported under the TMT Thematic Programme include:

- Strengthening of information systems
- Improvement of market transparency
- Facilitation of market access and trade development

## <u>Strategic Priority 6.</u> Build and develop human resource capacity to implement SFM and increase trade in <u>forest goods and services from sustainably managed forests</u>

ITTO is, at its core, an organization that generates and disseminates knowledge and assists members to build capacity to address complex, forest-related problems. Human resource development is the essential component of that capacity and is therefore a critical element of success in implementing SFM and assisting members in developing efficient, competitive industries that can compete successfully in international markets utilizing sustainably managed forest resources. Building human resource capacity is, in many respects, an overarching priority that will be reflected in efforts to accomplish all of the priorities of this Strategic Action Plan.

Examples of specific actions to accomplish this strategic priority through the Biennial Work Programme and projects include:

- Continue and expand the ITTO Fellowship programme
- Provide assistance to national and regional institutions for training,
- Develop cooperation with international organizations in enhancing training and outreach related to SFM
- Assisting members to support research and development
- Assist members to engage in the transfer of forest management and trade related expertise and technology, including south-south, north –south and triangular cooperation
- Enhanced ITTO communication and outreach efforts
- Strengthen involvement of stakeholders in the work and activities of the ITTO through CSAG and TAG

#### PART III. EXPECTED OUTCOMES, INDICATORS AND MONITORING

#### 1. Overview

This is a broad, strategic plan designed to describe ITTO's efforts to address large, complex problems. ITTO's contribution is intended to be, in most instances, initial development and field testing of policies, guidelines and practices that must be subsequently adopted and widely implemented by national and local governments, the private sector and others in order to achieve the objectives of sustainably managed tropical forests and expanded and diversified trade in tropical timber from legally harvested and sustainably managed forests. As a consequence, it is challenging to directly link the specific actions and measureable inputs (such as capacity building projects, guidelines, studies, workshops, etc.) to the intended results and expected outcomes (such as improved forest governance, increased trade and employment in forest-based communities, slowing biodiversity loss, etc.).

In addition, because ITTO depends almost entirely on voluntary contributions for its work programmes, there is some degree of unpredictability and inevitable variability in the Organization's finances. In the absence of a dedicated and predictable source of financing, ITTO relies on the importance of its work and quality of its performance to attract funding year after year. One measure of success is that over the past 25 years ITTO has succeeded in attracting more than USD 300 million in voluntary contributions for projects and policy work in tropical forests.

Although it is an increasingly competitive environment for the sources of financing that ITTO has traditionally relied on, this plan has been prepared with the expectation that ITTO will continue to be seen by the donor community as an effective, efficient way to pursue trade, conservation and sustainable development goals related to tropical forests. Evidence that thematic approaches, now fully integrated into this plan and the Organization's work, may succeed in attracting additional funds, as well as funds from new sources, supports this optimism. Nevertheless, ITTO's ability to achieve the scope of work described in this Strategic Action Plan is contingent on the continued availability of financial resources from voluntary contributions.

#### 2. Expected Outcomes and Indicators

Despite the challenges to directly link ITTO's actions to the intended results, it is possible to identify a selection of expected outcomes associated with each strategic priority; these expected outcomes can then be linked to measurable indicators. Table 1 displays expected outcomes for each strategic priority.

Table 1 also displays measurable indicators for each strategic priority. Although some indicators are closely related to one (or more) of the expected outcomes, the indicators are not intended to be used to measure the outcomes in discrete categories. Some indicators are relevant for more than one of the strategic priorities. Therefore, the indicators are provided as relevant measures that, taken as a set, can be used to assess change related to the priorities over the period of plan implementation. Indicators will be refined over time in the light of experience and subsequent review.

#### 3. Monitoring

The implementation of this strategic plan will be through the Biennial Work Programmes, Thematic Programmes and projects. The Council will also consider conducting a mid-term review of Strategic Action Plan implementation using the indicators in Table 1 as a guide. The tools for monitoring this plan are the mechanisms by which the Council monitors and reviews the operational aspects of the Organization's work, for which the strategic priorities provide a context and reference. These monitoring tools include: biennial development of work programmes; annual review of Biennial Work Programme implementation; and annual review of the Thematic Programmes. In the case of Thematic Programmes, the Thematic Programme Advisory Committees review implementation at least annually and the results are reported to the Council by the Secretariat. The Council monitors all Thematic Programmes at annual Council sessions and can regularly assess their contribution to both their thematic objectives as well as these strategic priorities. Success in attracting the voluntary contributions needed to implement this plan will provide a further mechanism for monitoring the plan.

For projects, members have a semi-annual opportunity to consider the advice contained in Expert Panel review of proposals, one element of which is consistency with the Action Plan. In addition, through the Technical Committees the Council conducts an annual review of the Organization's project work. This review includes projects under implementation as well as an ex-post evaluation of completed projects, both of which can explicitly consider the contribution to addressing the strategic priorities. Project design should make use of the indicators in Table 1 as appropriate.

Table 1. Expected Outcomes and Illustrative
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Strategic Priority	Expected Outcomes	Illustrative Indicators
1. Promote good governance and enabling policy frameworks for strengthening SFM and related trade and enhancing SFM financing and investment	<ul> <li>Better managed forest sector with increased access to financing and investments</li> <li>Increased forest area that is managed sustainably and legally harvested</li> <li>Improvement in good governance and effectiveness of forest law enforcement</li> <li>Reduction in illegal logging</li> </ul>	<ul> <li>FAO-PROFOR indicators of forest governance</li> <li>Amount of investment in the sector (DDI/FDI)</li> <li>Resources for implementation of SFM</li> <li>Number of countries with policy framework and legislation that is consistent with ITTO Objectives.</li> <li>Member countries implementing policy framework to promote SFM</li> <li>Increased trade in verified legally harvested timber</li> <li>ITTO indicators for SFM</li> <li>Forest area under management plans</li> <li>Forest area certified</li> </ul>
2. Increase the contribution of tropical forests to national and local economies including through international trade	<ul> <li>Increased contribution of the forest sector to the national and/or local economies of tropical countries</li> <li>Improved livelihoods and employment of local and indigenous communities</li> <li>Improved access to international markets for small and medium sized enterprises and community enterprises</li> <li>Increase in diversity and quantity of efficiently produced value-added products from sustainably managed forests</li> <li>Increased competitiveness and market access for tropical timber</li> <li>Increased consistency and compatibility among systems to provide assurance of legality and sustainability for tropical timber</li> <li>Increased contribution of NTFPs</li> </ul>	<ul> <li>Value of exports of tropical forest products</li> <li>Quantity of tropical timber exports recognized as originating from sustainably managed forests</li> <li>Employment and value added in further processing in producer member countries</li> <li>Diversity and quantity of value added forest products</li> <li>Value of NTFPs produced</li> <li>Income of local and indigenous communities</li> <li>Number of commercial timber species and non timber tropical forest species listed in CITES Appendices II and III</li> </ul>
3. Enhance the conservation and sustainable use of biodiversity in tropical timber producing forests	<ul> <li>Conservation and sustainable use of biodiversity in tropical timber producing forests is maintained and enhanced through SFM practices</li> <li>Trade and utilization of timber and non timber tropical forest species is consistent with their conservation</li> <li>Business models supporting the conservation and sustainable use of tropical forest biodiversity</li> </ul>	<ul> <li>Rate of loss of forest-based habitats</li> <li>Area of restored forest habitats</li> <li>Area of forest degraded habitats</li> <li>Number of commercial timber species and non timber tropical forest species listed in CITES Appendix I</li> <li>Number of partnerships developed for biodiversity conservation</li> <li>Extent of protected forest areas</li> <li>Extent of timber production forests incorporating biodiversity conservation areas</li> </ul>

4. Reduce tropical deforestation and forest degradation and enhance provision of environmental services	<ul> <li>Increase in the capacity of members to address climate change adaptation and mitigation through SFM</li> <li>Financial support for SFM is increased by payments for the environmental services of tropical forests</li> <li>Increase in area of forest under SFM and use of ITTO guidelines and C&amp;I</li> <li>Increase in income generation based on forest related environmental services and other forest outputs</li> </ul>	<ul> <li>Number of member countries with forest policy framework for climate change mitigation and adaptation</li> <li>Number of countries with initiatives in place for payments for environmental services or similar mechanisms</li> </ul>
5. Improve the quality and availability of information on tropical forests, forest product markets and trade	<ul> <li>Information on tropical forests, production of timber and non timber forests products and trade is accurate and widely available</li> <li>Accurate information is used by ITTO members in policy making, forest management, market development and investment promotion</li> <li>Improved use of ITTO data by other institutions and processes</li> </ul>	<ul> <li>Number of ITTO members providing timely, accurate data</li> <li>Coverage and accessibility of ITTO databases</li> <li>Number of countries using information for policy, market development and investment promotion</li> </ul>
6. Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests	<ul> <li>Public institutions, communities and commercial entities have adequate forest management, planning, policy and business skills needed to implement SFM and engage in international trade</li> <li>Increase in the awareness of the contribution of SFM to economies</li> <li>Local communities are informed and able to participate in SFM policy development and related activities</li> <li>Increase in exchange of experiences, knowledge innovations in SFM, and promotion of trade and timber processing among members</li> <li>Better collaboration between private sector and civil society</li> </ul>	<ul> <li>Number of individuals receiving training or education</li> <li>Number of trained individuals per hectare of forest per country</li> <li>Increase in number of innovations in member countries</li> <li>Number of stakeholders participating in SFM policy development processes</li> <li>Number of visitors to ITTO's website</li> <li>Number of websites linked to ITTO's website</li> </ul>

## PART IV. FINANCIAL RESOURCE REQUIREMENTS FOR ACCOMPLISHING THE STRATEGIC PRIORITIES

As noted, ITTO relies in voluntary contributions for nearly all of its work.<sup>4</sup> Therefore, the success of this plan will depend on the ability to mobilize funding from all sources Over the past 25 years, ITTO has demonstrated an ability to attract high levels of voluntary funding, based in large part on recognition of success on the ground. This plan is designed to build on that experience. In the last decade, however, ITTO has faced a number of financial challenges resulting from increased competition for forest-related development assistance funds. Resources available to the organization have not been adequate to fully fund the programmes and activities that support capacity building among ITTO producer member countries.

The indicative targets for funds mobilization are shown in Table 2. These targets display the scale of ITTO's ambitions across all priorities over the time horizon of the plan; the targets also reveal information on the relative scale of effort (and therefore relative importance) for each of the priorities. Table 2 also displays an indicative distribution across the three implementation approaches (Biennial Work Programmes, Thematic Programmes or projects). This information is also intended to help ensure integration of the three modalities for implementation (Biennial Work Programmes, Thematic Programmes and project work) in implementation of the Strategic Action Plan.

The fund mobilization targets were developed taking into consideration recent trends in financing the work of the Organization. The column totals in Table 2 correspond to the general level of recent Biennial Work Programmes, the indicative budgets for the Thematic Programmes implemented on a pilot basis, as well as the average amount of financing that has been available for ITTO's project work over the past decade. It should be noted that the division between funding mechanisms in Table 2 is based on these historical trends and may change in the future, however, the overall balance of funding between each strategic priority should be maintained to the extent possible.

Priority	Biennial Work Programmes <sup>2</sup>	Thematic Programmes <sup>3</sup>	<b>Projects</b> <sup>4</sup>	Total
1. Promote good governance and enabling policy frameworks for strengthening SFM and related trade and enhancing SFM financing and investment	5	TFLET: 25	10	40
2. Increase contribution of tropical forests to national and local economies, including through international trade	15	CFME: 20 IDE: 15	5	55
3. Enhance the conservation and sustainable use of biodiversity in tropical timber producing forests	4		13	17
4. Reduce tropical deforestation and forest degradation and enhance the provision of environmental services	5	REDDES: 20	3	28
5. Improve the quality and availability of information on tropical forests, forest product markets and trade	10	TMT: 15	5	30
6. Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests	10	-	20	30
Total: 2013-2018	49	95	56	200

Table 2. Fund Mobilization Tar	gets ( <i>million US\$</i> ) t	o Accomplish II I O's Strate	egic Priorities, 2013-2018

<sup>3</sup>Assumes that existing Thematic Programmes will be extended.

<sup>4</sup>Projects developed and implemented through the "regular" project cycle. The funding target for Strategic Priority 3 includes expanded funding for ITTO's biodiversity-related work.

<sup>&</sup>lt;sup>1</sup>Based on voluntary contributions; does not include expenditures for the administrative budget funded through assessed contributions. <sup>2</sup>Assumes there will be three Biennial Work Programmes over the duration of this Strategic Action Plan. The funding target for Strategic Priority 2 includes expanded funding for ITTO's CITES-related work.

<sup>&</sup>lt;sup>4</sup>Funding for the Secretariat and a small number of "core operational activities" is included in the organization's assessed budget.

#### ANNEX I ITTA, 2006 Objectives and Means of Achieving the Objectives<sup>5</sup>

The objectives of the International Tropical Timber Agreement, 2006 (hereinafter referred to as "this Agreement") are:

- to promote the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests; and
- to promote the sustainable management of tropical timber producing forests
- by:
  - (a) Providing an effective framework for consultation, international cooperation and policy development among all members with regard to all relevant aspects of the world timber economy;
  - (b) Providing a forum for consultation to promote non-discriminatory timber trade practices;
  - (c) Contributing to sustainable development and to poverty alleviation;
  - (d) Enhancing the capacity of members to implement strategies for achieving exports of tropical timber and timber products from sustainably managed sources;
  - (e) Promoting improved understanding of the structural conditions in international markets, including long-term trends in consumption and production, factors affecting market access, consumer preferences and prices, and conditions leading to prices which reflect the costs of sustainable forest management;
  - (f) Promoting and supporting research and development with a view to improving forest management and efficiency of wood utilization and the competitiveness of wood products relative to other materials, as well as increasing the capacity to conserve and enhance other forest values in timber producing tropical forests;
  - (g) Developing and contributing towards mechanisms for the provision of new and additional financial resources with a view to promoting the adequacy and predictability of funding and expertise needed to enhance the capacity of producer members to attain the objectives of this Agreement;
  - (h) Improving market intelligence and encouraging information sharing on the international timber market with a view to ensuring greater transparency and better information on markets and market trends, including the gathering, compilation and dissemination of trade related data, including data related to species being traded;
  - Promoting increased and further processing of tropical timber from sustainable sources in producer member countries, with a view to promoting their industrialization and thereby increasing their employment opportunities and export earnings;
  - (j) Encouraging members to support and develop tropical timber reforestation, as well as rehabilitation and restoration of degraded forest land, with due regard for the interests of local communities dependent on forest resources;
  - (k) Improving marketing and distribution of tropical timber and timber product exports from sustainably managed and legally harvested sources and which are legally traded, including promoting consumer awareness;
  - (I) Strengthening the capacity of members for the collection, processing and dissemination of statistics on their trade in timber and information on the sustainable management of their tropical forests;
  - (m) Encouraging members to develop national policies aimed at sustainable utilization and conservation of timber producing forests, and maintaining ecological balance, in the context of the tropical timber trade;
  - (n) Strengthening the capacity of members to improve forest law enforcement and governance, and address illegal logging and related trade in tropical timber;
  - (o) Encouraging information sharing for a better understanding of voluntary mechanisms such as, inter alia, certification, to promote sustainable management of tropical forests, and assisting member s with their efforts in this area;
  - (p) Promoting access to, and transfer of, technologies and technical cooperation to implement the objectives of this Agreement, including on concessional and preferential terms and conditions, as mutually agreed;
  - (q) Promoting better understanding of the contribution of non-timber forest products and environmental services to the sustainable management of tropical forests with the aim of enhancing the capacity of members to develop strategies to strengthen such contributions in the context of sustainable forest management, and cooperating with relevant institutions and processes to this end;
  - (r) Encouraging members to recognize the role of forest -dependent indigenous and local communities in achieving sustainable forest management and develop strategies to enhance the capacity of these communities to sustainably manage tropical timber producing forests; and
  - (s) Identifying and addressing relevant new and emerging issues.

<sup>&</sup>lt;sup>5</sup>This is the complete text of Article 1 of the ITTA, 2006.

#### ANNEX II Highlights of ITTO's Recent Policy Work

#### **Forests and Climate Change**

Since 2008, the Council has continued to monitor developments and discussions at the UNFCCC and their implications for tropical forests and the world tropical timber economy. In May 2008 an Expert meeting on advancing climate change through SFM of tropical forests was held in Yokohama. The ITTO in collaboration with other CPF members have organized "Forest Days" at the UNFCCC conferences to create a platform to share experiences and knowledge with the view to raising awareness of the role forests play in mitigating and adapting to climate change. The Forest Days also provided the opportunity for forests to remain high on the global agenda and discussions at UNFCCC. During the period of the ITTO Action Plan 2008-2011 CPF members developed the CPF strategic framework for forests and climate change.

At the UNFCCC Conference of parties (COP 16) held in Cancun, Mexico, Parties agreed on the need for financial support for developing countries to halt and reverse forest cover and carbon loss through the development of a:

- National strategy for REDD+;
- National forest reference level;
- Robust and transparent monitoring system; and
- System for providing information on how safeguards are being addressed.

A Green Climate Fund has been established (arising out of decisions at COP 17– Durban, South Africa) as the operating instrument of the Convention with the understanding that the architecture for the Fund will be agreed upon at COP 18. The objectives of the Green Climate Fund include:

- Making significant contributions to the global efforts at combating climate change;
- Promoting development through low emission and climate efficient activities by providing support to developing countries; and
- Making available, new, additional, adequate and predictable financial resources to developing countries in order to optimize impacts from adaptation and mitigation measures.

#### **ITTO Objective 2000**

Objective 2000 reaffirms the Council's "full commitment to moving as rapidly as possible towards achieving exports of tropical timber and timber products from sustainably managed sources". The International Tropical Timber Council's Decision 2(XXIX) requested the Organization's Executive Director to render assistance, on request, to producer member countries to identify, in each country, those factors which most severely limit progress towards achieving the ITTO Objective 2000 and SFM and to formulate an action plan to overcome these constraints. To date, 23 member countries have benefited from these ITTO diagnostic missions.

#### Criteria and Indicators

Under the Yokohama Action Plan, 20 national training workshops were held to introduce the ITTO C&I to key stakeholders, with each workshop engaging 30–50 participants each. A revised and simplified ITTO C&I, including national and forest management unit-level formats for reporting, was adopted and published in 2005. This framework is now used by producer member countries in reporting, assessing and monitoring progress towards SFM. A manual for forest auditing using C&I has been drafted and pilot-tested at the forest management unit level in Africa, Latin America and Asia/Pacific.

ITTO continues to support producer member countries in the preparation of baseline and updated national reports on progress towards SFM based on the C&I. In this regard ITTO is working with the Montréal Process, Forest Europe and the FAO to enhance streamlining of international reporting on forest related issues and promote the global recognition of C&Is and their relevance for environmental and sustainable development activities.

#### **Strengthening Policies and Opportunities for Forest Investment**

ITTO has continued to promote investment in tropical forests through international, regional and national workshops/meetings. These workshops/meetings have identified opportunities for investment in tropical forests, and proposed ways to overcome the barriers and risks involved in viable investment opportunities. In 2008 and 2009, national forums were organized in Bolivia, Congo, Philippines and Ecuador. These meetings brought together participants from different sectors, including the private sector, banks, forest industries, forest communities and concessionaires, governments, and NGOs. Recommendations included: the need to create an enabling environment for investment (secure land tenure, strengthened governance, less complex and more equitable taxation), linking forestry operations to capital markets (developing better business skills, managing forests to include NTFPs and PES, improving marketing of forest products, developing risk insurance mechanisms, promoting access to credit for small and medium enterprises).

#### Forest Law Enforcement and Governance

The Thematic Programme on Forest Law Enforcement Governance and Trade (FLEGT) is one of the five Thematic Programmes established on a pilot basis. FLEGT has the objective of improving national forest law Enforcement and

governance in ITTO producer member countries in order to enhance and diversify international trade in tropical timber form sustainably managed forests and help alleviate poverty in these countries. Highlights of recent work include:

ITTO's participation in Country-Led Initiative on Forest Governance and Decentralization in Africa.

Promoting trade from legally harvested sources by assisting tropical timber producing countries to establish timber tracking systems.

Promoting efforts to verify legality by granting funding for civil society/private sector partnerships aimed at enhancing the capacity of small and medium size enterprises to produce and trade in timber from legal and sustainable sources.

#### Promote Efficient Wood Processing Technologies

To improve competitiveness of tropical timber producing firms, a hands-on training programme was undertaken to promote efficient wood processing technologies. These training programmes were carried out in:

- Papua New Guinea (2010)
- Guyana (2010)
- Myanmar (2010)
- Malaysia (2011)
- Ghana (2012)

#### **Other Policy Guidelines**

Since 2008, ITTO has published a series of policy guidelines to support its work in the promotion of SFM. These include:

- ITTO/IUCN Guidelines for conservation and sustainable use of Biodiversity in tropical timber producing forests. These guidelines replace the 1993 guidelines and seek to promote the conservation and sustainable use of native animal and plant species in tropical timber production forests;
- ITTO manual for project monitoring, review, reporting and evaluation to support project monitoring by member states and the secretariat
- Revised manuals and guidelines to improve and strengthen the project cycle. These manuals are:
  - Manual of project formulation, 3<sup>rd</sup> Edition
  - Manual on standard operating procedures for project cycle
  - Revised guidelines for the selection, employing of consultants, procurements, payments for goods and services, 2<sup>nd</sup> Edition;

Status of Tropical Forest Management 2011-The report establishes that between 2005 and 2010, the area of natural tropical forest under sustainable management across the tropical timber producing region has increased from 36 million hectares (89 million acres) to 53 million hectares (134 million acres), an area about the size of Thailand. The area of timber production forests subject to at least some type of management plan has increased by about one-third since 2005 and now totals 131 million hectares.

A report on ITTO's first 25 years was published in 2011and titled "25 Success stories: Illustrating ITTO's quest to sustain tropical forests". This publication highlights the Organization's key achievements since it began operation in early 1987 and shows how ITTO has been an effective catalyst for sustainable development. The 25<sup>th</sup> Anniversary also coincided with the International Year of the forests, providing a number of opportunities for the ITTO to showcase the extent of its work.

#### ANNEX III Partnerships between ITTO and Other Organizations<sup>6</sup>

A key strategy of ITTO in promoting SFM related activities in member countries is through its leverage and collaboration with other organizations and institutions. This collaboration is carried out through a variety of formal arrangements, such as Memoranda of Understanding (MoUs) and partnership agreements (such as the Collaborative Partnership on Forests (CPF), as well as informal arrangements. CPF member organizations and organizations with which ITTO has established MoUs are noted in the list below.

- Africa Timber Organization (ATO)
- Amazon Cooperation Treaty Organization (ACTO)
- Association of South-east Asian Nations (ASEAN)
- Association Technique Internationale des Bois Tropicaux (ATIBT)
- Center for International Forestry Research (CIFOR)\* [CPF member]
- Central Africa Forests Commission (COMIFAC)
- China Academy of Forests (CAF)\*
- Common Fund for Commodities (CFC)
- Congo Basin Forest Partnership (CBFP)
- Convention on Biological Diversity (CBD)\* [CPF member]
- Convention on International Trade in Endangered Species (CITES)\*
- C&I processes
  - o Montreal
  - Pan-European (Ministerial Conference on the Protection of Forests in Europe)
  - o ATO/ITTO
  - Tarapoto (Amazon),
  - Lepaterique (Central America)
  - o Dry-zone Asia
- Forestry Department of the Food and Agriculture Organization of the United Nations (FAO)\* [CPF member]
- Global Environmental Facility (GEF) Secretariat [CPF member]
- Global Forest Watch
- International Partnership for Forestry Education (IPFE)\*
- International Society for Mangrove Ecosystems (ISME)\*
- International Trade Centre (ITC)
- International Union for Forestry Research Organizations (IUFRO)\* [CPF member]
- IUCN The World Conservation Union\* [CPF member]
- Tropical Forest Trust (TFT)\*
- UNECE Timber Committee
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Forum on Forests (UNFF)\* [CPF member]
- United Nations Convention to Combat Desertification (UNCCD) Secretariat [CPF member]
- United Nations Development Programme (UNDP) [CPF member]
- United Nations Environment Programme (UNEP) [CPF member]
- United Nations Framework Convention on Climate Change (UNFCCC) Secretariat
- World Agroforestry Centre (ICRAF) [CPF member]
- World Bank [CPF member]
- World Trade Organization (WTO)

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<sup>&</sup>lt;sup>6</sup>An asterisk (\*) Indicates the existence of a Memorandum of Understanding or other formal arrangement with ITTO.





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