

Leading companies show that sustainable forest management is possible

International conference on sustainable management of tropical forests: private-sector experiences

13–15 April 2004

Kuala Lumpur, Malaysia

This conference was a joint initiative of the Forestry Department of Peninsular Malaysia and ITTO. It brought together about 150 people representing logging companies, community organisations, governments and the environmental movement to review private-sector experiences in sustainable forest management in the tropics and to discuss ways in which such success stories could be promoted among other companies and community groups.

The conference was the culmination of a three-year, ITTO-funded project (PD 48/99) in search of private-sector success stories in the three tropical regions (Africa, Asia and the Pacific, and Latin America and the Caribbean).

The project, which was implemented by the Forestry Department of Peninsular Malaysia, sent questionnaires to 1766 concession-holders and other timber-harvesting entities to gauge their awareness of, commitment to and success in implementing sustainable forest management. A total of 206 responses were received, the results of which were compiled at the regional level.

This process was complemented by 14 detailed case-studies, which closely examined efforts by companies towards sustainable forest management and helped identify the conditions that enable and constrain such efforts at the local level.

For example, CIB (Congolaise Industrielle du Bois), a logging company operating in large forest concessions in the Congo, identified a range of factors that had led to the improvement of forest management there, including the adoption by the Government of Congo of new guidelines for the sustainable management of forest ecosystems, and a partnership with an international non-governmental organisation, which was facilitated by a substantial ITTO project. Since 2000, the company has improved logging practices, assisted local people to benefit more from the timber operations and to adopt new farming practices, and designed a program to manage, monitor and protect local wildlife.

Pt Sari Bumi Kusuma, a logging company in Indonesia, also identified cooperation with and support from international organisations (including ITTO) as an important factor in moving towards sustainable forest management. Other factors include an entrepreneurial vision of management, linkages with processing facilities, and a good relationship with the local communities and local government forged through effective consultative processes.

A third company, Guavirá Industrial e Agroflorestal Ltda in the Brazilian Amazon, has adopted and is implementing a 27-year forest management plan consistent with the ITTO *Guidelines for the sustainable management of natural tropical forests* and is certified by the Forest Stewardship Council. The company reported that an unusually homogenous mix of species in

its 58 000 hectares of production forest had been an important factor in ensuring the financial feasibility of its operation: of the 24 potentially commercial species in these forests, one highly marketable species (cedrinho) is present in volumes of 10–15 m³ per hectare. Moreover, harvesting is possible all year round (in contrast to most of the Amazon, where logging is possible for only 6–8 months per year), as the terrain is flat and population density low.

In 1998, in partnership with the Sarawak Forestry Department and with technical support from a Malaysian-German cooperation project, Samling Corporation in Malaysia introduced sustainable forest management practices in a 100 000-hectare area in Ulu Baram, Sarawak. Pre-assessment for forest certification of this pilot area was conducted in September 2003 and the final assessment is scheduled for this year.

Despite these and other success stories it is evident that many obstacles must be overcome before sustainable forest management becomes widespread in the tropics.

For example, while many companies identified international assistance as an essential element for improvement, donor agencies are tending to decrease their contributions to sustainable forest management. No company indicated that the pursuit of sustainable forest management made their operations more profitable, although one suggested that employing best practices reduced risk and therefore increased the company's value in the market.

Several companies identified illegal logging and illegal trade of timber products as threats, not least because they undermine the market for sustainably produced timber. Some noted that unnecessary bureaucratic procedures, such as the overlapping of regulations between state, federal and other government levels, were also obstacles to the adoption of sustainable forest management, as were corruption and the generally short-term nature of timber concessions.

Meeting the social demands of sustainable forest management is also a challenging task. It requires effective consultation and participation processes, which take time to establish, and new skills both in the company and the community, and can be complex and costly.

Regional summaries and the 14 case-studies will be published later this year. For more information contact Mr Amha bin Buang in the ITTO Secretariat (eimi@itto.or.jp).

Trade/environment alliances forged at ITTO mahogany workshop

Workshop on capacity-building for implementation of CITES Appendix II listing of mahogany (*Swietenia macrophylla*)

18–21 May 2004

Pucallpa, Peru

Traders and environmental non-governmental organisations will work more closely together to ensure the supply of legal mahogany (*Swietenia macrophylla*) following this ITTO workshop, which was held recently in Peru with the assistance of the Peruvian National Institute for Natural Resources (INRENA).

Mahogany was included in Appendix II by decision of the 12th Conference of the Parties to the Convention on International Trade of Endangered Species of Wild Flora and Fauna (CITES), with the implementation becoming effective on 15 November 2003 (see *TFU 13/4*). The workshop was designed to address concerns by both exporting and importing countries surrounding the Appendix-II requirement for 'non-detriment findings' (stating that export of a specimen is not detrimental to the sustainability of the species) to accompany all shipments of mahogany.

Over 80 participants attended the workshop, including representatives of CITES' scientific and management authorities from the three main range states (Bolivia, Brazil and Peru), management authorities and other government representatives from four major importing countries (Canada, Spain, UK and USA), representatives of four international organisations (ITTO, CITES, FAO and CIFOR), and representatives of six trade and six non-governmental groups from around the world. Several local processors and loggers also participated in the workshop, contributing a unique perspective on the problems that Peru, now the largest mahogany exporter, is facing as it tries to comply with the Appendix-II listing and ensure that mahogany exports are legal and sustainable.

The workshop endorsed the finding of the CITES Mahogany Working Group that non-detriment findings should only be made for mahogany arising from areas with an approved management plan. It made several more specific recommendations for countries to consider when implementing monitoring and control systems for mahogany production and trade, for technical assistance, and regarding the role of the private sector and regional/inter-agency cooperation. Two resolutions were tabled and endorsed at the conclusion of the workshop: one from the three main range countries pledging to implement the workshop recommendations and proposing establishment of a three-country working group to address issues of common concern in implementing the Appendix-II listing; and a second from the trade, recognising the commitment of the three main range countries to sustainably manage their mahogany resources.

A significant outcome of the workshop was the close relationships forged between some of the participating NGOs and trade representatives, with several individual traders in discussions to join buyers' groups that would help to ensure supplies of sustainable and legal mahogany. Some members of the trade also offered to provide financial assistance to undertake inventories of mahogany resources and to offset other management costs.

The report of the workshop is currently being finalised and will be available in Spanish and English. It will contain all papers and presentations made at the workshop, the conclusions and recommendations agreed to, and the two resolutions referred to above. The report will be available on the ITTO website (www.itto.or.jp) and in hard copy.

For further information or to request a copy of the report, contact Steve Johnson in the ITTO Secretariat (johnson@itto.or.jp).

Moving away from the centre

The Interlaken workshop on decentralisation, federal systems in forestry and national forest programmes

27–30 April 2004

Interlaken, Switzerland

This workshop, which was co-sponsored by ITTO, was a country-led initiative in support of the United Nations Forum on Forests (UNFF). It was attended by about 160 representatives of developing, developed and transition countries, international organisations, local, provincial, state and national governments, community and indigenous peoples' organisations, non-governmental organisations and the private sector with the aims of:

- analysing the implications of decentralisation in key aspects of forest management for the development of national forest programmes;
- deriving lessons learnt from countries that have implemented decentralisation for use, where suitable, in other countries in the process of decentralisation; and
- preparing reflections and proposals for consideration by UNFF at its 4th session.

Six working groups were established to discuss critical areas relevant to the objectives of the workshop. These were: allocation of roles and responsibilities and coordination at different levels and across sectors; policy, regulatory frameworks and equitable benefit-sharing; participation, conflict and multi-stakeholder processes; financial incentives; promoting investment and private-sector partnership; capacity-building, technical skills and information; and maintaining ecosystem functions, sustaining forest productivity, and appropriate application of knowledge and technology.

The working group addressing the last of these areas concluded, among other things, that in order to exploit the potential environmental benefits of decentralised systems and guard against the potential negative impacts, a number of principles should be observed:

- whenever possible, traditional communal forest management systems should provide the basis for decentralisation. Such systems are likely to be effective in meeting local needs and will be adapted to local conditions and resilient to external influences;
- markets need to be developed for environmental services (particularly water protection, climate change and biodiversity), based on secure property rights in order to provide the revenue support for the provision of those services and as a more equitable way for (global) society to exert influence over the delivery of such services;
- centralised approaches to protected areas should target sites of national importance and any local opportunity costs of such areas should be compensated in an adequate way;
- central institutions should use participatory approaches in establishing the limits within which decentralised systems operate. They will need to provide the spatial planning context, define the permanent forest estate and otherwise support regulatory and incentive frameworks; and
- economies of scale tend to favour uniform approaches in large-scale centralised schemes for the restoration of degraded lands. With the right framework of incentives and property rights, decentralised

systems will often favour more biologically diverse and locally adapted approaches to restoration.

Workshop participants made twelve recommendations for the consideration of the UNFF. These included:

- develop a common understanding of the relevant concepts, terms and definitions to facilitate future dialogue on decentralisation in the forest sector;
- promote the dissemination of appropriate information to enhance the understanding of various aspects of decentralisation in the forestry sector;
- formulate appropriate approaches to maintain protected areas while enabling traditional use by the indigenous/local people and forest dwellers; and
- promote partnership among various stakeholders and sectors, including south-south, north-north, north-south and south-north-south cooperation for institutional and human capacity-building.

The draft unedited report can be downloaded at: www.intercooperation.ch/interlaken-2004/InterlakenUneditedDraftReport.pdf

Asia-Pacific forum meets in Fiji

20th Session of the Asia-Pacific Forestry Commission (APFC)

19–23 April 2004

Nadi, Fiji

This meeting, which was chaired by the Fiji Minister for Fisheries and Forestry, was attended by about 100 people representing 27 member countries in the region, two observer countries (Timor-Leste and Tonga), and international organisations such as ITTO, the Asia Forest Partnership, the Asia-Pacific Association of Forestry Research Institutes, and the Secretariat of the Pacific Community. During the meeting, many APFC members presented country reports on the state of forestry. FAO activities in the region were also outlined, including the development (in cooperation with other partners) of a forest conservation strategy for Asia and the progress being made in the implementation of the National Forest Programme Facility.

The Commission received a report on 'In search of excellence', an initiative of FAO and the Regional Community Forestry Training Centre. About 170 submissions were received from 20 countries in the Asia-Pacific region and 30 case-studies—ranging from community forests to large-scale commercial operations—conducted.

The outgoing APFC chair outlined her view of the strengths and weaknesses of the Commission. Its strengths included: neutrality and flexibility; a motivated Secretariat and strong support from FAO; and wide representation from the region. Weaknesses included: its low profile; the limited participation of countries in shaping the Commission's agenda; a lack of finance; an unclear vision about its future role; and weak involvement of NGOs and the private sector.

For more information and a copy of the session report contact: Mr Patrick Durst, Patrick.Durst@fao.org

Synergizing the Rio conventions

Workshop on forests and forest ecosystems: promoting synergy in the implementation of the three Rio conventions

5–7 April 2004

Viterbo, Italy

This workshop was organised by the secretariats of the UN Convention to Combat Desertification (UNCCD) and the UN Convention on Biological Diversity (UNCBD) in cooperation with the secretariat of the UN Framework Convention on Climate Change (UNFCCC). Approximately 150 participants were encouraged to implement specific actions at the local level on forests and forest ecosystems and their use and conservation and further develop synergistic processes in this sector in order to contribute to a more effective implementation of the Rio conventions.

UNCCD Executive Secretary Hama Arba Diallo said the workshop provided an opportunity to explore how synergies can support implementation in the best interests of the local, national, regional and global communities. He suggested prioritising actions that accommodate the concerns of all three conventions in the development of national biodiversity strategies and action plans, the UNFCCC national adaptation programs of action (NAPAs) and national action programs (NAPs) to combat desertification.

UNCBD Executive Secretary Hamdallah Zedan outlined decisions taken by the 7th UNCBD Conference of the Parties on collaboration among the Rio conventions and stressed the need to overcome self-imposed boundaries and to learn from each other. He recommended that the workshop be guided by the concepts of integration and collaboration underlying the UNCBD ecosystem approach, and that the Rio conventions' secretariats not only facilitate but also participate in this process.

Through the working groups, participants discussed how the Rio conventions shared a common concern for many environmental and sustainable development issues related to forest ecosystems. The workshop recommendations contained in the Chairman's summary paper addressed a number of cross-cutting issues in terms of standard obligations, implementation measures and the need for capacity-building.

Reported by Douglas Pattie, UNCCD Secretariat

Combating illegal forestry practices

1st National forum on illegal logging and illegal timber trade

26 March 2004

Lima, Peru

This forum, which was organised by the Mesa Nacional de Diálogo y Concertación Forestal Nacional (National Roundtable of Dialogue and Consensus on Forestry), through the Asociación Bosques, Sociedad y Desarrollo, was attended by 161 people, including congressmen, representatives of international cooperation agencies, local and sub-national governments, public and private institutions and non-governmental organisations.

The forum made a series of proposals that will be presented to national authorities for possible action including in a work plan to combat illegal logging in Peru. Some of the proposals are:

- the creation of a multi-sectoral executive commission against illegal logging in Peru under the presidency of the Ministry Council;
- the establishment of the previously proposed forest concessions supervisory body (OSINFOR) and the approval of its regulation and implementation; and
- the promotion of reforestation projects in coastal and highland areas to ease the pressure on natural forests and the promotion of the diversified use of the forest by local communities in order to obtain economical benefits without destroying the forests.

Reported by Mauro Rios

Preparations laid for the review of the international arrangement on forests

4th Session of the United Nations Forum on Forests (UNFF)

3–14 May 2004

Geneva, Switzerland

One of the four resolutions adopted at this session, Resolution 4/4, addressed the process to facilitate a review of the effectiveness of the International Arrangement on Forests (IAF).

Established in 2000, the IAF comprises the UNFF and the Collaborative Partnership on Forests (CPF) and has the main objective of promoting the management, conservation and sustainable development of all types of forests and to strengthen long-term political commitment to this end. According to its multi-year work program (2001–2005), the UNFF will, at its 5th session in 2005, review the effectiveness of the IAF.

Although the review is to be undertaken next year, it dominated the scene at the 4th session. This is because the review will have a direct bearing on the future of the on-going post-United Nations Conference on Environment and Development (UNCED) forest process which, thus far, has passed through a number of stages from UNCED to the Commission on Sustainable Development (CSD), the Intergovernmental Panel on Forests (IPF), the Intergovernmental Forum on Forests (IFF) and the UNFF, all at a snail's pace. While it is generally felt that the status quo falls short of being adequate, there seems to be a plethora of ideas about the post-UNFF 5 scenario. The run-up to the review is rekindling the contentious debate on a forest convention, which, in the past, had ended in acrimony.

Process to facilitate the review

Intense consultations took place during this session regarding the scope and modalities of the review and the preparatory process leading to it. The adopted resolution recommends that preparations for it should be open, transparent and comprehensive in scope. It requests the transmission to member states, CPF members (such as ITTO) and other relevant parties of guidelines for reports on the implementation of IPF/IFF proposals for action, a questionnaire for the review of the effectiveness of the IAF, and

baseline information relevant to the specific criteria for the assessment of the effectiveness of the IAF. Member states, CPF members and other relevant parties are invited to submit reports on the implementation of the IPF/IFF proposals for action and responses to the questionnaire. A Secretary-General report based on the information and responses will be prepared for consideration by the UNFF at its 5th session. A global overview of progress towards sustainable forest management (SFM) will also be tabled.

At its 4th session, the UNFF noted the progress in the preparations for the meeting of an Ad Hoc Expert Group on Consideration with a View to Recommending the Parameters of a Mandate for Developing a Legal Framework on All Types of Forests (AHEG PARAM), scheduled to take place at United Nations Headquarters, New York on 6–10 September 2004. The report of AHEG PARAM, together with a Secretary-General report on the subject, will be tabled for the consideration of the UNFF at its 5th session.

Other substantive items on the agenda

Despite preoccupation with the review of the IAF, other items on the agenda were dealt with at the 4th session. These included progress in and means of implementation of the IPF/IFF proposals for action and the UNFF plan of action for the selected thematic elements of: traditional forest-related knowledge (TFRK); forest-related scientific knowledge; social and cultural aspects of forests; monitoring, assessment and reporting, concepts, terminology and definitions; and criteria and indicators of sustainable forest management (SFM). For each of these elements, common items covering multi-stakeholder dialogue (MSD), enhanced cooperation (EC), country experiences and lessons learned, emerging issues relevant to country implementation, intersessional work, monitoring, assessment and reporting, promoting public participation, national forest programs, trade, and enabling environment were also addressed. The MSD, EC and international work were deliberated upon as self-standing sub-items.

Unresolved items

Consensus was not reached on the draft resolutions relating to TFRK and EC at this session. The deliberation on TFRK was fraught with difficulties arising from the complexity and contentious nature of the core issues involved, particularly the rights of indigenous peoples, access to and benefit-sharing of TFRK, and intellectual property rights. By the same token, differences in views on the appropriate relationship between SFM and the ecosystem approach under the CBD scuttled negotiations on the draft resolution on EC, at the cost of a number of agreed points including the linkage between SFM and the Millennium Development Goals.

While the outcomes of the 4th session of the UNFF may be regarded as mixed, all eyes are on the run-up to the 5th session, which many see as a watershed in defining the future of the multilateral forest process.

Reported by Amha bin Buang, ITTO Secretariat, eimi@itto.or.jp