



# Legal & Sustainable Supply Chains ITTO's Program and Implementation

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## Thematic Workshop 3 CBFP MOP 20

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INTERNATIONAL TROPICAL TIMBER ORGANIZATION (ITTO)



# ITTO Pilot Programme Lines



- Legal & Sustainable Supply Chains (LSSC)
- Conservation of Biodiversity and Ecosystem Services
- Forest Landscape Restoration and Resilient Livelihoods
- Emerging Issues and Innovation

# ITTO's LSSC Programme



- Enhance tropical timber **supply and value chains**, from the forests to the market, to achieve legality and sustainability.
- Improve **Capacities** of legal and sustainable supply chains, and facilitate business **collaboration** and networking.
- Provide nature-based solutions for SDGs.
- Funded by BMEL, Germany and China, USA at its initial phase (Jun 2019- Dec 2021)



# LSSC Programme: Initial Activities

- Incentives for green-growth value chain investments in tropical forests.
- Supporting the establishment and operation of the Global Legal and Sustainable Supply Chain (LSSC) Platform.
- Study of the Blockchain-based International Timber Tracking System (BTTS) for building sustainable wood supply chains.
- Expand and update the Timber Trade Portal (TTP): Towards well-informed legal trade.
- Promotion of smallholders' forest landscape restoration in West Africa.
- Development of training curricula for Central African Countries on legal and sustainable supply chains.



# ITTO's LSSC Programme: International Forum for Forest Industry



## ■ **International Forum:** Together towards Global Green Supply Chains—A Forest Products Industry Initiative.

- Held in Oct 2019 in Shanghai, China
- ITTO with ATIBT, NFGA, CTWPDA
- 370 participants
- A dialogue for forest industries in LSSC
- Established the Global Green Supply Chain Network. [www.itto-ggsc.org](http://www.itto-ggsc.org)



# LSSC-GGSC Platform



- **LSSC-GGSC Business Information Exchange Platform**
  - Aug 2019-Dec 2021
  - LSSC-GGSC website (<http://itto-ggsc.org>) was in operation since June 2020.
  - The GGSC index initially operated since Jan 2020 and published monthly at [http://itto-ggsc.org/site/article\\_zsbq/id/44](http://itto-ggsc.org/site/article_zsbq/id/44).
  - Collaboration among timber producers, buyers, processors, consumers.
- **Study of the Blockchain-based International Timber Tracking System (BTTS)**
  - July 2020-Dec 2021
  - Conceptual framework developed and case studies conducted in Gabon and Cameroon through online activities.
- **Timber Trade Portal: Towards well-informed legal trade**
  - Mar – Dec 2021
  - TTP website <https://www.timbertradeportal.com> renewed and expanded.

# LSSC training modules for the Congo Basin *transferable to other tropical regions*



- Aimed at:
  - expanding market access
  - contributions to sustainable development, climate-change mitigation.
- Implemented in ITTO member countries in the Congo Basin region (**Cameroun, CAR, ROC, DRC and Gabon**)
- **Four modules:**
  - 1) Understanding “zero deforestation”
  - 2) Assessing legality and achieving accountability
  - 3) From legality to sustainability
  - 4) Markets and market access.
- Cover **best practices in legality, sustainability and traceability** (as required by international markets).
- Designed for use by a wide range of stakeholders.

[www.itto.int/resources/?resType=learning-materials](http://www.itto.int/resources/?resType=learning-materials)





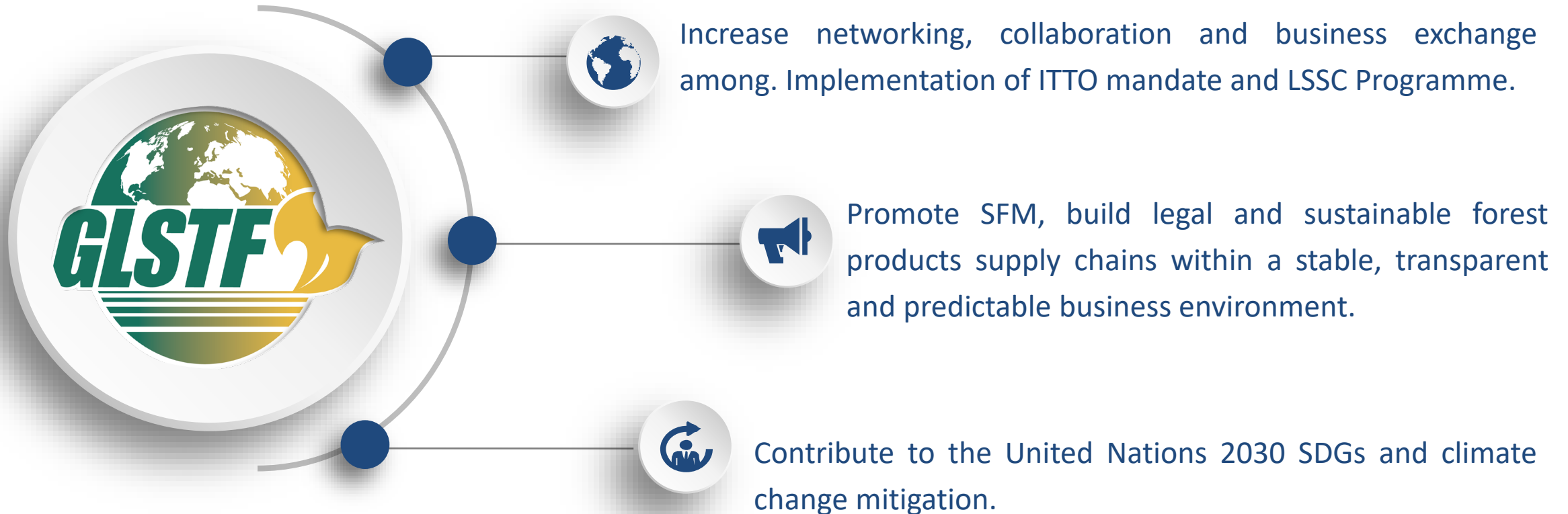
# LSSC: Programme ongoing



- Collaborative Framework Between ITTO and IPIM of Macao SAR, China.
- Global Legal & Sustainable Timber Forum for Building Legal and Sustainable Forest Products Supply Chains, **GLSTF**.
- Global Timber Index, **GTI**.
- Blockchain-based Timber Traceability System, **BTTS**
- Global Green Supply Chains, GGSC platform.



# Global Legal & Sustainable Timber Forum (GLSTF) Objective





# Global Legal and Sustainable Timber Forum - GLSTF 2023

- Co-hosted by ITTO and Macao IPIM, Organized by GGSC.
- **700** participants from **36** countries.
- **Theme:** Connect, cooperate and share to promote the recovery of the global tropical timber market.
- **Congo Basin** is a focus.
- Main Forum + 4 Sub-forums + Other events.
- 4 Specialized Sub-forums:
  - Timber legality and sustainability
  - resources, markets and trade
  - Processing technology and machinery
  - Green finance and innovative facilitating measures
- Legal and Sustainable Timber Industry **Display**.
- Other events: Side events, B2B Matchings, Releases
- Simultaneous interpretation: Chinese, French, English, Spanish and Portuguese.





# Global Legal and Sustainable Timber Forum —GLSTF 2023 Achievements



- First global forum for LSSC.
- A Key Message from the GLSTF 2023.
- Release **Global Timber Index (GTI) Platform**.
- Release **Collaborative Operation of Blockchain-based Timber Traceability System (BTTS)**
- Joint Declaration of Intent (JDol) for Sustainable Forest Management and Responsible Timber Industry Operation.
- China-Africa Timber Green Supply Chain Action Signing Agreement.
- Many Chinese enterprises with operation in CB participated.



# Global Legal and Sustainable Timber Forum —GLSTF 2024

## MGM COTAI, Macao SAR, China



### Theme of GLSTF 2024

“Together Towards Reliable And Effective  
Global Timber Supply Chains”



### Date

11-12 September, 2024  
2 days



### Forum Structure

- 1) The Global Legal and Sustainable Timber Forum  
(the main forum).
- 2) Four specialized subforums  
(subforums).



### Legal & Sustainable Timber Industry Display

A legal and sustainable timber industry display will  
be organized in parallel with GLSTF 2024, with  
around 30 booths.

- The main forum will discuss topics related to *reliable and stable timber resource supplies, trust and effectiveness along timber supply chains, and the prospects for revitalizing global timber supply chains.*
- 700 participants expected.
- The specialized subforums, which will be organized by partner agencies, will contribute to the GLSTF 2024 theme through the following topics: *timber legality and sustainability; sustainable timber resources, markets and trade; advanced technology and machinery for wood processing; and green finance and innovative facilitating measures.*



# Global Legal and Sustainable Timber Forum GLSTF



# Global Timber Index (GTI) Platform

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1

The **objective** of this activity aims to establish and operate a GTI platform to facilitate business information and data exchange and collaboration, for building LSSC and increasing trade in a stable, transparent and predictable business environment.

2

## Main outputs

- GTI collaborating platform: interactive and feedback activities
- GTI monthly index reports: 20 issues
- Specialized indexes: GTI-Producers and GTI-Woodbased Panel (GTI-WBP).

3

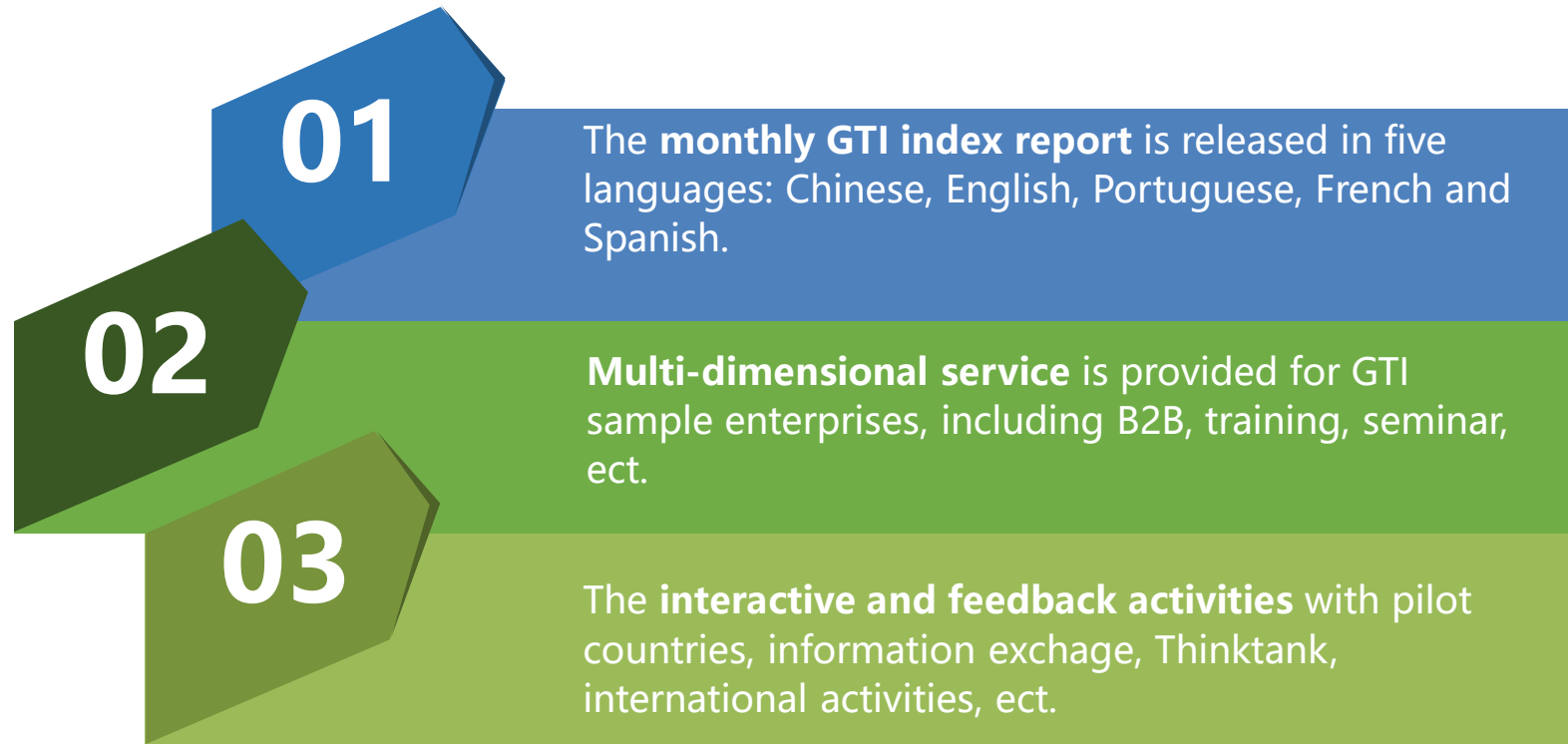
Information exchange and cooperation enhanced. The policy, market, and economic related information, strengthen stakeholders' understanding and preparation for status and trends of timber industry. The GTI is expected to be gradually developed into a **barometer** for timber sector.



# GTI Platform



- 10 pilot countries participated, including the **Congo, Gabon, Ghana, Indonesia, Malaysia, Thailand, Brazil, Mexico, Ecuador, and China.**
- 200 advantageous enterprises from 10 pilot countries actively involved.



# GTI Monthly Report

## Doldrums continue in timber markets, despite significant improvement in Brazil and Mexico

Home / News

16 January 2024



A worker in a woodflooring factory in Brazil. Photo: R. Carrillo/ITTO

**16 January 2024:** Timber markets in Brazil and Mexico showed noticeable improvements in December 2023, despite a downturn in the overall performance of the sector, as indicated by the latest edition of the *Global Timber Index (GTI) Report*, released today. The ITTO-supported *GTI Report* tracks the timber sectors in seven pilot countries around the world.

Although the GTI values for Mexico (40.9%) and Brazil (49.7%) were still below the threshold of 50% (thus indicating overall decline in the sector) in December, they were up by 12.1 and 7.2 percentage points, respectively, compared with November, suggesting that the downturn in the timber sector had eased in the two countries. In Brazil, there was a marked increase in the volume of new orders.

### Related tags:

- Gabon
- The Congo
- sustainable timber
- legal timber
- Global Timber Index
- business information
- timber trade data
- China Macao SAR
- Malaysia
- Mexico
- Indonesia
- Brazil
- China

### Top stories

More

- > New policy brief identifies lessons for building domestic markets for legal and sustainable wood
- > Nominees sought for Wangari Maathai Forest Champion
- > Doldrums continue in timber markets, despite significant improvement in Brazil and Mexico
- > Timber-sector downturn eases in producer countries
- > Strengthening tropical timber supply chains
- > Sustainable forest use is a

## 全球林产品绿色供应链倡议 GLOBAL GREEN SUPPLY CHAINS INITIATIVE

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TIME  
12  
2023

### GTI Report - December 2023

The Global Timber Index (GTI) report for December 2023 revealed that compared with the previous month, the GTI indexes of Mexico and Brazil rose by 12.1 and 7.2 percentage point

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11  
2023

### GTI Report - November 2023

The Global Timber Index (GTI) report in November 2023 revealed that the downturn in business prosperity had eased in some timber-producing countries (including Indonesia,...

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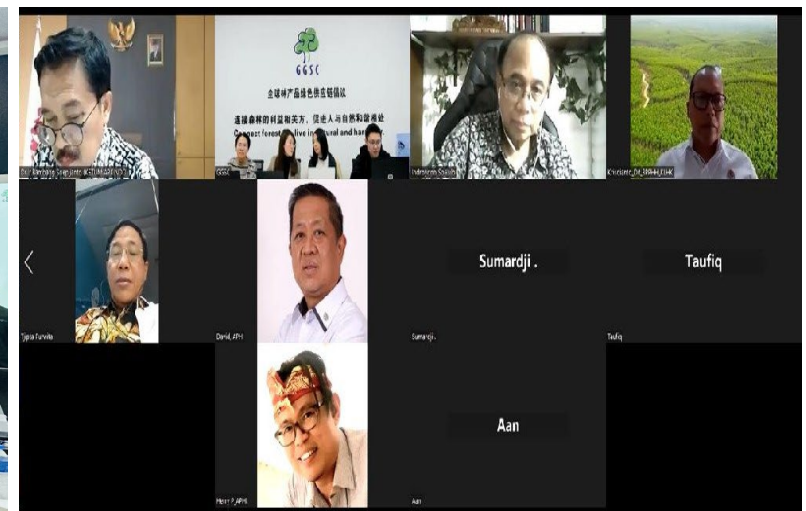
TIME  
10  
2023

### GTI Report - October 2023

The Global Timber Index (GTI) Report in October 2023 shows that since the beginning of this year, the Chinese government has rolled out a series of policies to support the developm...



# GTI platform & Multi-Dimensional service





# Blockchain-based Timber Traceability System

## BTTTS Features



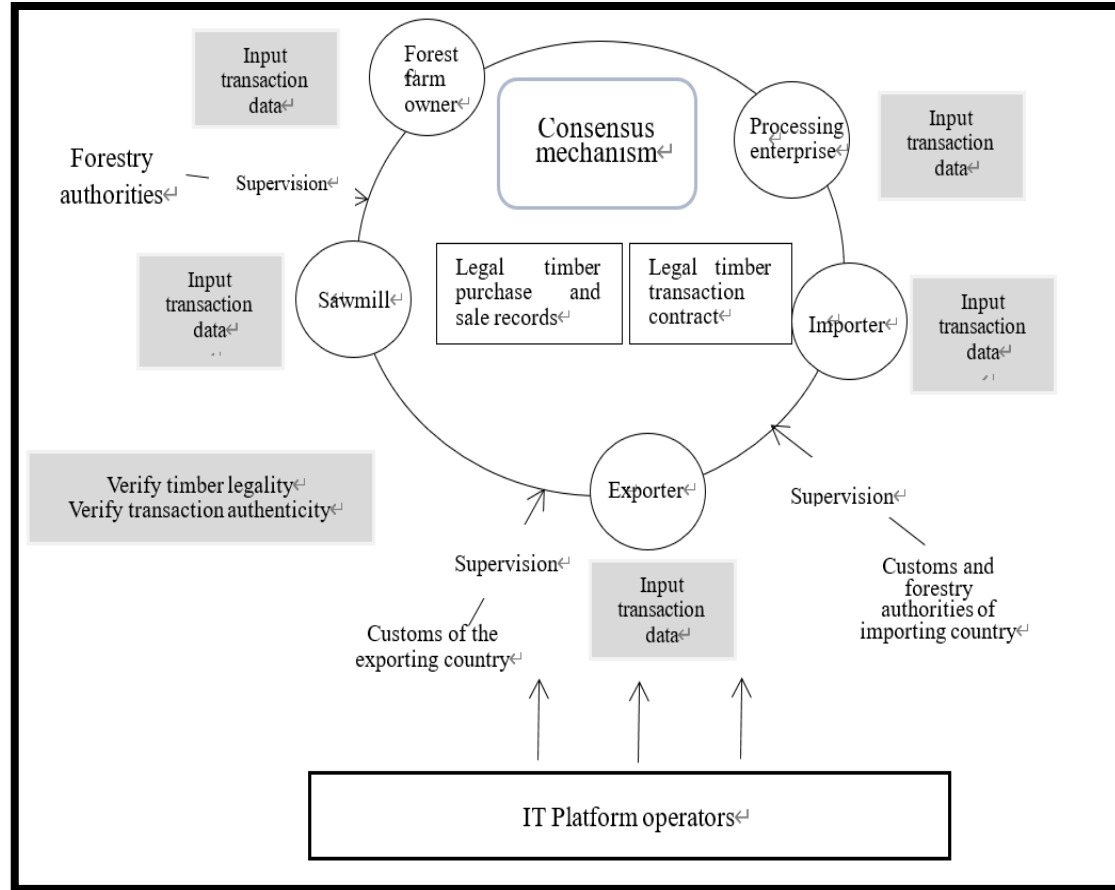
- Openness, tamper-proof modification, anonymity, traceability, can't be edited or deleted, "decentralized" characteristics
- Successfully used in many fields such as food safety, vaccine traceability, drug, and device traceability.
- Technical advantages manages timber **traceability effectively**, enhance the **collaboration efficiency** of stakeholders in the timber supply chain, reduce the **costs** of timber legality and sustainability certification, and increase transparency of timber market.





# Blockchain-based Timber Traceability System

## BTTS Activity Phases



- 2020-2021: BMEL funded: BTTS **theoretical architecture**.
- 2022-2023: Macao IPIM funded 1st phase: Supporting Pilot **Collaborative Operation** of the Blockchain-based Timber Traceability System (BTTS).
- 2023-2024: Macao IPIM funded 2nd phase: Establishing and Testing a **Simulation Platform** for Cross-border.
- 2024-2025: Macao IPIM funded 3rd phase: Upgrading the BTTS platform and conducting Application Tests in **Practical Operation Scenarios**.
- GLSTF 2023: released BTTS report

**WORK WITH US!**  
**GLSTF: 11–12 Sept 2024, Macao**

**ITTC60: 1–6 Dec 2024,  
Yokohama, Japan!**



**LSSC online  
course**



**ITTO Policy  
Series**



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