



Federal Ministry
of Food
and Agriculture



CONSOLIDATED 1ST PROGRESS REPORT ITTO-BMEL PROJECT

Promoting Quality Timber Production in Smallholders and Community-based
Teak and Other Valuable Species Plantations in the Tropics
Project number: PP-A/54-331A



Executing Agency: ITTO

Collaborating Agencies

Cambodia: Forestry Administration

Thailand: Royal Forestry Department/Kasetsart University

Vietnam: Vietnamese Academy of Forest Sciences

India: Indian Council of Forestry Research & Education

Indonesia: Ministry of Environment and Forestry

Togo: University of Lomé

Germany: Thünen Institute of Forestry

1 November 2023 – 30 June 2024



Brief of the Project

Project Title:	Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics
ITTO Project Number:	PP-A/54-331A
Project Objective:	Contribute to increasing the economic and social contributions of smallholder teak and other valuable species plantations in the tropics to facilitate the achievement of the Sustainable Development Goals (SDGs) for a sustainable future.
Donor:	Ministry of Food and Agriculture (BMEL), the Government of Germany
Duration:	36 months
Starting Date:	1 November 2023
Completion Date:	31 October 2026
Executing Agency:	ITTO Secretariat
Collaborating Agencies:	Kasetsart University (KU) in collaboration with Cambodia: Forestry Administration Thailand: Royal Forestry Department/Kasetsart University Vietnam: Vietnamese Academy of Forest Sciences India: Indian Council of Forestry Research & Education Indonesia: Ministry of Environment and Forestry Togo: University of Lomé
Project Budget:	USD 1,413,449

Key contact persons:

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1. Description of the work implemented in the period

The activities implemented in the period covered by the 1st progress report from 1 November 2023 to 30 June 2024 complied with the Workplan activities indicated in the Inception Report dated 19 January 2024. Sub-activities were incorporated into those activities in the 1st Yearly Plan of Operation (YPO), which was submitted to the ITTO in January 2023 and approved at the Inception Workshop held in Bangkok, Thailand, and the Project Steering Committee on 25 January 2024. They are shown in the Workplan Progress table. Most activities implemented in Cambodia, Thailand, Vietnam, and Togo were executed as planned. However, the physical activity implementation in India and Indonesia has not been started due to the delayed signing MOU between ITTO and these two participating countries. It is hoped that both countries can speed up the activity implementation and catch up with the planned activities in due course.

The implementation of the Workplan from 1 November 2023 to 30 June 2024 is summarized as follows:

1.1 Recruitment of Regional Project Manager and Project Staff

The ITTO and KU of Thailand with the support of the Royal Forest Department (RFD) have agreed to cooperate to support the project **PP-A/54-331A ‘Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics Project number** or ITTO-BMEL Smallholder Teak and Other Economic Species Plantation, which was financed by the Ministry of Food and Agriculture, Government of Germany. The MoU between ITTO and KU was signed on 6 September 2023 (Annex 1). In addition, ITTO also issued No Objection Letter (NOL) from ITTO to nominate Professor Yongyut Trisurat of the Kasetsart University Faculty of Forestry (KUFF) of Thailand as the Regional Project Manager (RPM) (Annex 2) and the Project Staff (Project Secretary and Project Finance) (Annex 3).

Besides Thailand’s Royal Forest Department (RFD), the Regional Project Manager coordinates with the remaining four implementing agencies in the Asia-Pacific Region, including Cambodia’s Forestry Administration (FA), the Vietnamese Academy of Forest Sciences (VAFS), Indonesia, the Ministry of Environment and Forestry, and India’s Ministry of Environment, Forestry and Climate Change (MoEFCC), as well as University of Lome in Togo, West Africa.

1.2 Project Steering and Project Technical Committee

Project Steering Committee (PSC)

The President of Kasetsart University officially appointed the Project Steering Committee (PSC) on 3 January 2024. The PSC is chaired by the Director-General of the RFD and other 17 members, including ITTO, BMEL, representatives of six participating countries, Forest Industry Organization (FIO), relevant agencies, and forestry experts in which the Regional Project Manager serves as the Secretary. The primary role of the Project Steering Committee (PSC) is to oversee the implementation of the Activity, approve expenditures within the budget, review the activities that have been carried out, and review and propose changes in budgets and activities. The PSC members monitor the overall strategic management of the Project and ensure that it proceeds in a timely, efficient and effective manner following its work plan and other aspects of the Project document. The PSC meeting will be conducted at least once a year or three times during the project duration with venues and agendas to be drafted and discussed among the ITTO, and Country Coordinators of the six participating countries.

The list of members for the PSC is below:

1. Director General of Royal Forest Department	Chairman
2. Dean, Kasetsart University Faculty of Forestry	Deputy-chairman
3. Managing Director of Forest Industry Organization	Member
4. Representative of Forest Administration, Cambodia	Member
5. Representative of the Indian Council of Forestry Research & Education	Member
6. Representative of Vietnamese Academy of Forest Sciences (VAFS)	Member
7. Representative of Ministry of Environment and Forestry, Indonesia	Member
8. Representative of University of Lomé, Togo	Member
9. Representative of ITTO	Member
10. Representative of the Ministry of Food and Agriculture (BMEL), Germany	Member
11. President of Forestry Alumni Society, Thailand	Member
12. Mr. Suchat Kalyawongsa, Forestry Expert	Member
13. Mr. Sapol Boonsermsuk, Forestry Expert	Member
14. Director of Research and Forest Development Office, RFD	Member
15. Director of Forest Economics Office, RFD	Member
16. Director of Forestry Foreign Affairs Office, RFD	Member
17. Regional Project Manager	Member and Secretary
18. Director of International Cooperation and Organization Division, RFD	Member and Assistant Secretary

A copy of the official appointment is attached in Annex 2.

According to the preliminary discussion with ITTO and BMEL, the first PSC meeting will be organized in the 2nd half of 2024 (September-October 2024). This is due to the delayed signing of MOUs with India and Indonesia. Specific schedule and venue will be notified to ITTO, BMEL, and PSC members at least 1 month before the actual meeting.

Project Technical Committee (PTC)

In addition to the PSC, the President of Kasetsart University also officially appointed a Project Technical Committee (PTC) to support the work of the PSC through a periodic review of the implementation of all activities geared to the achievement of the Activity's objective. The PTC consists of technical team members of the participating countries and experts. PTC will meet at least once a year in conjunction with the PSC meetings. Functions of the PTC will include the following duties: 1) collaborate with RFD, relevant agencies, and smallholders to facilitate project implementation, 2) monitor activities conducted by project staff, 3) provide information to project teams to facilitate project implementation, 4) coordinate with national, private sectors and smallholders in the pilot provinces to effectively implement the assigned tasks, and 5) supervise the Regional Project Manager and Consultants in preparing the technical reports and work plans as required by the ITTO. The Director of Research and Forest Development Office, RFD (Dr. Suwan Tangmitcharoen) kindly serves as the Chair of PTC.

List of members for the PTC is below:

- | | |
|--|----------------------|
| 1. Director of Research and Forest Development Office, RFD | Chairman |
| 2. Cambodia National Project Coordinator | Member |
| 3. India National Project Coordinator | Member |
| 4. Indonesia National Project Coordinator | Member |
| 5. Thailand National Project Coordinator | Member |
| 6. Vietnam National Project Coordinator | Member |
| 7. Director of Forest Economics Office, RFD | Member |
| 8. Director of Silviculture Division, RFD | Member |
| 9. Representative of Forest Industry Organization | Member |
| 10. Dr. Saroj Wattanasuksakul, Senior Expert | Member |
| 11. Mr. Suchat Kalyawongsa, Forestry Expert | Member |
| 12. Mr. Sapol Boonsermsuk, Forestry Expert | Member |
| 13. Regional Project Manager | Member and Secretary |

1.3 Appointment of Project Staff

The project management team consists of the Regional Project Manager (RPM), and six National Activity Coordinators to execute and coordinate activities in the recipient countries. The management team is under the supervision of the PSC and collaborates with the PTC. Figure 1 shows the organizational structure of the Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics and the interactions between the executing agencies, PSC, PTC, and consultants.

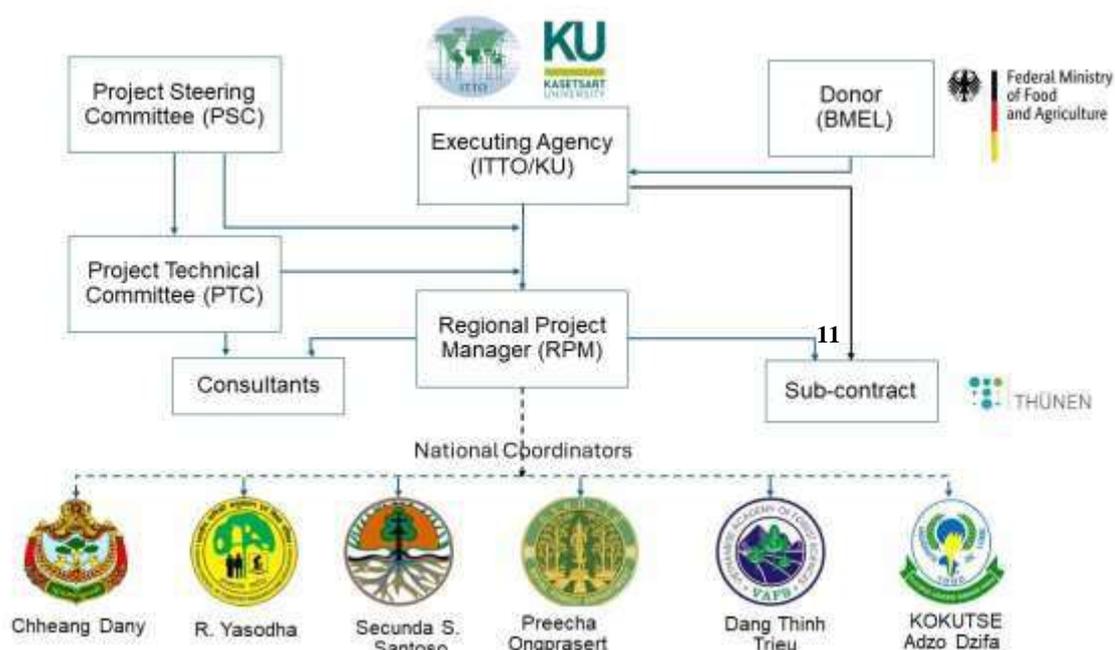


Figure 1 Organization chart of the ITTO-BMEL Teak and Other Economic Species Plantation Project

Meanwhile, the five participating countries also appoint National Coordinators and supporting staff to execute project activities.

The project management team for the Thailand Component consists of a Project Coordinator, Project Manager, Project secretary and Project Finance and local/international consultants. Project planned activities are executed with the cooperation and assistance of partners as indicated in the previous section.

The appointment of the project's main staff has not been nominated by each participating country. It is noted that project staff of all participating countries are working in normal positions and are assigned to assist with the project as additional work. The proposed names, positions and contact details for each participating country are shown below.

Cambodia Component

The Forestry Administration (FA) assigns the project teams at Project Office in Phnom Penh, Cambodia. Names, positions and contact details are shown in table below.

Position	Name	Position/Tel/E-mail
Project Coordinator	Mr. Chheang Dany	Email: wpo@online.com.kh ; Phone: (855-12) 867-477
Deputy Project Coordinator	Mr. Say Sinly	Email: saysinlyrua@gmail.com ; Phone: (855-17) 909 768
Project Finance	Ms. Lim Sopheap	Email: sopheap73@yahoo.com ; Phone:(855-61) 939-929
Project Secretary	Mr. Pang Phanit	Phone:(855-17) 913-127
Field Assistant	Mr. As Brosden	Phone:(855-71) 544-2013
Field Assistant	Mr. Kong Kongkea	Phone:(855-17) 944-468
Field Assistant	Mr. Phoung Sophea	Phone:(855-17) 222-745

India Component (TBD)

The project received email from Indian delegates that the Ministry of Environment, Forestry and Climate Change (MoEFCC) has assigned Dr. R. Yasodha (Scientist G) affiliated with the Division of Plant Biotechnology, ICFRE- Institute of Forest Genetics and Tree Breeding (ICGRE) as the Project Coordinator for India and Dr. Rekha Warriar (Scientist F), ICFRE-IFGTB as the Project Investigator. An official notification will be sent after approval from the Ministry of External Affairs and MoEFCC.

Position	Name	Position/Tel/E-mail
Project Coordinator	Dr. R. Yasodha	Scientist G., CFRE-IFGTB Tel: 94878 41515 Email: yasodha@icfre.org
Project Investigator	Dr. Rekha Warriar	Scientist F., CFRE-IFGTB Tel: 94429 18647 Email : rekha@icfre.org
TBD		

Indonesia Component (TBD)

Similar to India, the MoU between ITTO and Indonesia's Ministry of Environment and Forestry has not been signed. In addition, the appointment of the project's main staff has not yet been made, but initial contact has been conducted with individuals. It should be noted that project staff work in normal positions and will be assigned to assist with the project as additional work. The proposed names, positions, and contact details are presented in the Table below.

Position	Name	Position/Tel/E-mail
Project Coordinator	Dr. Secunda S. Santoso	secunda.e28@gmail.com /+62 813-7006-2899
TBD		
TBD		

Thailand Component

The Director-General of the RFD assigned several staff to support the ITTO-BMEL Teak and Other Economic Species Plantation Project. Key staff includes Dr. Preecha Ongprasert (serve as national Coordinator), Dr. Suwan Tangmitcharoen (serve as Chair of the PTC) and Mr. Montree Intasen (Deputy Project Coordinator). Apart from these three key persons, the DG of RFD also appointed seniors staff to serve as the PSC and PTC members (Annex 2 and 3). The proposed names, positions and contact details are shown below.

Position	Name	Position/Tel/E-mail
National Project Coordinator	Dr. Preecha Ongprasert	Director of Forestry Foreign Affairs Office, Royal Forest Department Tel. +66-2561-4192-3 ext. 5034 Fax +66-2561-3109 Mobile +66-8-9118-2351 E-mail: precha_ong@yahoo.com
Chair of the PTC	Dr. Suwan Thangmitcharoen	Director of Forestry Research and Development, RFD Tel: 66 81 667 2987 Email: suwan@gmail.com
Deputy Project Coordinator	Mr. Montree Intasen	Director of International Cooperation and Organization Division, RFD

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Vietnam Component

Vietnamese Academy of Forest Sciences (VAFS) has assigned the project's main staff to supply the implementation of the ITTO-BMEL Teak Project. It is noted that all project staff are working in normal positions but are assigned to assist with the project as additional work. Names, positions, and contact details are shown in the Table below.

Name	Title	Position/Tel/E-mail
Dr. Tran Lam Dong	Chair of the Project Technical Working Group (PTWG) for Vietnam	Vice Director of VAFS Tel: (84) 986 506 018 E-mail: tranlamdong@gmail.com

Name	Title	Position/Tel/E-mail
Dr. Dang Thinh Trieu	Project Coordinator	Head of Silviculture Techniques Department – Silviculture Research Institute (SRI) – VAFS Tel: (84) 984 174 696 E-mail: thinhtrieu@hotmail.com
Ms. Dang Nhu Quynh	Secretary	Tel: (84) 986 727 259 E-mail: tranlamdong@gmail.com
Dr. Le Van Quang	Field Assistant	Senior researcher – Applied Silviculture Research & Extension – SRI - VAFS Tel: (84) 974 217 901 E-mail: vanquanglamnghiep@gmail.com
Mr. Duong Quang Trung	Field Assistant	Researcher – SRI – VAFS Tel: (84) 975 848 729 E-mail: duongquangtrung87@gmail.com
Nguyen Thuy Duong	Field Assistant	Researcher – SRI – VAFS Tel: (84) 981 344 735 E-mail: nguyenthduong1205@gmail.com

To enhance the efficiency of the project's implementation, the Vietnamese Academy of Forest Sciences has appointed a Project Coordinator. This appointment extends to the Project Steering Committee and the National Project Coordinating Committee. This role is crucial for facilitating project-related interactions with government bodies and various stakeholders, encompassing donors, academic entities, and the private sector.

Additionally, the project management team in Vietnam has assigned the same Project Coordinator to take responsibility for communicating with other Project Executing Agencies in countries like India, Indonesia, Cambodia, and Thailand. This includes liaising with relevant Vietnamese government ministries and agencies, particularly the Ministry of Agriculture and Rural Development of Vietnam. This is done to guarantee the project's execution under suitable institutional frameworks. Moreover, the Project Secretary will play a vital role in coordinating daily project activities, particularly those involving provincial stakeholders, to ensure effective and regular coordination.

Togo Component

Togo through the Forest Research Laboratory (LRF) of the University of Lome oversees the overall implementation of the Project within Togo and West Africa, organizes key meetings, and participates in the Project Steering Committee.

The National Project Coordinator in Togo acts as a direct liaison between the Forest Research Laboratory (LRF) and the Regional Management Team. This role involves submitting reports, including the inception report, progress reports, and the completion to the executing agency. The National Project Coordinator will work closely with the RPM to ensure seamless coordination.

Position	Name	Tel/E-mail
Project Steering Committee member	Prof. KOKOU Kouami	+22890020411 kokoukouami@hotmail.com
National coordinator	Prof. KOKUTSE Adzo Dzifa	+22890865207 mimidam@hotmail.com
Project Committee Member Working on the silviculture of Teak in Togo	Dr. ADJONOU Kossi	+22890244301 adjonoukossi@hotmail.com
Project Committee Member Working on Teak wood quality in Togo Field Assistant	Dr. SEGLA Kossi	+22890934433 kosiseгла@gmail.com
General Director of the Forest Development and Exploitation Office (ODEF), ITTO Focal point in Togo	Dr. ALABA Pyoabalo	Tél: (+228) 93238595/(+228)90 00 2242 pyoalaba@yahoo.fr
Project Committee Member Head of Forestry and Development Division ODEF/MERF Field Assistant	Mr. SIMTAKO Baléma	+228 22 51 42 17 simtakob2007@yahoo.fr
ODEF/MERF Field Assistant	Mrs. KPATCHA Nadège	+22891696824 Nadegesolim@yahoo.fr
Project Committee Member ODEF	Mr. ASSI Brice	assibrice@yahoo.fr

Besides, the Togo component also established a Technical Committee established to support the work of the National Project Coordinator. The committees include representatives from the Forest Research Laboratory (LRF) and the Office de Development et Exploitation des Forest (ODEF) in the Ministry of Environment and Forest Resources. The committee conducts periodic reviews of activities and disseminates non-confidential information on activities and outputs to interested institutions and individuals.

Kasetsart University

The President of Kasetsart University authorized the Dean of the Faculty of Forestry to work on behalf of Kasetsart University. In addition, the Faculty of Forestry nominated Professor Yongyut Trisurat, Professor of Forestry to serve as the Regional Project Manager (FPM). The PRM is assisted by the Project Secretary and the Project Finance.

Position	Name	Position/Tel/E-mail
Dean, the Faculty of Forestry	Assist. Prof. Dr. Kobsak Wanthongchai	Faculty of Forestry, Kasetsart University Tel 6625790170; Email: fforyyt@ksw.ac.th
Regional Project Manager	Prof. Yongyut Trisurat	Faculty of Forestry, Kasetsart University Tel 6625790176; Email: fforyyt@ku.ac.th
Project Secretary	Miss Saichon Mutarapat	Forestry Foreign Affairs Office, RFD Email: chon-ag44@hotmail.com
Project Finance	Miss Suchanart Suyarat	Email: plantz.sucha@gmail.com

ITTO Secretariat

Title	Name	Position/Tel/E-mail
Central Level		
Project Supervisor	Dr. Tetra Yanuariadi	Projects Manager of Division of Trade and Industry, ITTO Secretariat Tel. 81-45-223-1110 Email: tetra@itto.int

Thünen Institute of Forestry, Germany

The Memorandum of Understanding (MOU) between the International Tropical Timber Organization (ITTO) and Johann Heinrich von Thünen Institute, Federal Research Institute for Rural Areas, Forestry and Fisheries, Germany – represented by the Thünen Institute of Forestry– was signed on January 22, 2024. Based on that, the Thünen Institute has published a vacancy announcement for a research scientist who will be responsible for carrying out the feasibility studies outlined in Outputs 2.1 to 2.4 of the project. At the moment, Thünen is in the middle of the hiring process and the research scientist is expected to start from July 1, 2024 and will be employed by the project for 24 months.

Moreover, Dr. Eliza Zhunusova has been appointed as the project technical supervisor and joined the project on May 1, 2024. She will contribute 10% of her working time to the project, which is covered by the Thünen Institute. PD Dr. Sven Günter will serve as the senior advisor to the project and is a member of the Project Steering Committee (PSC).

Title and name	Position	Contact information
PD Dr. Sven Günter	Head of the Unit Forestry Worldwide	Project Steering Committee (PSC) member Email: sven.guenter@thuenen.de
Dr. Eliza Zhunusova	Senior Scientist on Rural Livelihoods and Socio-Economic Analyses	Project Supervisor Email: eliza.zhunusova@thuenen.de
TBD	Project Staff	

1.4 Consultants

In addition, the project aims to recruit 7 consultants and sub-contract Thünen Institute of Forestry, Germany to support activity implementation and facilitate microfinancing/credit-lending schemes for smallholder teak plantations (Activities 2.1–2.4), respectively. Five consultants are responsible for working at an international scale and coordinating among participating countries, while two consultants are working at national scale (Table 1). It should be noted that each country will engage a consultant for a month contract. For example, the Thailand Component host Consultant#4 **Efficient teakwood transportation and processing**) for one month and Consultant#6 **Value chains**) for one month. Similarly, the India Component also has these two consultants to support activity implementation.

To effectively implement the activities, the delegates attending the Launching Workshop dated 25 January 2024 had a consensus that each country component is allowed to nominate and host the Consultant to carry out the activity within the country with the allocated budget. However, the

consultants assigned to take the same responsibility (Cont#1 for Vietnam, India, Indonesia, and Togo) will coordinate and nominate one Coordinating Consultant as the Editor-in-Chief to consolidate the report and submit it to the national coordinator and the Regional Project Manager.

As of 30 June 2024, the Thailand component completely recruited 2 consultants. Cambodia and Togo have requested NOL to recruit consultants. ITTO partially recruits international consultants to support regional and global scale implementation. India and Indonesia have not started due to the delayed MOU signing processes. The progress of consultant recruitment is shown in Table 1

Table 1 List of national and regional consultants and status

Technical field	Scope	Ref. to Activity framework	Duration	Potential institution/individual	Host country	Status
Consultant 1 Quality Planting Material	International	Activities 1.1, 1.2	4 months	Mr. Cheat Vichet	Cambodia,	Request NOL
				Research Centre for Plant Conservation Botanic Garden and Forestry /National Research and Innovation	Indonesia	Not started
				Dr Phan Minh Quang, Silviculture Research Institute, VAFS	Vietnam,	Request NOL
				Dr Esse AYIGA	Togo	Request NOL
Consultant 2: Field training in seed production/ nursery mgt/ silvicultural practices	National	Activities 1.1, 1.2	3 months	Mr. Phoung Sophea	Cambodia	
				Dr. Vu Dinh Huong, Forest Science Institute of South Vietnam, VAFS	Vietnam,	Request NOL
				Mr. ASSI Hèmou	Togo	Request NOL
Consultant 3: Legality	International	Activities 1.2, 1.3	4 months	IGES	ITTO	
Consultant # 4: Efficient teakwood transportation and processing	National	Activity 1.2	2 months	Assoc. Prof. Dr. Nopparat KAAKKURIVAARA Faculty of Forestry, KU	Thailand	Recruited

Technical field	Scope	Ref. to Activity framework	Duration	Potential institution/individual	Host country	Status
				TBD	India	Not started
Consultant 5: Information management	International	Activities 3.1, 3.2	Package	Dr. P.K. Thulasidas	ITTO/KU	Recruited
Consultant # 6: Value chains	International	Activity 1.2	3 months	TBD	India	Not started
				TBD	Indonesia	Not started
				Mr. Kitipong Tangkit Faculty of Forestry, KU	Thailand	Recruited
Consultant # 7: Teak strategy development	International	Activities	6 months	Dr. Hwan-ok Ma OJEong Resilience Institute, Korea University, Seoul, Korea	ITTO	Potential candidate
Sub-contract with the Thünen Institute of Forestry	International	Activities 2.1-2.4	package	Thünen Institute of Forestry	TIF-Germany	MoU signed
Total			22 months/ 2 packages			Recruited/ signed 3; request NOL 6; not started 6

2. Execution of the Workplan

2.1 Workplan review

The progress in implementation at the last date of the period covered by this report (1 November 2023 – 30 June 2024) is shown below:

Table 2 Workplan progress for the six participating countries

Outputs and Activities	Responsible party	Calendar year 1	Calendar year 2 ('24)				Calendar year 3 (25)				Calendar year 4 ('26)			
		Nov	Quarter				Quarter				Quarter			
		Dec	1	2	3	4	1	2	3	4	1	2	3	Note
Output 1: Supply chains of smallholders and community-based teak and other valuable species plantation and management systems have been strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture, timber processing and legality														
1.1 Conserve teak and other valuable species genetic variation through improved management of existing seed production areas, seed orchards, and provenance/progeny trials/clonal plantations (India, Indonesia, Thailand)	Reg. Proj. Manager Nat. coordinators Consultant # 1 &2													
1.2 Support smallholders and local communities for improved management of existing demonstration plots for teak and other valuable species and field training on the following subjects: (1) seed production/nursery techniques; (2) silvicultural practices and improved stand management, including coppicing as a regeneration method; (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (4) teak value chains and other valuable species and NTFP (5) timber legality and sustainability (all participating countries)	Reg. Proj. Manager Nat. coordinators Consultants # 1,2,3,4 &6													
1.3 Promote timber legal compliance in smallholder/ community plantations, aligning with national and local laws governing forest plantations, management, timber harvesting and legality (global)	ITTO, Reg. Proj. Manager Consultant #3.													
Output 2: Financing schemes for quality timber production in smallholders and community-based teak and other species plantations have been analyzed and improvements have been suggested to increase economic outcomes.														

Outputs and Activities	Responsible party	Calendar year 1	Calendar year 2 ('24)				Calendar year 3 (25)				Calendar year 4 ('26)			
		Nov	Quarter				Quarter				Quarter			
		Dec	1	2	3	4	1	2	3	4	1	2	3	Note
2.1 Carry out a feasibility study for direct contracts/out-grower schemes with sourcing companies to ensure that smallholders' products will be purchased at remunerative prices (all participating countries)	ITTO, Reg. Proj. Manager Nat. coordinators TIF- Germany Consultant #7													
2.2 Carry out a study to promote micro-lending schemes to address the credit constraints of smallholders to explore different options to overcome the problem with collaterals that smallholders often face trees as guarantees, and group-lending to a number of forest growers who can ensure loan repayments from each other (all participating countries)	ITTO, Reg. Proj. Manager Nat. coordinators TIF- Germany Consultant #7													
2.3 Carry out a study to promote the formation of effective forest grower associations to reduce transaction costs and help improve access to micro-credits (all participating countries)	ITTO, Reg. Proj. Manager Nat. coordinator TIF- Germany Consultant #7													
2.4. Carry out a study to access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community-based teak and other valuable species plantations to increase financial security of farmers, address the issue of cash flows, and support their access to micro-lending schemes (global scope)	ITTO Reg. Proj. Manager Nat. coordinators TIF-Germany Consultant #7													
Sub-contract with the Thünen Institute of Forestry to carry out feasibility studies for financing schemes for smallholder teak plantations	TIF-Germany/ITTO													Jan 2024
Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach for sustainable smallholder teak and other species plantations have been strengthened														
3.1 Produce and disseminate outreach and training materials on the conservation and sustainable management of teak and other valuable species plantations and legal and sustainable supply chains in line with outcomes of Activities 1.2 and 2.1-2.4 to support forest policy development (regional scope).	Reg. Proj. Manager Nat. coordinators Consultant #5													Jointly managed by ITTO and KU

Outputs and Activities	Responsible party	Calenda year 1	Calenda year 2 ('24)				Calenda year 3 (25)				Calenda year 4 ('26)			
		Nov	Quarter				Quarter				Quarter			
		Dec	1	2	3	4	1	2	3	4	1	2	3	Note
3.2 Support and facilitate teak networking in ITTO's member countries in Africa, Asia-Pacific and Latin America in collaboration with TEAKNET and other partners through the organization of a quarterly-based Webinar (4 every year) to promote the conservation and sustainable management of teak forest resources and legal and sustainable supply chains (global scope).	Reg. Proj. Manager Nat. Coordinators ITTO/TEAKNET													
3.3 Plan and organize a regional workshops in Thailand for timber legality and another regional workshop in Java, Indonesia with investors and financial institutions to discuss financing schemes promoting quality timber production in smallholder teak plantations (regional scope).	Reg. Proj. Manager Nat. Coordinators ITTO													Jointly managed by ITTO and KU; 1 st Reg workshop Aug-Sep 2024
3.4 Support sharing lessons in promoting the quality teak production and legal and sustainable supply chains at the IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (Kerala, India) for improved global teak collaboration (global scope).	Reg. Proj. Manager ITTO/TEAKNET													Jointly managed by ITTO and KU; IUFRO – Jun 2024
Reporting and monitoring														
Submission of inception report (before start of Project)	Reg. Act. Manager Nat. Coordinators ITTO													Jan 2024
Submission of Yearly Plan of Operation for the first year (before start of Project)	Reg. Act. Manager Nat. Coordinators ITTO													Jan 2024
Submission of progress report (b-annual) with training, workshop, technical report	Reg. Act. Manager Nat. Coordinators ITTO													1 st Prog Report May 2024
Submission of Yearly Plan of Operation for the second and third year (before start of Project for the second year and third year)	Reg. Act. Manager Nat. Coordinators ITTO		Incept./ 1 st PSC		2 st PSC									2 st PSC – Aug-Oct 2024
Submission of financial report (bi-annual) and audited financial report (every twelve months)	Reg. Act. Manager Nat. Coordinators ITTO													Apr 2024
Submission of Project Completion Report	Reg. Act. Manager Nat. Coordinators ITTO													Nov 2026
Technical and Steering Committee Meetings (back-to back) and monitoring	Reg. Act. Manager Nat. Coordinators ITTO													1 st PSC – Aug-Oct 2024

2.2 Progress in Implementation of the Activities

The percentage of completion of activities that appear in the 1st Progress as of 30 June 2024 is shown in Table 3.

Table 3 Progress of the activities for all participating countries

Outputs and Activities	Percentage executed	Original planned completion date	Estimated completion date	Note
Output 1: Supply chains of smallholders and community-based teak and other valuable species plantation and management systems have been strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture, timber processing and legality				
1.1 Conserve teak and other valuable species genetic variation through improved management of existing seed production areas, seed orchards, and provenance/progeny trials/clonal plantations (India, Indonesia, Thailand)	Average 7 India: 0 Indonesia: 0 Thailand: 20 Togo: 15	Aug 2026	Oct 2026	In execution for Thailand and Togo components; Activity not started for India and Indonesia
1.2 Support smallholders and local communities for improved management of existing demonstration plots for teak and other valuable species and field training on the following subjects: (1) seed production/nursery techniques; (2) silvicultural practices and improved stand management, including coppicing as a regeneration method; (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (4) teak value chains and other valuable species and NTFP (5) timber legality and sustainability (all participating countries)	Average 4 Thailand: 25 Vietnam: 10 Cambodia: 5 Togo: 5 India and Indonesia: not started	Aug 2026	Oct 2026	1 out of 4 training sessions was completed for Thailand
1.3 Promote timber legal compliance in smallholder/ community plantations, aligning with national and local laws governing forest plantations, management, timber harvesting and legality (global)	Average 0 Not started	Aug 2026	Oct 2026	Arranged exhibition for the World Forestry Day 2024; const# 3 not recruited

Outputs and Activities	Percentage executed	Original planned completion date	Estimated completion date	Note
Output 2: Financing schemes for quality timber production in smallholders and community-based teak and other species plantations have been analyzed and improvements have been suggested to increase economic outcomes.				
2.1 Carry out a feasibility study for direct contracts/out-grower schemes with sourcing companies to ensure that smallholders' products will be purchased at remunerative prices (all participating countries)	Average 0	Aug 2026	Oct 2026	Activity not started; an online meeting with TIF-Germany was done.
2.2 Carry out a study to promote micro-lending schemes to address the credit constraints of smallholders to explore different options to overcome the problem with collaterals that smallholders often face trees as guarantees, and group-lending to a number of forest growers who can ensure loan repayments from each other (all participating countries)	Average 0	Aug 2026	Oct 2026	Same as the above row
2.3 Carry out a study to promote the formation of effective forest grower associations to reduce transaction costs and help improve access to micro-credits (all participating countries)	Average 0	Aug 2026	Oct 2026	Same as the above row
2.4. Carry out a study to access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community-based teak and other valuable species plantations to increase financial security of farmers, address the issue of cash flows, and support their access to micro-lending schemes (global scope)	Average 0	Aug 2026	Oct 2026	Same as the above row
Sub-contract with the Thünen Institute of Forestry to carry out feasibility studies for financing schemes for smallholder teak plantations	100%	Aug 2026	Oct 2026	MOU b/w ITTO and TIF-Germany was completed.
Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach for sustainable smallholder teak and other species plantations have been strengthened				
3.1 Produce and disseminate outreach and training materials on the conservation and sustainable management of teak and other valuable species plantations and legal and sustainable supply chains in line with outcomes of Activities 1.2 and 2.1-2.4 to support forest policy development (regional scope).	Average 10% 1 out of 18 bi-monthly newsletters Project website V1 - completed	Aug 2026	Oct 2026	Teak Mekong Newsletter volumes 5 (5&6) Dec 2023 Launching workshop

3.2 Support and facilitate teak networking in ITTO's member countries in Africa, Asia-Pacific and Latin America in collaboration with TEAKNET and other partners through the organization of a quarterly-based Webinar (4 every year) to promote the conservation and sustainable management of teak forest resources and legal and sustainable supply chains (global scope).	Not started	Aug 2026	Oct 2026	
3.3 Plan and organize a regional workshops in Thailand for timber legality and another regional workshop in Java, Indonesia with investors and financial institutions to discuss financing schemes promoting quality timber production in smallholder teak plantations (regional scope).	Preliminary discussed	1 st Regional Workshop – discussed and planned in Thailand during Aug-Oct 2024	2 nd Regional workshop – planned in Java during 4 th Q of 2025	
3.4 Support sharing lessons in promoting the quality teak production and legal and sustainable supply chains at the IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (Kerala, India) for improved global teak collaboration (global scope).	Average 25%	IUFRO 2024 held in Jun 2024	5th World Teak Conference 2025 (Kerela – date not yet determined)	4 abstracts are accepted for oral presentation at the IUFRO 2024

Outputs and Activities	Percentage executed	Original planned completion date	Estimated completion date	Note
Submission of inception report (before start of Activity)	100	Jan 2023	Jan 2023	
Submission of Yearly Plan of Operation for the first year (before start of Activity)	100	Jan 2023	Jan 2023	
Submission of progress report (bi-annual) with training, workshop, technical report	15 (1 out of 5 reports)	Every 6 month (May 2024)	May 2026	
Submission of Yearly Plan of Operation for the second and third year (before start of Activity for the second year and third year)	30	Every year (starting from Jan 2023)	Jan 2026	
Submission of financial report (bi-annual) and audited financial report (every twelve months)	15 (1 out of 5 reports)	Every 6 month (May 2024)	May 2026	
Submission of activity completion Report			Jan 2027	3 months after the project completion
Technical and Steering Committee Meetings (back-to back) and monitoring	Not started	Mar 2019 and Sep 2019	Oct 2026	1 st PSC is planned during Aug-Oct 2024 in Thailand

Note: The project period was postponed from September 2023-August 2026 (Project Document) to November 2023-October 2026 (Inception Report)

2.3 Highlight of Achievements

2.3.1 Launching Workshop of ITTO-BMEL project "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics."

Kasetsart University, the RFD and ITTO jointly organized a Hybrid Launching Workshop at Rama Garden Hotel in Bangkok, Thailand on 11-14 October 2023. During this event, in addition to Opening Remarks by DR. Tetra Yanuariadi of ITTO and a keynote presentation on wood-based bio-economy by Dr. Suwan Tangmitcharoern, the Regional Project manager (RFD, Prof. Yongyut Trisurat) introduced the project's objectives, strategies, and expected outcomes to outline the collaborative efforts required to achieve our shared goals. Meanwhile, onsite and online delegates, forestry experts, and partners also shared experiences and are committed to fostering quality timber production practices. After the launching event, consultation meetings will take place with key stakeholders including smallholders in Thongphaphum District, Kanchanaburi province. 36 delegates attended the workshop onsite, and 15 delegates attended online.

During the field visit, the participants had the opportunity to visit FIO's Teak Plantation (Kroeng Krawia Reforestation St.) located at Thongphaphum District, Kanchanaburi Province. Delegates discussed with the Head of Kroeng Krawia Reforestation Station on silvicultural practices, yield & thinning and cutting rotation. In addition, delegates monitored the Clonal test and its growth performance implemented during the 1st ITTO Teak Project. Furthermore, the delegates also visited smallholder plantations at Thongphaphum District (Uncle San) and discussed the opportunity of Microfinance mechanism (tree bank), passive income from carbon credit, other economic incentives, and obstructions/Needs: market, capacity, etc.

The activity of Launching Meeting and Field Visit was published in 3 local newspapers (Thatrat, Khaosod and Pracha News online) and RFD website. The minutes of the Hybrid Launching Workshop is attached in Annex 6. In addition, Dr. Thulasidas (former TEAKNET Coordinator and now serves as Consultant#5 Information Management) also nicely summarized the events and disseminated them in the bi-monthly Teak Mekong Newsletter issue 5, 2023.





Photo 1 Group photo of delegates attending the Hybrid Launching Workshop (above); meeting with Managing Director of FIO (middle left); teak clonal experiment plot in Kanchanaburi Province (middle right); cutting teak logs (lower left); teal log yard ready for transportation (lower right)

2.3.2 Disseminating project achievements at the 59th International Tropical Timber Council (ITTC 59)

ITTO invited Prof. Yongyut Trisurat to participate in the 59th ITTC meeting in Pattaya, Thailand on 13-17 November 2023. Prof. Yongyut Trisurat had an opportunity to present the achievement of ITTO-BMEL Teak Project Phase I and the project context of ITTO-BMEL Teak Project Phase II on 14 November 2023. Besides that, the project also arranged an exhibition to show the achievements and the planned activities of both phases. Prof. Yongyut Trisurat also met and discussed the project context with Matthias Schwoerer of the Ministry of Food and Agriculture, and National Coordinators and high-ranking officers of Cambodia, India, Indonesia, Togo, Thailand, Vietnam.



Photo 2 Invited presentation and exhibitions at the 59th ITTC

2.3.3. Organized an Online Inception Workshop on 25 January 2024

With the advice of Dr Hwan-ok Ma and Dr. Tetra Yanuariadi of ITTO, Professor Yongyut Trisurat as the Regional Project Manager organized an Online Inception Workshop of the ITTO-BMEL Smallholder Teak and other economic species plantation on 25 January 2024. There were 20 delegates from 6 participating countries from Cambodia, India, Indonesia, Thailand, Vietnam in Asia-Pacific and Togo from West Africa and ITTO representatives attended the online Launching Workshop.

The Inception Workshop was successfully conducted based on the provisional agenda as follows:

Item 1: Welcome and Opening Remarks by ITTO (Dr. Hwan-ok Ma), Officer-in-Charge of Forest Management Division of ITTO and Dr. Tetra YANUARIADI, ITTO Projects Manager

Item 2: Introduction of all delegates and group photo (online photo caption)

Item 3: Adoption of draft agenda (MC: prof. Yongyut Trisurat)

Item 4: Progress of signing MoU (Dr Hwan-ok Ma and Dr Tetra Yanuariadi) and KU Notification to appoint PSC and PTC (Prof. Yongyut Trisurat)

Item 5: Consolidated Inception Report and 1st YPO (Prof. Yongyut Trisurat)

Item 7. Other businesses (e.g., IUFRO 2024, 1st PSC meeting) (Prof. Yongyut Trisurat)

Item 8: Closing of the Online Inception Workshop Mr. Suchat Kalyawongsa, a PSC member (Senior Forestry Expert)

Discussion topics and decisions

After the presentations of the Inception Report by Prof. Yongyut Trisurat, there were 5 topics for discussion and decision by the delegates as follows:

1) Arrangement of international and national consultants

To facilitate the project implementation, Prof. Yongyut Trisurat (Regional Project Manager) proposed each country nominate and host consultants to carry out activities within the country with the allocated budget. However, the two/three consultants assigned to relevant country components will nominate one consultant as the Editor-in-Chief to consolidate the report.

2) Starting date and ending date for each participating country and the project

Only Thailand and Togo started the project in November 2023, while Cambodia, and Vietnam began in January 2024. Furthermore, India and Indonesia would start physical activities after signing the MoU in mid-February and late June 2024, respectively. Dr. Hwan-ok Ma, Officer-in-Charge of Forest Management Division mentioned that the duration of the project covers 3 years from 1 November 2023 to 31 October 2026. In addition, the bi-annual progress report submission will follow this schedule although late starting dates for some members. The extension of the project may be possible with the approval of PSC and BMEL in the future.

3) Facilitation and arrangement with Thunen Institute of Forestry (TIF), Germany

DDG Chheang Dany and some delegates mentioned during the presentation that the six participating countries do not obtain a budget to facilitate data collection and field activities to support the Thunen Institute of Forestry, Germany. They request ITTO to provide further information about the TIF involvement and the responsibility of the participating countries.

Dr. Hwan-ok Ma, Officer-in-Charge of the Forest Management Division informed the meeting that ITTO already signed MoU with the TIF to carry out a micro-finance study in the six countries with a budget of USD 353,954. This budget covers desk research and field activities of TIF staff and the project staff of six countries (if needed). The signed MoU mentioned this concern.

4) Bank Account for Cambodia

Cambodia component would like to use the existing Bank account for international project for the teak project phase II. This is due to the time-consuming and complicated procedures to open a new bank account for this project. In addition, the allocated budget for the Cambodia component is quite small. ITTO approves this request and notifies the finance staff of ITTO to act accordingly.

The minutes of the Hybrid Launching Workshop is attached in Annex 7. Dr. P.K. Thulasidas (Consultant#5 Information Management) also published the minutes of the online launching workshop in the ITTO-BMEL Teak Newsletter issue March 2024 – Volume 6(1).



Photo 3 The Online Inception Workshop on 25 January 2024

2.4 Inputs Applied

2.4.1 Cashflow and Expenditures

The Ministry of Food and Agriculture (BMEL) provides financial support to implement the ITTO-BMEL Teak project Phase II through ITTO. The total budget is USD 1,413,449 for 3 years or 36 months (starting on 1 November 2023 to 31 October 2026). The allocation of the budget is shown below:

Country/recipient	Amount (USD)	%
ITTO	714,849	50.57%
(Thunen Institute of Forestry, Germany)	(353,954)	(25.04%)
Cambodia	51,000	3.61%
India	71,000	Pending MOU
Indonesia	110,500	Pending MOU
Thailand	358,100	25.33%
Vietnam	54,000	3.82%
Togo	54,000	3.82%
Total	1,413,449	(100.00%) *

Note: if India and Indonesia are included.

Cambodia, Thailand, Vietnam and Togo components already signed MoUs with ITTO, while the remaining two MoUs for (India and Indonesia) are in the final process. Thus, ITTO transferred the 1st installment of USD 189,000 or 36% of the total fund to Cambodia, Thailand, Vietnam and Togo (Table 4), and USD 132,733 or 33% of the total fund to the Thunen Institute of Forestry, Germany. The up-to-date ITTO-BMEL Project Financial resources (including ITTO Monitoring and Review and ITTO Project Administration) as of 30 June 2024 were USD 261,669 or 18.5%% of the total project budget. In addition, the previous expenditure exceeds the 1st installment of USD 142,293 that ITTO received from BMEL. Nevertheless, the four participating countries and the Thunen Institute of Forestry still have the remaining available fund in the Bank Account of USD 119,956, and Thailand component also earned the interest of USD 160 (Annex 9).

Table 4 The up-to-date Balance for the 1st installment received from ITTO

Recipient	Fund of 1 st installment (USD)*	Expenditure (2023)	Expenditure (Jan-Jun 2024)	Planned budget (Jul – Dec 2024)	Fund in project Bank Account (USD)	Remark
Cambodia	20,000 (39%)		2,541	17,459	17,459	
India ^{1/}				10,500	NA	Pending MOU signing
Indonesia ^{1/}				11,500	NA	Pending MOU signing
Thailand	100,000 (28%)	16,477	46,898	123,989	36,628	Propose budget modification
Vietnam	20,000 (37%)		4,612	25,062	15,388	Propose budget modification
Togo	20,000 (37%)		15,017	3,398	4,893	Propose budget modification
Thunen	(132,733; (33%))			61,923	63,578	
Total	292,733 (33.6%) ^{2/}	16,477	69,155	253,831	207,101	

Notes: * 1/ India and Indonesia have not obtained funds from ITTO; 2/ total 1st installment (% of the total funds allocated to the 4 participating countries and Thunen); 3/ expenditures of the fund countries.

The previous expenditure was less than as planned due to the delayed signing MoU with India and Indonesia. Thailand and Togo component started physical activities since November 2023, while Cambodia and Vietnam component started the activity implementation in January 2024, and may 2024 for Thunen.

The expenditures of each country component are summarized below:

Cambodia

The Cambodia component just started project implementation. Previous expenditures include expenses for DDG Chheang Dany to participate in the 59th ITTC meeting in Pattaya, Thailand in November 2023 and monthly operation costs. The other two participants attending the 59th ITTC meeting were supported by the Thailand component (C11 – PSC meeting). The total expenditure as of 30 June 2024 was USD 2,541 or 12.7% of the 1st

installment received from ITTO (USD 20,000). The Cambodia component expects to spend about USD 17,459 for the planned activities until December 2024, mainly for the payment of two consultants, establishment of demonstration plots, and organizing training for smallholders. The available funds in the Bank account is USD 17,459.

Thailand

Thailand component received the 1st installment from ITTO of USD 100,000 on 3 October 2023. As of 30 June 2023, Thailand component spent USD 63,372 (2023 USD 16,477; Jan-Jun 2024: 46,895) or 63.4% of the 1st installment. Large amounts were allocated for staff salary and consultant herbariums, the launching and inception workshops, the 1st training session, and Prof. Yongtyut Trisurat's participation in the IUFRO World Conference. It is noted that the advanced payment of USD 6,052 to support Dr. Hwan-ok Ma and Dr P.K. Thulasidas is temporally borrowed from C14-World Teak Conference 2025. Thailand component. expects to spend about USD 123,989 for planned activities until December 2024, mainly for the establishment of demonstration plots, the 1st Regional Workshop, the 1st PSC meeting, and 2nd training workshop. The available funds in the Bank account is USD 63,372.

Vietnam

Vietnam component has spent USD 4,612 or approximately 23.1% of the 1st installment received from ITTO (USD 20,000). Expenditures include expenses for Dr. Dong Lan Tran to participate in the IUFRO World Conference in Sweden (USD 3,726) and a reconnaissance survey for the establishment of a demonstration plot (USD 886). Vietnam component expects to spend about USD 25,062 for planned activities until December 2024, mainly for the payment of two consultants, overhead costs of the institute, and establishment of demonstration plots. Note that the amount of demonstration exceeds the previously allocated budget. Thus, Vietnam component proposed to modify budget to allocate funds from training activities to support demonstration plot. The available funds in the Bank account is USD 15,388.

Togo

Togo component has spent USD 15,107 or approximately 75.5% of the 1st installment received from ITTO (USD 20,000). Expenditures include expenses for Prof. Dr. Adzo Dzifa KOKUTSE to participate in the IUFRO World Conference in Sweden (USD 4,1107), measurement and experiment at two demonstration plots (USD 7,003), and the payment for the Cons # 1 Quality Planting Material of USD 4,000. Togo component expects to spend about USD 3,398 for planned activities until December 2024, mainly for the payment of the consultant #2 Field training and silviculture, training sessions, and implementation of demonstration plots. The available funds in the Bank account is USD 4,893.

India and Indonesia components have not finalized MoUS with ITTO. The project expect expenditures of 50% of the allocated budget for 2024 for India (USD 10,500) and Indonesia (USD 11,500) during July-December 2024. More detailed information will be presented upon receiving the report from both countries.

Thünen Institute of Forestry

Thünen has received the first instalment of funds from ITTO of USD 132,733 on March 8, 2024.

Since these funds were foreseen for the salary of the research scientist and project-related travel costs of the Thünen staff, no funds were spent during the reporting period, because the research scientist's contract will start only in the 3rd quarter of 2024 and tentative travels to attend the regional workshop and PSC meeting will take place in September 2024. The Thünen Institute of Forestry expects to spend USD 61,923 for staff salary. In addition, the Thünen Institute of Forestry is preparing TORs and expected expenditure for survey and data collection in the 6 participating countries. The costs for this activity will be imbursement from C46- Survey and data collection for teak plantations handled by ITTO.

2.4.2 Budget modification

Vietnam component

Vietnam component has submitted a request letter to ITTO to modify the allocated budget that appears in the inception report to support more efforts in the demonstration plot. Main budget modifications include:

- Increase funds for B01-operation costs from USD 3,000 to USD 7,971;
- Increase funds for C42-Demonstrations plots (Seedling, fertilizer, traveling, lodging, food) from USD 10,000 to USD 21,444;
- Reduce funds for C43-Training costs (4 training events per country) (venue, stationary, catering, lodging) of USD 17,141 (from USD 20,000 to USD 2,859);
- Slightly increase funds for C13-IUFRO World Congress 2024 from USD 3,000 to 3,726 to support Dr. Tran Lam Dong to participate in the IUFRO conference.

The reasons for the budget modification are as follows:

- Vietnam component wants to increase the operating costs (B01) for project offices as VAFS's rules for administration costs of 15% of the project budget (USD 4,971).
- In terms of demonstration plots (C42), VAFS found that the teak plantation should be expanded as the potential value of this species and the situation of plantations in Vietnam. The extent of experiment and demonstration plots in different ecological regions cover 23 ha. VAFS hopes that the demonstration models will be opened for local people to visit and apply the planting techniques for their planting teak in the future. An additional fund of USD 11,445 is proposed.
- Regarding the project document and the inception report, the Vietnam component has to organize four training courses to increase the capacity of smallholders and partners. However, those training courses will be held in communes for local staff and households who are interested in Teak planting. Therefore, VAFS would like to reduce the allocated budget for C43 of USD 16,444 to support the proposed demonstration plot activities and the operation costs. Reducing training costs will not affect the planned targets and overall objectives and project outputs.

A request letter from VAFS to ITTO for budget modification is attached in Annex 8.

Thailand component

Thailand component would like to modify the budget presented in the project document as follows:

- Budget for Regional Project Manager, Project Finance and Project Secretary previously

was started from September 2023. Due to the starting date was postponed from 1 September 2023 to 1 November 2023, therefore the staff salary for 2023 covers from November – December 2023 and the remaining funds are moved to September-October 2026.

- According to the project document, the budget for C13-IUFRO World Teak Congress is allocated for delegates from ITTO, India, Indonesia, Thailand, Togo, and Vietnam to participate in the conference. The amount of budget allocation is USD 3,000 for each of the said countries, except ITTO (USD 5,000). ITTO requested Thailand component to advance money from C14-World Teak Conference 2025 to support Dr. Hwan-ok Ma (Resource Person for the Projecgt) and Dr P.K. Thulasidas (Consultant# 5 Information Management) to participate in the IUFRO 2024. Both delegates are the key people of the project and the IUFRO 2024. The estimated fund for each person is USD 3,000, the same amount as allocated to the participating countries.
- In this connection, the Thailand component would like to request an additional budget of USD 6,000 (actual expenditure is USD 6,052) from funds handled by ITTO (C13- IUFRO World Teak Congress allocated for India and Indonesia) to accommodate both resource persons to participate in the IUFRO 2024 (currently borrowed from C14-World Teak Conference 2025).

The approved project budget at the Inception meeting dated 25 January 2024 and the proposed budget modification are attached in the Annex 9

2.5 Output Achievements

The progress towards achieving outputs complies with the verifiable Indicators dated 19 January 2024 as indicated in the Logical Framework of the Inception Report (Table 5). The average percentage of progress of the project's achievements until the period of 30 June 2024 activities which appear in the Inception Report for the six participating countries completed at the date of the report are shown in Table 5. The project's achievements of each activity are elaborated as follows:

Table 5 Logical framework matrix

Strategy of intervention	Measurable indicators	Means of verification	Key assumptions
<p>To improve the production of high quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia Pacific and West Africa; improve livelihoods and social and environmental outcomes through better silviculture practices, efficient wood transport and small-scale processing, financial schemes to invest in quality timber production from long rotations and access to voluntary carbon markets, as well as regional and international collaboration for sustainable smallholder plantations</p>	<ol style="list-style-type: none"> 1) By the end of the Project, policies to secure high quality planting stock, best practices in silviculture, access to financing to promote longer rotations, value addition and improved legality achieved. 2) Promoting financial schemes that invest in high quality teak production with long rotations, access to voluntary carbon markets. 3) Facilitates regional and international cooperation for sustainable smallholder plantations 4) Effective implementation policies contribute to improving the economic outcomes of the smallholder and community plantations in the tropics 	<ol style="list-style-type: none"> 1) Project reports, study reports and minutes of meetings. 2) Financial schemes 3) Teak market reports 4) Policy briefs on viable financial schemes for smallholder community plantations 	<ul style="list-style-type: none"> – National governments support Project development and stimulate stakeholders to participate in the activities. – Forestry administrations will provide and/or recruit qualified staff for implementation, contribute data on smallholder teak and other intercropping species composition, support viable financial schemes to smallholders for sustainable wood production.
<p>Output 1: Supply chains of smallholders and community-based teak and other valuable species plantation and management systems have been strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture and timber processing and legality.</p>	<ol style="list-style-type: none"> 1) Improved management of existing and new demonstration plots for teak and other valuable species to support smallholders and local communities. 2) Field training on the following subjects: (1) Seed production/nursery techniques, (2) silvicultural practices and improved stand management, including coppicing as a regeneration method, (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation (4) teak and other valuable species and NTFP (5) documentation for timber legality and sustainability. 3) By the end of Project, recommended practice on quality standards for teak planting material, efficient timber harvesting and processing, improved product designs for increased product value have been developed, and considered by the national forestry administrations for policy improvement 4) Opportunities for improved teak market access have been elaborated and considered by the national forestry administration for policy improvement 	<ol style="list-style-type: none"> 1) Management plan guidelines on smallholder and other species plantations and training reports. 2) Project report on field-oriented training of the 6 topics including timber legality and sustainability of smallholder production systems 3) Project reports on improved timber processing, product development, value chain 4) Teak market access 5) SFM in the tropics 	<ul style="list-style-type: none"> – National government support to ensure supply of improved planting material to smallholders. – Sustainable livelihood and legal harvest and wood product trade for increased income.
<p>Output 2: Financing schemes for quality timber production in smallholders and community-based teak and other species plantations have been</p>	<ol style="list-style-type: none"> 1) By the end of the Project, financial support schemes/incentives by sourcing companies ensure that the smallholder’s products will be purchased at 	<ol style="list-style-type: none"> 1) Project on Consultant reports (TIF, Germany) on financial 	<ul style="list-style-type: none"> – National government support to smallholder farmers in community enterprises and establishment of

Strategy of intervention	Measurable indicators	Means of verification	Key assumptions
<p>analysed and improvements have been suggested to increase economic outcomes.</p>	<p>remunerative prices based on the feasibility studies by TIF, Germany</p> <p>2) Optimization of micro-lending schemes to address the credit constraints of smallholders to overcome the problem with collaterals/ group cooperatives that they often face trees as guarantees, group-lending motivate farmers ensure loan repayments, pilot study in 3 regions including Togo and Indonesia.</p> <p>3) At the end of the Project, formation of effective forest grower associations/group marketing ventures to build good relationships with market to reduce transaction costs and help improve access to micro-credits</p> <p>4) Access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community- based teak and other valuable species plantations to increase financial security to farmers, address issues of cash flows, and support access to microfinance schemes.</p>	<p>incentives, micro-lending opportunities for smallholders.</p> <p>2) Project reports on teak-based community enterprises, MSME for furniture productions</p> <p>3) Regional workshop report</p> <p>4) Policy interventions on carbon credits for smallholder teak and valuable species plantations</p>	<p>pilot study areas</p> <ul style="list-style-type: none"> – adequate opportunities and Interventions in group marketing of wood products, improved bargaining power to secure better value of their products, reduce transaction costs.
<p>Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach for sustainable smallholder teak and other species plantations have been strengthened</p>	<p>1) By the end of the Project at least 7 technical reports and/or studies have been uploaded on the Internet and are publicly available.</p> <p>2) One regional workshop in 2024 at the middle of the Project have been implemented to support information management among the participating countries.</p> <p>3) Problem and challenges for sustainable smallholder teak stands and selected tropical species plantations promoted in the Asia Pacific and W. Africa (Togo) has been shared in the IUFRO World Congress 2024 (Sweden) and 5th World Teak Conference 2025 in India and well understood by the participants</p>	<p>1) Teak-website and online bi-monthly newsletter</p> <p>2) List of participants of the regional workshop</p> <p>3) List of participants of the IUFRO World Congress 2024 and 5th World Teak Conference 2025</p>	<ul style="list-style-type: none"> – Qualified staff from the participating countries participate in joint research activities. – Outreach and promotional materials are actively used by teak stakeholders.

The following activities for each output will contribute to meet the objective of the Project:

Output 1: Supply chains of smallholders and community-based teak and other valuable species plantation and management systems have been strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture, and timber processing and legality.

Activities:

1.1 Conserve teak and other valuable species genetic variation through improved management of existing seed production areas, seed orchards, and provenance/progeny trials/clonal plantations (India, Indonesia, Thailand).

Cambodia

- Cambodia's project team have investigated potential sites to establish demonstration plots to raise public awareness on planting of teak as a plantation for long-term economic benefits and the effect of silviculture best practice on teak growth performance.
- The project (Cambodia component-FA) plans to visit the existing demonstration plots on teak silvicultural practices that were established with 10 plots and 12 plots located in Kampong Cham and Kampong Speu provinces, respectively. 50% of those plots in each province were conducted with pruning, while 50% of the plots were controlled (non-silvicultural practice). The measurement of teak demonstration plots is about to start in early June 2024.
- In addition, Cambodia's project team will work closely with all stakeholders including forestry administrations, owners of teak plantations, and local communities, teak growers in the public and private sectors.



Thailand

- During the project phase I, Thailand component established 5 demonstration plots (Phaoyao, Lampang and Phrae provinces), and 3 clonal plantations (Khon Kaem, Kanchanaburi and Lampang Province). Thailand's Technical Committee had a meeting to review the proposal proposed by Ms. Somporn Khamchompoo of the RFD to maintain quality planting materials in the three clonal test plots and establish provenance test of these quality materials in Kanchanaburi and Chiang Mai Provinces (plot size 5 rai or 0.8 ha).



Vietnam

- The Vietnam project team discussed with five forest enterprises and one research center in cooperation to establish 14 hectares of teak in five ecological regions in Vietnam
- Vietnam component signs a contract with Thai Orchids Co., Ltd to import 13,390 tissue culture teak plantlets from Thailand. Transportation of teak seedlings is in the process. The plantlets will be shipped to Vietnam in June 2024.
- Besides, VAFS has discussed with the Forest and Farm Facility Project (funded by FAO) to support households in Yen Bai and Son La provinces for establishing seven hectares of pure teak plantations and mixed teak with Cinnamon plantations for demonstration purpose; three hectares have been established in cooperation with Yen Bai Farmer Union in Tree Planting Festival event in Yen Bai province.

Indonesia and India

- Not started

Togo

- Togo component recruited Consultant # 1: Good quality planting material to support activity 1.
- Togo has a valuable experience in Teak plantation since 1906. Togo is the second country after Nigeria in West Africa where Teak had been introduced. In addition to the provenance trials at ZOGBÉPIMÉ¹, we would like to conduct trials on WOTOU, TETETOU and BLITTA clones, including the selection of high-performance trees based on a certain number of criteria to be defined on three sites from different forest stands. We want to establish seed orchards

based on selected trees. Clone tests could also be carried out. For this purpose, it is suggested to find the APC trees of Teak identified in 2014 with the AUF project. Do the same for some precious species from Togo. In this case two species were identified with ODEF; they are *Cedrela odorata* and *Pterocarpus erinaceus*". Today, most of the content of the report focuses on this activity by taking stock of the situation.

Activities:

1.2 Support smallholders and local communities for improved management of existing and new demonstration plots (altogether 14 plots) for teak and other valuable species and field training on the following subjects: (1) seed production/nursery techniques; (2) silvicultural practices and improved stand management, including coppicing as a regeneration method; (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (4) teak and other valuable species and value-chains (5) timber legality and sustainability (all participating countries)

Achievements

Thailand

- Thailand component organized the 1st training workshop on Teak Plantation and Silvicultural Practices for smallholders in Nan Province. The objective of this training workshop was to introduce the theory and practice of teak plantation and silviculture practices to stallholders in Nan and Prae Provinces.
- 32 participants were attending the training workshop. Instructors included Prof. Yongyut Trisurat (Regional Project manager), Dr. Suwan Tangmitcharoen (RFD and Chai of the Project Technical Committee), Mr. Tosaporn Wacharangkul and Mr. Boonlerd Srisuksai (invited speakers). In addition, the Director of Nan Provincial Forestry Office was invited to officially open the meeting. In addition, national policy economic tree plantation and economic value of planted teak were included.
- After the lecture, all participants and resource persons had an opportunity to visit a commercial teak plantation at Pua District in Nan province planted by Sri Trang Rubber and Plantation Ltd. Company. The total plantation covers approximately 2,100 rais or 650 ha. The company applies modern technology, high-quality materials and intensive silvicultural practices. In addition, local people are allowed to grow cash crops (intercrop) for 1-3 years. This intercropping system is not only to promote co-benefits but also to save the budget for weeding and fire prevention.
- The project team also discussed with two consultants (Consultant#4 Efficiency wood transportation and processing and Consultant#6 Value chains) on the remaining/potential training session topics on (1) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (2) disease control and management; and (3) teak and other valuable species and value- chains or thinning. Appropriate times and venues will be proposed later.



Training workshop on Teak Plantation and Silvicultural Practices for smallholders in Nan Province, Nam Thong Hotel, Nan Province



Field practices at Sri Trang Rubber and Plantation Ltd. Company, Nan Province, Thailand

Vietnam

- The Vietnam Component has requested ITTO to recruit 2 consultants (Consultant#1 Quality planting material and Consultant#2 Field training silviculture) to facilitate capacity building for forest enterprises and smallholders. The 1st training session is planned in December 2024.

Togo

- Togo component has nominated the Consultant#2 Field training silviculture to ITTO. In addition, target stakeholders for training are identified.
- Five technical committee meetings have since been held, focusing on various aspects of project implementation. Key discussions led to Togo's involvement in specific project activities, such as cloning experiments for Teak trees and other valuable species like *Khaya* spp., *Cedrela odorata*, and *Pterocarpus erinaceus*.
- Among these activities, those related to project output 1, consisting of three activities (A.1.1., A.1.2., A.1.3.), have been started. To carry out these activities, three field missions were conducted:
- The first mission involved monitoring and evaluating the effect of the association between *Tectona grandis* and *Khaya* spp. on their diameter and height growth, as well as the influence of thinning on the performance of both species after silvicultural treatment

application;

- The second mission was to continue the monitoring program of provenance trials conducted by the Forest Research Laboratory of the University of Lomé at Zogbépimé, aiming to assess the growth, health, and wood quality of different teak provenances;
- The third mission consisted of an identification and selection of candidate trees (APC) conducted from March 18 to 23, 2024, with a mixed team comprising technicians from ODEF and the University of Lomé.

- Togo component proposes 2 demonstration plots, including

1) Ativémé is a site of the Forest Research Laboratory located at the northern boundary of the agronomic research station of the Togolese Institute of Agricultural Research situated in the village of Ativémé in the Maritime region of Togo. The ongoing silvicultural trials focus on the effect of the association of tree species based on Teak (*Tectona grandis*) and *Khaya* spp. (*Khaya senegalensis*, *Khaya grandifoliola*). The activities undertaken at the site include monitoring and evaluating the effect of the association of *Tectona grandis* and *Khaya* spp. on their diameter and height growth, as well as the influence of thinning on the performance of the two species. Specifically, it aimed to (i) analyze the effect of the association of *Tectona grandis* and *Khaya* spp. on their diameter and height growth and (ii) evaluate the influence of thinning on the performance of the two species in association. To achieve this, a forest inventory was conducted on three plots: a plot of pure Teak stand, a plot of the mixture of one row of Teak and one row of *Khaya*, and a plot of the mixture of one row of Teak and two rows of *Khaya*. Data on tree height and diameter were collected before thinning using a systematic sampling device (in 2020), and the present inventory is conducted after thinning following the same protocol in 2024

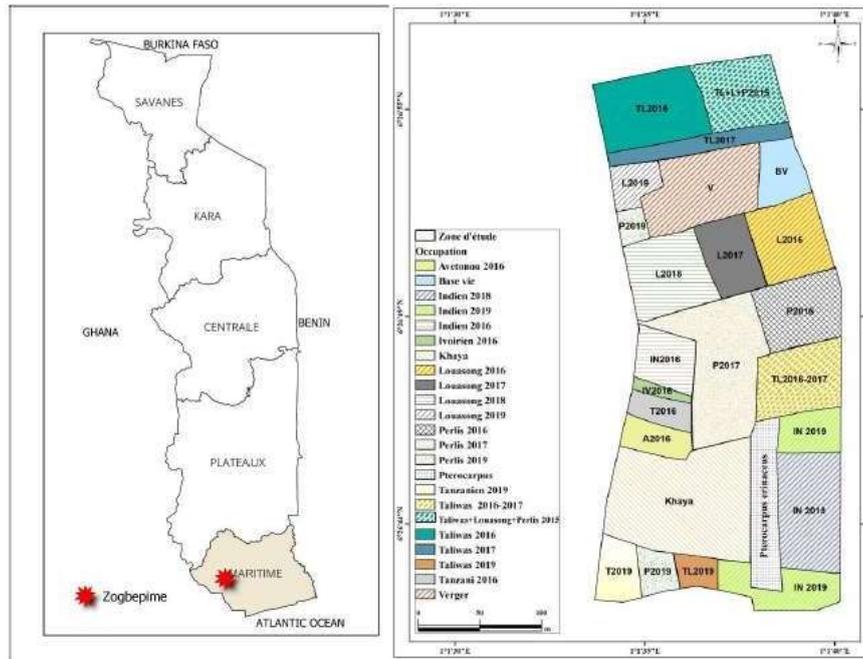


Data collect in Ativeme forest station

2) The second site is the Zogbépimé forest station established in 2014 by the Forest Research Laboratory of the University of Lomé, to experiment with the performance of different teak (*Tectona grandis*) provenances but also *Khaya* plantation and *Pterocarpus erinaceus* plantation. It is located approximately 8 km east of the town of Kévé in the Ave prefecture in the Maritime Region of Togo.

On this site, the prospecting aimed to continue the provenance trial monitoring program to evaluate the growth, health, and wood quality of the different teak provenances. Specifically, this involved (i) collecting data on height and diameter growth, tree health, and any other relevant variables, including fruit production for seed orchards based on selected trees, (ii) analyzing the

collected data to assess height and diameter growth, as well as other performance parameters of the different Teak provenances.



Zogbépimé Forest Station

IN: Indian; 2. T: Tanzanian, 3. IV: Ivoirian; 4. P: Perlis, 5. TL: Taliwas; 6. L: Louasong; 7. A: Avétonou; Number following the Letter are the year of plantation



Some pictures of layers setting up

- Results of research and measurement in both demonstration plots are presented in the Togo's progress report.

Activities:

1.3 Promote timber legal compliance in smallholder/community plantations, aligning with national and local laws governing forest plantations, management, timber harvesting and legality (global)

Achievements

- Not started.
- Consultant#3 Legality will be recruited by ITTO with the honorarium payment of USD 24,000.00 (4 person-months) from ITTO.

Output 2: Financing schemes for quality timber production in smallholders and community-based teak and other species plantations have been analyzed and improvements have been suggested to increase economic outcomes

Activities:

2.1 Carry out a feasibility study for direct contracts/out-grower schemes with sourcing companies to ensure that smallholders' products will be purchased at remunerative prices (all participating countries)

Achievement

- Not started

Activities:

2.2 Carry out a study to promote micro-lending schemes to address the credit constraints of smallholders to explore different options to overcome the problem with collaterals that smallholders often face trees as guarantees, and group-lending to a number of forest growers who can ensure loan repayments from each other (all participating countries)

Achievement

- Not started

Activities:

2.3 Carry out a study to promote the formation of effective forest grower associations to reduce transaction costs and help improve access to micro-credits (all participating countries)

Achievement

- Not started

Activities:

2.4 Carry out a study to access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community-based teak and other valuable species plantations to increase financial security of farmers, address the issue of cash flows, and support their access to micro-lending schemes (global scope)

2.5

Achievement

- Not started
- It should be noted that ITTO already signed MoU with the Thunen Forestry Institute (TIF), Germany to conduct the above four activities. In addition, an initial online meeting among ITTO (Dr. Hwan-ok Ma, Dr Tetra Yanuariadi, and Ramon CARRILLO), TIF (Dr. Sven Günter and Dr. Eliza Zhunusova) and KU (Prof. Yongyut Trisurat) was arranged by Dr. Hwan-ok Ma on 22 April 2024.
- Key conclusions include: 1) MoU between ITTO and TIF was signed; 2) with the support of ITTO and the project, TIF will coordinate with national coordinators for data collection and interview; 3) the 1st PSC meeting and 1st Regional Workshop will be arranged around late August-early October 2024 (back-to-back). The venue of the meeting is likely Bangkok.



Online meeting with ITTO and Thunen Institute of Forestry, Germany and KU (as the Project Team) on 22 April 2024 to update the progress of sub-contract.

- All activities conducted by Thunen will start at the same time in the 3rd quarter of 2024 as the research scientist will start with the literature review to support data collection and will prepare data collection protocols for all four activities. Dates for data collection will be coordinated with the ITTO, the regional project manager, and national coordinators.

Additionally, the project arranged the 2nd webinar meeting with the Thunen Forestry Institute (TIF), Germany on 18 June 2024 to discuss further arrangement on field survey and data collection in the six participating countries. Attendances of the webinar included Dr Tetra Yanuariadi (ITTO Projects Manager), Dr. Hwan-ok Ma (Consultant to the project), Dr. Eliza Zhunusova (Senior Scientist of Thünen Institute of Forestry), and Prof. Yongyut Trisurat (KU, Regional Project Manager). The meeting agreements are shown below:

- Thünen Institute of Forestry (Dr. Eliza) will send ToRs outlining the tasks for the field data collection assistant.
- Thünen Institute of Forestry (Dr. Eliza) and Prof. Yongyut Trisuratwill contact National Coordinators on the specifics of data collection from early August on
- Thünen Institute of Forestry will present preliminary data collection design at the Project Technical Committee meeting during the 2nd PSC and the Regional Workshop in Thailand in September.
- Thünen Institute of Forestry (Dr. Eliza) will send the expenditures for 2024 (past for 01.01.2024 to 30.06.2024 and expected for 01.07.2024 to 31.12.2024) to Prof. Yongyut for updating the 1st bi-annual progress report. This may include the propose budget modification to shift the budget shift for Thünen Institute of Forestry from 2024 to 2026.

Dr. Eliza also noted that Dr. Sven Günter will participate in the IUFRO 2024 in Stockholm, Sweden and the side event on Sustainable Teak Resource Management jointly arranged by from the project. Thus, there will be an opportunity to meet the national coordinators from Togo and Viet Nam.

Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach for sustainable smallholder teak and other species plantations have been strengthened

Activities:

3.1 Produce and disseminate outreach and training materials on the conservation and sustainable management of teak and other valuable species plantations and legal and sustainable supply chains in line with outcomes of Activities 1.2 and 2.1-2.4 to support forest policy development (regional scope).

Achievements

Thailand

- National Newspapers reported the launching Workshop of the ITTO-BMEL Teak and Other Economic Species Plantation on Kom Chat Luk (<https://kardchuek.net/68763/>); Khao Sod (<https://www.khaoded77.com/?p=10575>); Pracha News Online <https://www.facebook.com/pracharthai/posts/pfbid02HQM5ywC7Gj5WXXeyUdsBphSN5cutqwNnaiTUNr2Hyfy2RF61DEdTyquvi3Xnc5v5l>;

ไทยรัฐ Thai Rath Circulation: 500,000 Ad Rate: 1,000	Section: First Section/การศึกษา-ศาสนา-สาธารณสุข วันที่: จันทร์ 16 ตุลาคม 2566 ปีที่: 74 ฉบับที่: 24009 หน้า: 7(กลาง) Col.Inch: 22.79 Ad Value: 22,790 PRValue (x3): 68,370 ศิลปิน: ชาว-คำ หัวข้อข่าว: คณะวนศาสตร์ทมนุ 5 ชาติปลูกสวนป่า		

คณะวนศาสตร์ทมนุ 5 ชาติปลูกสวนป่า

ศ.ดร.ยงยุทธ ไทยสุวิรัตน์ คณะวนศาสตร์ มหาวิทยาลัยเกษตรศาสตร์ ในฐานะผู้จัดการโครงการส่งเสริมสวนปลูกไม้ที่มีคุณภาพ โดยเกษตรกรรายย่อยปลูกไม้สักและไม้มีค่าชนิดอื่นๆในเขตร้อนหรือ ITTO-BMEL Teak Project Phase II เปิดตัวว่า ITTO-BMEL Teak Project Phase II ได้รับการสนับสนุนทางการเงินจากกระทรวงมหาดไทยและอาหาร สหพันธรัฐเยอรมนี ประมาณ 50 ล้านบาท มีพื้นที่โครงการครอบคลุม 6 ประเทศในเอเชียแปซิฟิก ประกอบด้วย ไทย เวียดนาม อินโดนีเซีย ฟิลิปปินส์ และโตโก ในแอฟริกาตะวันตก โดยคณะวนศาสตร์ทมนุ 5 ชาติเป็นผู้จัดการโครงการระดับภูมิภาค มีจุดมุ่งหมายเพื่อปรับปรุงการผลิตไม้คุณภาพสูงจากสวนไม้สักและไม้มีค่าชนิดอื่นๆที่ปลูกโดยเกษตรกรรายย่อย และชุมชนในทวีปเอเชียแปซิฟิกและทวีปแอฟริกาตะวันตก และสร้างความร่วมมือในระดับภูมิภาคและระดับนานาชาติ เพื่อการปลูกไม้สักและไม้มีค่าชนิดอื่นๆ โดยเกษตรกรรายย่อย

ศ.ดร.ยงยุทธกล่าวต่อว่า โครงการนี้ส่งเสริมโดยธนาคารปลูกสวนป่าไม้สัก และไม้มีค่าชนิดอื่นๆจากต้นไม้ที่มีคุณภาพและส่งเสริมการเข้าถึงแหล่งเงินทุนเพื่อส่งเสริมการปลูกไม้และการจัดการสวนป่าที่ยั่งยืนขึ้นเพื่อให้ได้เนื้อไม้ที่มีคุณภาพดีขึ้น ซึ่งจะเป็นการเพิ่มมูลค่าไม้และผลิตภัณฑ์ไม้ที่สวนสามารถขายในตลาด โดยไม้เหล่านี้บางส่วนมีที่ปลูกด้วยเกษตรกรรายย่อย และพัฒนาสู่การค้าขาย ข้างต้นกล่าวคือ-ขายคาร์บอน ซึ่งเป็นแหล่งรายได้เสริมจากการปลูกไม้ที่สอดคล้องกับเงื่อนไขมาตรการ CBAM (Carbon Border Adjustment Mechanism) ที่สินค้าที่เข้าปายในสหภาพยุโรปให้เงินวันที่ 1 ต.ค.2568 เป็นต้นไป และสนับสนุนโดยรัฐบาลในการลดปริมาณการปล่อยคาร์บอนร้อยละ 20-25 ภายในปี 2578 ตามความตกลงปารีสภายใต้กรอบอนุสัญญาสหประชาชาติว่าด้วยการเปลี่ยนแปลงสภาพภูมิอากาศ.

Thai Rat Newspaper (National newspaper) reported the RFD/KU with other 5 countries promote teak plantations [คณะวนศาสตร์ทมนุ 5... - คณะวนศาสตร์ มหาวิทยาลัยเกษตรศาสตร์ \(facebook.com\)](#)



ประชาไทออนไลน์
 15 October 2023 - 01

คณะวนศาสตร์ มหาวิทยาลัยเกษตรศาสตร์ จัดประชุมเปิดตัวโครงการความร่วมมือระดับนานาชาติ โครงการส่งเสริมการผลิตไม้ที่มีคุณภาพโดยเกษตรกรรายย่อยปลูกไม้สักและไม้มีค่าชนิดอื่นๆในเขตร้อน Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)

มหาวิทยาลัยเกษตรศาสตร์ และคณะฯ ไม้สักและไม้มีค่าชนิดอื่นๆในเขตร้อน เพื่อสนับสนุนเกษตรกรรายย่อย และสนับสนุนนโยบาย Net Zero ในAsia-Pacific and West Africa

เมื่อวันที่ 11 ตุลาคม 2566 นายบรรณรักษ์ เสริมทอง รองอธิบดีกรมป่าไม้ ได้เป็นประธานในการเปิดโครงการส่งเสริมการผลิตไม้ที่มีคุณภาพโดยเกษตรกรรายย่อยปลูกไม้สักและไม้มีค่าชนิดอื่นๆในเขตร้อน (Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics) หรือ ITTO-BMEL Teak Project Phase II ณ โรงแรมราชา การ์เดน กรุงเทพฯ ซึ่งเป็นการดำเนินการต่อเนื่องจาก โครงการ ITTO-BMEL Teak Project Phase I โดยโครงการนี้มีระยะเวลาดำเนินการ 3 ปี ระหว่างเดือนตุลาคม 2566 – เดือนกันยายน 2569 มีเป้าหมายเพื่อปรับปรุงการผลิตไม้คุณภาพสูงจากสวนไม้สักและไม้มีค่าชนิดอื่นๆ ที่ปลูกโดยเกษตรกรรายย่อยและชุมชนในเอเชียแปซิฟิกและแอฟริกาตะวันตก โดยการส่งเสริมโดยธนาคารปลูกสวนป่าไม้สักและไม้มีค่าชนิดอื่นๆ จากกลไกไม้ที่มีคุณภาพ การส่งเสริมการนำแบบผู้มีส่วนได้ส่วนเสียที่เกี่ยวข้องมาใช้ในการจัดการสวนป่า การส่งเสริมการเข้าถึงแหล่งเงินทุนเพื่อส่งเสริมการปลูกไม้ และการจัดการสวนป่าที่ยาวนานขึ้น (long rotation) เพื่อให้ได้เนื้อไม้ที่มีคุณภาพดีขึ้นและมีราคาสูงขึ้น ซึ่งจะเป็นการเพิ่มมูลค่า ไม้และผลิตภัณฑ์ไม้ (value-added products) ที่สวนสามารถขายในตลาด โดยเนื้อไม้เหล่านี้จะไม่ถูกตัดออกจากราย และพัฒนาสู่การค้าขาย ข้างต้นกล่าวคือ-ขาย คาร์บอนซึ่งเป็นแหล่งรายได้เสริมจากการปลูกต้นไม้ (passive income) สอดคล้องกับเงื่อนไขมาตรการ CBAM (Carbon Border Adjustment Mechanism) ที่สินค้า

Khao Sod (<https://www.khaoded77.com/?p=10575>)

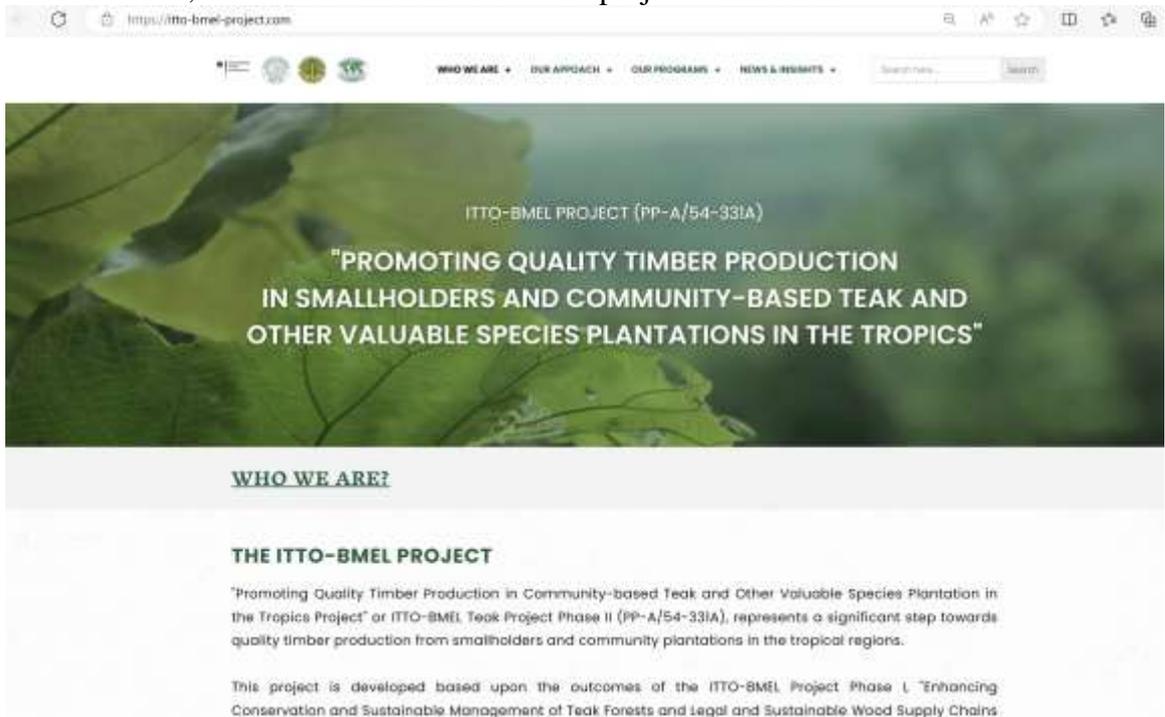
Pracha News Online

- ITTO invited Prof. Yongyut Trisurat to participate in the 59th ITTC meeting in Pattaya,

Thailand on 13-17 November 2023. Prof. Yongyut Trisurat had opportunity to present the achievement of ITTO-BMEL Teak Project Phase I and ITTO-BMEL Teak Project Phase II on 14 November 2023. See details at section 2.3.2.

- The project hired a technical person to develop the project website (<https://itto-bmel-project.com/>). The website includes 4 main components, namely 1) Who are we; 2) Our approach; 3) Our programs; 4) News and insights. Each participating country is encouraged to provide up-to-date information and recent activity implementation. The project website will be monthly updated.

- The RFD invited the project to arrange an exhibition to celebrate the Anniversary World Forestry Day on 21 March 2024 at Thong Phaphum District, Kanchanaburi Province. In the photo, the Secretary of the Ministry of Environment and Natural Resources, Deputy Director-General of the RFD, and senior officials visited the project exhibition.



ITTO-BMEL Project website: <https://itto-bmel-project.com/>



Exhibition for celebrating the Anniversary World Forestry Day on 21 March 2024



Arranged an Exhibition for Bio-economy Launching Ceremony at the Faculty of Forestry, Kasetsart University on 21 June 2024

Vietnam



The ITTO-BMEL technical staffs guided planting teak using best silvicultural methods



Leaders from Yen Bai province and SRI taking photo with ITTO-BMEL project in the tree planting festival in Yen Bai Province

Activities:

3.2 Support and facilitate teak networking in ITTO's member countries in Africa, Asia-Pacific and Latin America in collaboration with TEAKNET and other partners through the organization of a quarterly-based Webinar (4 every year) to promote the conservation and sustainable management of teak forest resources and legal and sustainable supply chains (global scope).

Achievement

- Dr. P.K. Thulasidas, Former Teaknet Coordinator, has been recruited as Consultant#5 Information Management. His overall responsibility is to promote knowledge sharing and outreach efforts for the three tropical regions strengthened through the organization of four Webinars in a year (total 12 nos) with the involvement of TEAKNET on selected topics by invited experts on topics.
- With the contribution of the project team members, 2 bi-monthly ITTO-BMEL teak newsletters were published in December (volum2 5 (5&6) and in March 2024 (Volume 6(1)).
- The 1st webinar is planned in May 2024 after the submission of the 1st progress report. The tentative topics include: 1) update progress implementation, 2) preparation for the IUFRO 2024; 3) planned 1st PSC and 1st Regional Workshop – theme and target audiences.



ITTO-BMEL Teak Newsletters: December 2024 issue (left) and March 2024 issue (right)

Activities:

3.3 Plan and organize two Regional Workshops in Thailand and in central Java, Indonesia with investors and financial institutions to discuss financing schemes promoting quality timber production in smallholder teak plantations (regional scope).

Achievements

- The 1st Regional Workshop will be arranged back-to-back with the 1st PSC meeting. The proposed venue is Bangkok and tentative schedule is between August-October 2024.

Activities:

3.4 Support sharing lessons in promoting the quality teak production and legal and sustainable supply chains at the IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (Kerala, India) for improved global teak collaboration (global scope).

Achievements

- IUFRO, TEAKNET and ITTO jointly organize a Side Event on “**Strengthening Teak Forest Management for Sustainable Teakwood Supply Chains and Trade (T2:29)**” at the IUFRO World Congress 2024 in Stockholm, Sweden from 24 June to 31 June 2024. The preliminary program schedule of the science session is available at <https://program.iufro2024.com/>.
- The Teak Session T2:29 (arranged by Gilles Chaix, Mario Tomazello, PK Thulasidas, S. Sandeep, and Tetra Yanuariadi) is scheduled on 28th June from 8:30 -10:30 AM (CEST) in Room 9. The side event announcement and detailed program are shown below.

T2.29 Oral / Poster List of Sessions Forests & Society Towards 2050

Strengthening Teak Forest Management for Sustainable Teakwood Supply Chains and Trade

The exceptional quality of teak timber (*Tectona grandis* L.f.), its high value in the global timber market, the available superior quality planting stock and the standardized protocols for establishing teak plantations, have made teak one of the most important species for planting across 70 tropical countries. Teak plantations according to various estimates cover between 4.4 to 6.9 million ha and the global trade of teak roundwood as per the recent ITTO report is around 1.02 million cu.m per year on average and the demand is predicted to rise in the coming years. Considering the declining supply from natural teak forests, the long-term prospects for plantation-grown teak appear promising. However, much controversy has arisen in several countries by the promotion of teak plantation investments based on unrealistic yield projections and pricing scenarios giving opportunities to exaggerate rates of return on investments. Besides, there exists no common international log grading rules in most exporting countries and the measuring units and volume of log dimensions are different that further complicate the situation. The quality of teakwood originating from intensively managed planted teak forests has improved where superior planting material and good management practices are applied. One increasingly important consideration influencing the trade of plantation-grown teak is forest management certification and legality issues; the legal source and supply chain control need to be strictly enforced. Establishing transparent and traceable timber supply chains will provide teak growers more opportunities to participate in global markets. In many tropical countries smallholders and farmers own planted teak forests. Innovative simplified certification systems need to be applied for smallholders' who are unable to bear the high transaction costs involved in the existing certification system. In addition, teak plantations have high potential in sequestering carbon and contribute to Forest Landscape Restoration, in particular on degraded lands. The session will examine the current international situation with respect to the supply of quality plantation teakwood from sustainable sources.

Major objectives are:

- Strategies for improving the productivity of teak plantations owned by commercial entities and smallholders, while conserving the existing teak genetic resources in natural forests.
- Expansion of teak trade from legally harvested and sustainably managed sources.
- Options to establish international log grading rules based on a uniform definition of log dimensions and measuring units
- Develop R & D innovation in processing technologies and design for quality teak products from short rotation plantations.
- Opportunities and challenges of smallholder's teak production systems.

- Program

- 08:30 – 08:40 Promoting Legal and Sustainable Supply Chains for Sustainable Global Teak Markets
Hwan-ok Ma
- 08:40-08:50 Development of smallholder teak plantations in Vietnam
Dong Lam Tran
- 08:50-09:00 Heartwood production and density of 22-year-old teakwood from fast-growth plantations: a comparative study across three locations in Brazil
Mario Tommasiello-Filho
- 09:00-09:10 Strengthening smallholder community-based teak plantation in Thailand
Yongyut Trisurat
- 09:10-09:20 Trends of trade and market access of tropical timber and timber products
Tetra Yanuariadi
- 09:20-09:30 The future is genomic: rapid clone selection for teak productivity and value
Andrew Callister
- 09:30-09:40 Global Teak Resources and Market Assessment 2023
Sandeep S.
- 09:40-09:50 Intensely managed teak plantations – Quality of teakwood & common grading rules for teak logs
Praveen Angusamy
- 09:50-10:00 Reducing initial stocking rates in smallholder teak woodlots: results of a Nelder wheel experiment in Northern Lao PDR after 15 growing seasons
Outhai soukkhy soukkhy
- 10:00-10:30 Effect of Topographic Conditions on Teak Heartwood Quality in Mountainous Area
Simone Vongkhamho

- Four members (Dr. Hwan-ok Ma, Dr. Tetra Yanuariadi, Dr, Dong Lam Tran and Prof. Yongyut Trisurat) of the project contribute as the speakers, while Dr. P.K. Thulasidas is involved as the organizing committee of the teak side event. Abstracts contributed by the project members are shown below:

Promoting Legal and Sustainable Supply Chains for Sustainable Global Teak Markets

HWANOK MA¹, *Tetra Yanuariadi*¹, *Yongyut Trisurat*², *P.K. Thulasidas*³

¹ International Tropical Timber Organization, Japan

² Kasetsart University, Faculty of Forestry, Thailand

³ TEAKNET, Kerala, India

Abstract

The global teak market faces challenges in establishing transparent and sustainable supply chains due to the complex nature of roundwood products and the need to verify the legality of raw materials. Industrialized countries have implemented regulations to prevent the import of timber from unknown sources, requiring importers to demonstrate the legality of their supplies through due diligence (e.g. the Lacey Act, USA; the EU-FLEGT Timber Regulation; the Japanese Clean Wood Act, the Australian Illegal Logging Prohibition Act). India stands as a key player in the global teak trade, consuming nearly 95 percent of teak wood from teak plantations in three tropical regions. While a niche market for luxury yachts also exists, the bulk of the teak wood is used to support India's economy, provide employment opportunities, and cater to the demands of discerning Indian consumers. To address the challenge of illegal logging, it is imperative to establish cost-effective certification systems that facilitate the production of legal teak wood. By implementing such measures, the origin and legality of teak supply chains can be ensured, mitigating the risks associated with trading in illegal wood. Sustainability in teak production is crucial for the long-term viability of this valuable resource. Establishing and managing teak plantations using environmentally responsible forest management practices are key. Encouraging certification schemes and standards incentivizes sustainable teak production and provides assurance to consumers regarding the origin and sustainable management of teak products. Fostering collaboration among stakeholders is vital for building sustainable teak supply chains. Engaging with local communities, indigenous groups, governments, and industry actors is essential to address social issues and ensure the inclusion of diverse perspectives. Robust monitoring systems, sustainable management practices, and transparent communication channels can facilitate cooperation and contribute to the establishment of sustainable global teak trade.

Development of smallholder teak plantations in Vietnam

Tran Lam Dong, Dang Thinh Trieu
Vietnamese Academy of Forestry Sciences
46 Duc Thang, Bac Tu Liem, Ha Noi, Vietnam
E-mail: dong.tran@vafs.gov.vn

Abstract

Teak has been introduced to Vietnam in early 20th century. Although it performed well adapted to a wide range of climatic condition in Vietnam with a yield of 7-16 m³/ha/year for 20-25 years rotation, its extent of areas is still very limited in comparison with about 2.5 million hectares of *Acacia* and *Eucalyptus*. In Vietnam, about 70% of the plantation lands are owned by the households and the major constraint for teak development is that the rotation length is about four times that of acacia (4-7 years), even though the economic return from Teak (converted to annual basis) is much higher than Acacia. The ITTO Teak in Mekong Project (PP-A/54-331) implemented during 2019-2022 has supported Vietnam teak planting households in several communities in capacity building, selection of quality seed sources, development of silviculture demonstration plot and identification of teak value chain, those initially support the smallholders in development and sustainable management of teak plantation.

The demand for high-quality timber including teak in Vietnam for the furniture industry has been increasing steadily during the last 15 years, mainly for export with exporting value increased 15% annually to reach 15.7 billion USD in 2022. Teak promises to be a valuable and suitable tree species for the large-dimension timber plantation regime in Vietnam, which is recently encouraged by the government. Finding solutions for smallholders to invest in long-rotation plantations, particularly for teak, is crucial. Recommendations from findings in the ITTO Teak in Mekong project, including (1) boosting teak growth by improvement of germplasm and silviculture technology, (2) diversifying income regime based on teak-based agroforestry, (3) improvement of the value chain and marketing, (4) promotion of linkage between wood processing company and teak smallholders for sustainable material supply chain, and (5) micro-finance mechanism for long-term investment, are promising solutions. This presentation will discuss those issues with the aim to support smallholder teak plantations in Vietnam and the livelihood enhancement of the people employed in the sustainable teakwood industry sector.

Keywords: Smallholder teak, teak value chain, teak plantation, long-rotation plantation, sustainable teakwood industry, *Tectona grandis*

STRENGTHENING SMALLHOLDER COMMUNITY-BASED TEAK PLANTATIONS IN THAILAND

Yongyut Trisurat¹, Hwan-ok Ma², Tetra Yanuariadi², P.K. Thulasidas³

¹ Kasetsart University, Faculty of Forestry, Thailand

² International Tropical Timber Organization, Japan

³ TEAKNET, Kerala, India

Abstract

Thailand's 20-year National Strategy (2018-2037) targeted at increasing the forest cover up to 40% of the country's land area. In addition, the National Forest Strategy and Action Plan for Extension of Integrated Economic Trees aims at increasing economic plantations of 4.1 million ha to meet future wood demand and the economic forests of 15% out of 40% target by motivating people to plant more trees for economic benefits. Teak (*Tectona grandis*) is promoted as one of the top priority species for plantations, which was exempted from the list of restricted species and recognized as commercial timber species in the amended Forest Act of 2019. Although teak plantations were established more than 100 years ago and the first world teak orchard was initiated in Thailand in 1965, most of the existing teak plantations are of poor quality and from unknown genetic origin. Furthermore, teak smallholders lack of sustainable financing mechanisms and gain limited short- and medium terms income from the plantations. The ITTO Teak Project Phase I "Enhancing Conservation and Sustainable Management of Teak Forests and Legal and Sustainable Wood Supply Chains in the Greater Mekong Sub-region was implemented during 2019-2022 by ITTO with the participation of five countries, namely Cambodia, Lao PDR, Myanmar, Thailand and Vietnam as well as with the support of the Kasetsart University of Thailand. Although the COVID-19 pandemic caused disruptions in the global trade of tropical timber products, significant achievements could be made. Trainees became trainers to share knowledge with their colleagues. Fourteen demonstration plots were established in the five participating countries to support community-based smallholder teak forests. Plus trees were identified, and several clonal tests and seed production areas were established. Subsequently, good quality seedlings were distributed to teak smallholders. These outputs are bridging to project phase II. This presentation will focus on the strategies to strengthen smallholder community-based teak plantations in the Mekong and other countries in the tropics. In addition, support for the livelihood enhancement of the people employed in the sustainable teakwood industry sector will be discussed

Trends of trade and market access of tropical timber and timber products

Tetra Yanuariadi¹

¹ International Tropical Timber Organization (ITTO)

Abstract

Competitiveness of tropical hardwoods is in continuing loss compared to wood products produced in temperate forests. In the current situation, the availability and quality of large-diameter tropical hardwood logs of primary wood species are declining. Changes in the global trading environment for tropical timbers, including teak, are occurring at a rapid pace. This requires a longer-term view to enable tropical timber industry policy decisions to be effective. Degraded forests have a reduced capacity to supply local, national and global markets with essential forest products. Yet demand for harvested timber and other products are increasing. Demand for tropical primary and secondary wood products is a derived demand, driven by residential, non-residential and public construction activity and by consumer wealth and spending. Global housing and construction trends are therefore important indicators of tropical wood products demand. Commodities produced in tropical countries are not always viewed in a positive light as they are associated with deforestation, forest degradation, illegality, etc. Increasing degraded forests have reduced their capacity to supply local, national and global market with essential forest products. The COVID-19 crisis has affected tropical timber and timber product trade and amplified the economic slow down in its both producer and consumer countries. Tropical timber producer countries need to regularly assess the situation of competitiveness of their products in international markets to ensure continued maintenance of production and trade of sustainably managed tropical timber products. Ensuring sustainable tropical timber trade requires optimizing the utilization and improving productivity of production forests, which will, in turn, benefit conservation and protected forests, in terms of reducing pressures and disturbances. A key requirement of sustainability is compliance with all relevant legal frameworks.



Opening by H.M. King of Sweden



Teak side event



Dr Tetra, (left Prof. Kokutse (middle), Dr. Ma Dr. Sandeep (right)



Dr. Ma (moderated by Dr Thulasidas)



Dr. Teatra Yanuariadi



Dr Tran Lam Dong



Prof/ Yongyut Trisurat

Activities:

3.4.3 Share the outcome of the project at the 5th World Teak Conference 2025 (Kerala, India) with the launch of a technical report compiling key themes to contribute to the development of the global teak sector for a sustainable future

Achievement

- Not started

3. Planned Activities during July-December 2024

Cambodia

The Planned Activities for Cambodia components are as follows:

- **Activity 1.2** Support smallholders and local communities for improved management of existing demonstration plots for teak and other valuable species and field training on the following subjects: (1) seed production/nursery techniques; (2) silvicultural practices and improved stand management, including coppicing as a regeneration method; (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (4) teak value chains and other valuable species and NTFP (5) timber legality and sustainability.
- **Activity 1.3** Work with Consultant#3 legality to promote timber legal compliance in smallholder/community plantations, aligning with national and local laws governing forest plantations, management, timber harvesting and legality (global).
- **Activity 2.2** Support the Thunen Institute of Forestry, Germany to carry out a study to promote micro-lending schemes to address the credit constraints of smallholders to explore different options to overcome the problem with collaterals that smallholders often face trees

as guarantees, and group-lending to a number of forest growers who can ensure loan repayments from each other (all participating countries).

- **Activity 2.3** Support the Thunen Institute of Forestry, Germany to carry out a study to promote the formation of effective forest grower associations to reduce transaction costs and help improve access to micro- credits (all participating countries).
- **Activity 2.4** Carry out a study to access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community-based teak and other valuable species plantations to increase financial security of farmers, address the issue of cash flows, and support their access to micro-lending schemes (global scope).
- **Activity 3.1** Produce and disseminate outreach and training materials on the conservation and sustainable management of teak and other valuable species plantations and legal and sustainable supply chains in line with outcomes of Activities 1.2 and 2.1-2.4 to support forest policy development (regional scope).
- **Activity 3.4** Support sharing lessons in promoting quality teak production and legal and sustainable supply chains at the IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (Kerala, India) for improved global teak collaboration (global scope).

Thailand

Thailand's project team discussed about planned activities during July-December 2024. Proposed activities and tentative schedules are summarized below:

- Arrange a webinar for all national coordinators, consultants and sub-contractor (Thunen Institute of Forestry), and ITTO to update the status of MOU and the progress of implementation by all participating countries. Tentative schedule in May 2024. A google poll will be circulated to find suitable time and most participants are available to attend.
- Arrange back-to-back meetings on the **2nd PSC meeting and 1st Regional Workshop**. The tentative program is planned during September-October 2024. Specific dates and venues, as well as meeting theme will be discussed at the webinar meeting (item 4.1).
- According to the project document, Thailand component shall organized 4 training sessions to increase capacity of smallholders and relevant staff. The 1st training on Teak Plantation and Silvicultural Practices for smallholders was conducted in Nan Province during 17-18 April 2024. **The second training on thinning and minimizing harvesting loss, efficient transportation and processing of teak roundwood is planned before December 2024.** Specific date and venue will be discussed with Consultant#4 Assoc. Prof. Dr. Nopparat Kaakkrivaara.

Vietnam

- Import 13,390 Teak plantlets from Thailand
- Organize two training courses on teak nursery
- Establish 23 hectares of experiment and trial plot on Teak in different ecological regions in Vietnam

Togo

- Continue the monitoring program of provenance trials conducted by the Forest Research Laboratory of the University of Lomé at Zogbépimé, aiming to assess the growth,

health, and wood quality of different teak provenances; 3) an identification and selection of candidate trees (APC).

- Conduct training sessions to increase the capacity of stakeholders.

India and Indonesia (TBD)

It is hoped that India and Indonesia components can finalize the MoUs with ITTO by June 2024. Both countries can speed up the activity implementation and catch up the workplan by the end of 2024.

4. Critical Analysis and Project Progress

Due to the long process of internal review by the India's Ministry of Environment, Forestry and Climate Change (MoEFCC) and the Indonesia' Ministry of Environment and Forestry, the MoU between ITTO and these two institutions have not been finalized. However, a lot of progress has been made and key project staff has been identified. Official appointments will be notified upon the official approval of the ministries. It is hoped that activities in India and Indonesia will be executed effectively in the second half of year 1 and later. In addition, they can catch up on the work plan and deliver project outputs by the project schedule. For the worst scenario, ITTO, BMEL and the project will decide at the 1st PSC meeting, which is scheduled for September-October 2024.

5. Conclusions

The ITTO-BMEL smallholder Teak and Other Economic Species Plantation Project has offered the six tropical countries in Asia-Pacific and West Africa a unique opportunity to cooperate in their effort for sustainable management of teak forests and to promote South-South Cooperation. During the reporting period (1 November 2023 – 30 June 2024), the Project has established cooperative institutional arrangements among the six participating countries, ITTO and BMEL through successful Launching and Inception Workshops in October 2023 and January 2024, respectively. In addition, the achievements of Project Phase I and the context of Project Phase II were presented at the 59th ITTC meeting in Pattaya, Thailand.

Consultants have been recruited for the Thailand component to support the planned activities, while Cambodia, Vietnam component, and Togo components have nominated consultants and requested NOL from ITTO. Besides, the four country components have established demonstration plots and conducted training sessions to increase the capacity of stallholders and disseminate knowledge. The progress of the Project toward the achievement of the Project's specific objectives for Cambodia, Thailand, Vietnam and Togo Components is on track. It is hoped that India and Indonesia Components will start the activities soon. In addition, the Thünen Institute has not yet carried out any activities related to Output 2 during the reporting period. The planned start of the research scientist will tentatively start by the 3rd quarter of 2024. Nonetheless, all partners actively join the meetings and they are committed to put more effort into completing all planned activities within the Project period.

Annex 1 Signed MoU between ITTO and Kasetsart University



INTERNATIONAL TROPICAL TIMBER ORGANIZATION

6 September 2023
Ref. L.23-0145

Dear Prof. Dr. Kobsak Wanthongchai,

**Memorandum of Understanding between
ITTO and the Kasetsart University of Thailand
For the implementation of ITTO Project "Promoting Quality Timber Production in Smallholders and
Community-based Teak and Other Valuable Species Plantations in the Tropics"**

I am pleased to inform you that ITTO is currently preparing the implementation of the project "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (Teak Project Phase II)", which was financed by the Government of Germany through the Federal Ministry of Food and Agriculture (BMEL). This project aims to significantly improve the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia-Pacific and West Africa.

In terms of collaboration between ITTO and the Faculty of Forestry, we at ITTO are extremely proud that Professor Yongyut Trisurat has greatly contributed to the success of the ITTO project "Enhancing Conservation and Sustainable Management of Teak Forests and Legal and Sustainable Wood Supply Chains in the Greater Mekong Sub-region (Teak Project Phase 1). The project's achievements and outputs are internationally recognized and shared in various international events.

Considering the great success of the Teak Project Phase I, I would like to invite the Faculty of Forestry to implement the ITTO Teak Project Phase II. I believe that under the guidance of the Royal Forest Department (RFD) of Thailand and technical support from ITTO, the Faculty of Forestry through a Faculty member assigned as Regional Project Manager will implement project activities in accordance with the project document.

I believe the involvement of the Faculty of Forestry will strengthen the achievements of the project's outputs and outcomes. The project document and the draft Memorandum of Understanding (MoU) between ITTO and the Faculty of Forestry on the implementation of the Teak Project Phase II for your kind consideration are attached hereto. I would be grateful to receive the MoU signed by your side if the draft MoU is fine. I look forward to your cooperation towards the successful implementation of the project for the benefit of smallholders involved in teak and other valuable species plantations.

Please accept our sincere appreciation for your cooperation and our assurance of the highest consideration.

Yours sincerely,

Hwan-ok Ma
Officer-in-Charge
Forest Management Division

Prof. Kobsak Wanthongchai,
Dean of Faculty of Forestry
Kasetsart University
Bangkok 10900, Thailand
Email: fforksw@ku.ac.th

Annex 2 NOL from ITTO to recruit the Regional Project Manager



International Tropical Timber Organization (ITTO)

INTERNATIONAL ORGANIZATIONS CENTER – 5F, PACIFICO-YOKOHAMA
1-1-1, MINATO-MIRAI, NISHI-KU, YOKOHAMA 220-0012, JAPAN

F A C S I M I L E

Page 1 of 1 page

Fax: (81-45) 223-1111

Tel.: (81-45) 223-1110

E-mail: rfm@itto.int

Date: 13 October 2023	Ref. No. F.23-0051	
To: Prof. Kobsak Wanthongchai Dean of Faculty of Forestry Kasetsart University 50 Phahonyothin Rd, Khwaeng Lat Yao Khet Chatuchak, Krung Thep Maha Nakhon Bangkok, 10900 Thailand		From: Dr. Hwan-Ok Ma Officer-in-Charge Forest Management Division ITTO – Yokohama, Japan
Fax:		
E-mail: fforksw@ku.ac.th		

Dear Prof. Kobsak Wanthongchai,

PP-A/54-331A

Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (Teak Project Phase II)

Thank you for your e-mail of 28 September 2023 regarding your proposal to engage a Regional Project Manager for the above Project. It is our understanding that Prof. Yongyut Trisurat will be engaged as the Regional Project Manager for 36 months from 1 November 2023 – 31 October 2026 with an honorarium of US\$ 3,000.00 (US dollars three thousand only) per month in accordance with the Project Document.

I am pleased to inform you that I have no objection to your proposal to engage Prof. Yongyut Trisurat as the Regional Project Manager for the above Project, provided that the terms of reference and related costs for the appointment are in accordance with the provisions specified in the Project Document.

I look forward to the effective and successful implementation of the Teak Project Phase II, under the leadership of Prof. Yongyut Trisurat, and with the full support of Kasetsart University.

Yours sincerely,

Hwan-Ok Ma
Officer-in-Charge
Forest Management Division

Annex 3 NOL from ITTO to recruit Project Secretary and Project Finance



International Tropical Timber Organization (ITTO)

INTERNATIONAL ORGANIZATIONS CENTER - 5F, PACIFICO-YOKOHAMA
1-1-1, MINATO-MIRAI, NISHI-KU, YOKOHAMA 220-0012, JAPAN

F A C S I M I L E

Page 1 of 1 page

Fax: (81-45) 223-1111

Tel.: (81-45) 223-1110

E-mail: rfm@itto.int

Date: 9 November 2023	Ref. No. F.23-0059	
To: Prof. Kobsak Wanthongchai Dean of Faculty of Forestry Kasetsart University 50 Phahonyothin Rd, Khwaeng Lat Yao Khet Chatuchak, Krung Thep Maha Nakhon Bangkok, 10900 Thailand Fax: E-mail: fforksw@ku.ac.th	From: Dr. Hwan-Ok Ma Officer-in-Charge Forest Management Division ITTO - Yokohama, Japan	

Dear Prof. Kobsak Wanthongchai,

PP-A/54-331A

"Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (Teak Project Phase II)"

Thank you for your letter of 25 October 2023 regarding your proposal to engage the following two project personnel for the above project:

Name	Position	Duration	Duration	Monthly Honorarium (US\$)	Total Honorarium (US\$)
Ms. Saichon Mutarapat	Project Secretary	1 Nov. 2023-31 Oct. 2026	36 months	750.00	27,000.00
Ms. Suchnart Suyarat	Project Finance	1 Nov. 2023-31 Oct. 2026	36 months	600.00	21,600.00

I am pleased to inform you that I have no objection to engage the above two project personnel with the duration and honorarium as detailed above, provided that the terms of reference and related costs for the appointment are in accordance with the provisions specified in the Activity document.

I look forward to the effective and successful implementation of the Teak Project Phase II with the full support of Kasetsart University.

Yours sincerely,

Hwan-Ok Ma
Officer-in-Charge
Forest Management Division

Annex 4 Appointed the Project Steering Committee (PSC)



Announcement of Kasetsart University

No. 1 / 2024

Subject: Appointment of Project Steering Committee members for ITTO-BMEL Project "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)"



The International Tropical Timber Organization (ITTO) and five countries in the Asia-Pacific, namely Cambodia, India, Indonesia, Thailand, and Vietnam and Togo in West Africa are implementing the project entitled "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)" or ITTO-BMEL Project in the Tropics. This project is financed by the Government of Germany through the Federal Ministry of Food and Agriculture. The project duration is 3 years from November 1, 2023 to October 31, 2026. The ITTO-BMEL Project in the Tropics aims to significantly improve the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia-Pacific and West Africa.

According to the Memorandum of Understanding duly signed between ITTO and Kasetsart University on the implementation of the ITTO-BMEL Project in the Tropics, the Faculty of Forestry has assigned Regional Activity Manager with the support of the Royal Forest Department (RFD) in Thailand to coordinate with the six participating countries and the ITTO. To effectively implement various project activities and to scale-up regional cooperation for the sustainable development of the project, Kasetsart University would like to cordially appoint the Project Steering Committee members as follows:

- | | |
|--|-----------------|
| 1. Director General of Royal Forest Department | Chairman |
| 2. Dean, Kasetsart University Faculty of Forestry | Deputy-chairman |
| 3. Managing Director of Forest Industry Organization | Member |
| 4. Representative of Forest Administration, Cambodia | Member |
| 5. Representative of the Indian Council of Forestry Research & Education | Member |
| 6. Representative of Vietnamese Academy of Forest Sciences (VAFS) | Member |
| 7. Representative of Ministry of Environment and Forestry, Indonesia | Member |

8. Representative of University of Lomé, Togo	Member
9. Representative of ITTO	Member
10. Representative of the Ministry of Food and Agriculture (BMEL), Germany	Member
11. President of Forestry Alumni Society, Thailand	Member
12. Mr. Suchat Kalyawongsa, Forestry Expert	Member
13. Mr. Sapol Boonsermsak, Forestry Expert	Member
14. Director of Research and Forest Development Office, RFD	Member
15. Director of Forest Economics Office, RFD	Member
16. Director of Forestry Foreign Affairs Office, RFD	Member
17. Regional Project Manager	Member and Secretary
18. Director of International Cooperation and Organization Division, RFD	Member and Assistant Secretary

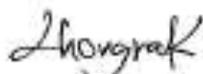
According to the Project Document, the Project Steering Committee will have the following responsibilities:

1. overseeing the implementation of project activities;
2. adopting work plans and budgets;
3. reviewing project progress and providing guidance;
4. reviewing and proposing changes in budgets and activities; and
5. securing international collaboration of participating countries.

The Project Steering Committee will meet at least once a year in consultation with the six implementing agencies. Expenses for organizing the meeting will be secured from the Thailand Component (budget item C11). Representatives of the donor and ITTO are encouraged to secure their own expenses to attend PSC meetings.

The appointment is effective from January 11, 2024 and ends on October 31, 2026.

Announced on January 11, B.E. 2567 (2024)

x 

(Chongrak Wachirarat, Ph.D.)
President, Kasetsart University

Annex 5 Appointed the Project Technical Committee (PTC)



Announcement of Kasetsart University

No. 2 / 2024

Subject: Appointment of Project Technical Committee members for ITTO-BMEL Project "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)"



The International Tropical Timber Organization (ITTO) and five countries in the Asia-Pacific, namely Cambodia, India, Indonesia, Thailand, and Vietnam and Togo in West Africa are implementing the project entitled "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)" or ITTO-BMEL Project in the Tropics. This project is financed by the Government of Germany through the Federal Ministry of Food and Agriculture. The project duration is 3 years from November 1, 2023 to October 31, 2026. The ITTO-BMEL Project in the Tropics aims to significantly improve the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia-Pacific and West Africa.

According to the Memorandum of Understanding duly signed between ITTO and Kasetsart University on the implementation of the ITTO-BMEL Project in the Tropics, the Faculty of Forestry has assigned Regional Activity Manager with the support of the Royal Forest Department (RFD) in Thailand to coordinate with the six participating countries and the ITTO. To effectively implement various project activities and to scale-up South-South cooperation for the sustainable development of the teak sector in the region, Kasetsart University would like to cordially appoint the Project Technical Committee members as follows:

- | | |
|---|----------|
| 1. Director of Research and Forest Development
Office, RFD | Chairman |
| 2. Cambodia National Project Coordinator | Member |
| 3. India National Project Coordinator | Member |
| 4. Indonesia National Project Coordinator | Member |
| 5. Thailand National Project Coordinator | Member |
| 6. Vietnam National Project Coordinator | Member |
| 7. Director of Forest Economics Office, RFD | Member |
| 8. Director of Silviculture Division, RFD | Member |

9. Representative of Forest Industry Organization	Member
10. Dr. Saroj Wattanasuksakul, Senior Expert	Member
11. Mr. Suchat Kalyawongsa, Forestry Expert	Member
12. Mr. Sapol Boonsermsuk, Forestry Expert	Member
13. Regional Activity Manager	Member and Secretary

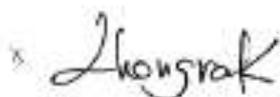
According to the Project Document, the Project Technical Committee will have the following responsibilities:

1. facilitating project implementation;
2. monitoring activities conducted by five implementing agencies;
3. providing information to project teams to facilitate project implementation;
4. coordinating with national and international consultants to effectively implement the assigned tasks; and
5. supervising the Regional Project Manager in preparing progress reports and work plans as required by the ITTO.

The Project Technical Committee meeting will be conducted at least once a year in consultation with the Country Coordinators of the six participating countries. Expenses for organizing the meeting will be deducted from the Thailand Component (budget item C11).

The appointment is effective from January 11, 2024 and ends on October 31, 2026.

Announced on January 11, B.E. 2567 (2024)



(Chongrak Wachirrat, Ph.D.)
President, Kasetsart University



Minutes of the Launching Workshop

ITTO-BMEL project "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics"

Rama Garden Hotel, Bangkok, Thailand

11-14 October 2023

Item 1. Welcome and Opening of the Meeting (moderated by Mr. Montri Intasen, RFD)

Dr. Tetra YANUARIADI, ITTO Projects Manager, conveyed the regards of Mrs. Sheam Satkuru, Executive Director of ITTO, and thanked all honorable delegates, distinguished members attending the launching the ITTO-BMEL project entitled 'Promoting Quality Timber Production in Smallholders and Community-based Teak and Other valuable Species Plantations in the Tropics', as the continuation of the 1st phase of the project on enhancing teak management in the Greater Sub-Mekong Region.

My hope is that the knowledge developed, the experiences shared and the networking achieved during the implementation of the previous project will enable each and every one to engage in more effective way the implementation of the 2nd phase of the project.

For this, I would like to convey ITTO appreciation to Federal Ministry of Food and Agriculture of Germany for its continuing support to ITTO, the Royal Forest Department of Thailand and the Kasetsart University, and also to the participating countries, Cambodia, Laos PDR, Myanmar, Thailand, and Vietnam, as well as TEAKNET for making the project successfully undertaken.

Based on the outputs and the outcomes of the 1st phase of the teak project, ITTO believes, the evolving network is an appropriate approach to build stronger efforts in making the project's activities smoothly implemented across Asia-Pacific and West Africa. Furthermore, the project scope of the 2nd phase has been extended to include not only teak, but to other valuable species plantations in the tropics. This will give opportunity for the wood-based industries in the tropical producer countries to obtain information from the project to enable them to scale up their industry capacity and efficiency and in turn, will provide better opportunity to improve wood-based industry situation in the respective countries.

Mr. Stephan Wagner, Mistry of Food and Agriculture (BMEL), Germany

Due to unexpected situation, Mr. Stephan Wagner had to return to Germany immediately after arrival in Bangkok. He requested Dr. Tetra YANUARIADI to read the BMEL's remarks.

Mr. Stephan Wagner extended his appreciation to all delegates and the project team for attending the launching workshop online and onsite. He also thanked Prof. Yongyut Trisurat of Kasetsart University and Dr. Hwan-ok Ma and Dr. Tetra YANUARIADI of ITTO for their hard work to make the 2nd possible.

The BMEL is positively impressed in the phase I project outputs implemented during 2019-2022, which significantly contribute to the conservation and sustainable management of teak forests and legal and sustainable wood supply chains in the Greater Mekong Subregion. In addition, these excellent outputs were published in the Teak Book and shared in various national and international fora such as the 4th World Teak Conference in Ghana in September 2022 and a side event at the FAO's XV World Forestry Congress in Seoul, S. Korea in May 2022 and 18th UN Forum on Forests in New York in May 2023.

The ITTO-BMEL Project Phase II will build on the outcome and achievement of the project phase I to mainstream the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia-Pacific and West Africa. In addition, the project will address pending issues facing smallholder tree plantations such as accessing to optimized financial mechanisms to promote longer rotations, value addition, and improved practices in silviculture, and timber processing and legality throughout supply chains of smallholders and community-based teak and other valuable species plantations.

The BMEL is pledged to provide grant of approximately USD 1.4 million or EUR 1.3 million through ITTO to support 5 countries in the Asia-Pacific and Togo in West Africa to implement the project during October 2023-September 2026. He would like to thank you all six participating countries and acknowledge Thünen Institute of Forestry, Germany to carry out feasibility studies for financing schemes for smallholder teak plantations; and TEAKNET to promote regional and international collaboration, information sharing and knowledge management, networking, and outreach activities. His specific thanks go to ITTO and the Faculty of Forestry for coordinating and communicating with all participating countries and collaborative partners.

Welcome Remarks by Dr. Kobsak Wanthongchai, Dean of the Faculty of Forestry

On behalf of Kasetsart University and the Regional Project Manager, Dr. Kobsak very warmly welcomes all delegates joining the launching workshop online and onsite.

He noted that Kasetsart University and ITTO signed MoU on the implementation of the ITTO-BMEL Teak Project Phase II, "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics or Teak project Phase II". funded by the BMEL in September 2023, but the actual execution will start from 1 November 2023 to 31 October 2026.

He noted that the project scope and objectives are highly relevant to the vision and mission of Kasetsart University (KU), especially the Faculty of Forestry. KU aims to provide 'Knowledge of the Land and Natural Resources', to promote sustainable development and to improve human well-being in rural areas in Thailand and the Mekong Region, and contribute to several international agreements and conventions such as UN SDGs 2030, the Bangkok's declaration on the BCG-Bio-Circular-Green Economy Model, which was adopted at the recent APEC meeting in Thailand, and the Paris Agreement. Furthermore, the project will significantly support the Thailand's Nationally Determined Contribution (NDC) Roadmap and the National Forest Policy.

He concluded his remarks by thanking the Federal Republic of Germany and ITTO for this great initiative. On behalf of Kasetsart University, he ensures all delegated that all assigned

faculty members to the project will effectively facilitate and coordinate this project with all participating countries and collaborative partners in the Asia-Pacific and West Africa.

Mr. Bannarak Sermthong, Deputy Director-General of the Royal Forest Department

The Director-General of the Royal Forest Department (RFD) of Thailand had a great pleasure to represent 5 countries in the Asia-Pacific and Togo in West Africa to deliver Opening remarks in the Launching Workshop of the ITTO-BMEL Teak Project Phase II, entitled “Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)”.

He noted that smallholder timber plantations in the tropics have the potential to provide sustainable supply chains of quality timber based on increasing forest landscape restoration initiatives as well as to provide a huge impact on environmental conditions such as carbon sequestration and soil conservation and other ecosystem services, which can benefit both the local community and the wider region. For example, Teak is recognized as one of the most important and valuable hardwoods in the world. It has been used for many centuries for the manufacture of a wide range of products. Teak plantations have been widely established across 70 tropical countries.

The Project Phase II builds on the excellent achievements of the project phase I, and aims to significantly improve the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in 5 countries in the Asia-Pacific and Togo in West Africa. Key activities include promoting policies to secure high quality planting stock, adoption of best silviculture practices, access to financing schemes to promote longer rotations, value addition, and improved timber legality.

The Government of Thailand amended the Business Security Act of 2018 to allow to use perennial plants as assets for business transaction and initiated Tree Bank system in early 2010. However, tree collateral roll-out and uptake by small-scale producers is limited due to loan intricacies such as the requirement of private land ownership for most schemes.

The ITTO-BMEL Teak project Phase II is highly relevant to forest resources management in Thailand that aims at contributing to happiness, prosperity and sustainability for Thai people in accordance with the 20-Year National Strategy (2018-2037) and the Bio-Circular-Green Economic Model or BCG. The Royal Thai government has promoted the BCG model as a new economic model to transform Thailand to a value-based and innovation-driven economy. The model also conforms with the UN Sustainable Development Goals (SDGs) and is adopted at the recent APEC meeting in Thailand.

On behalf of the six participating countries, he expressed her sincere thanks and appreciation Kasetsart University to serve as the Regional Project Manager to collaborate the implementation of this project with various stakeholders in the Asia-Pacific and West Africa. He thanks ITTO and the BMEL for constant support the RFD. It is hoped that the Launching workshop is fruitful and gain valuable suggestions from all onsite and online delegates to guide the effective implementation of the project in the next 3 years.

The Welcome Remarks and Opening Remarks are attached in Annex 1.
Provision Agenda of the Inception Meeting is attached in Annex 2; photos in Annex 3.

Prof. Yongyut Trisurat to facilitate the Launching Workshop.

Item 2. Introduction of all delegates and group photo

Prof. Yongyut Trisurat invited online and onsite delegates, accompanies and project staff to introduce themselves. There were 51 delegates (online 15; onsite 36) attending the meeting. The list of delegates and a group photo are provided in Annex 4.

Item 3. Keynote presentation: Wood-based economy towards carbon neutrality and livelihood improvement by Dr. Suwan Tangmitcharoen, Director of Office of Forest Development and Research, the RFD (Annex 5)

Dr. Suwan Tangmitcharoen was appointed as a PSC member and Chair of protect Technical Committee of the Teak project Phase I. Currently, he is the Director of Office of Forest Development and Research, the RFD.

He started his presentation by highlighting wooden house (Wood City) to mitigate GHG emission and compared its contribution with other materials used in manufacturing and construction such as concrete and metal. A few weeks before the launching workshop, he visited Sweden and had opportunity to explore sustainable forest management and wood city scheme implemented in Scandinavia.

Next, he discussed about the 20-years National Strategy, especially the NRE and forest sector. This strategy aims to increase forest and green areas to 55% by 2037. Of this figure, 35% is allocated for natural forest (conservation areas, protected areas); 15% for production forests (tree and rubber plantations); and 5% for green areas in residential and urban areas). To achieve the production forests, approximately 26 million ha or 4.2 million ha for reforestation is required.

An important mechanism to achieve the above target by Thai Government is the promotion of wood industry through BCG model. The wood industry will contribute to environment, economics and social sectors. He reiterated that wood city concept can absorb carbon in plantation areas and in the buildings. With advanced and innovative wood construction technology, 15-18 floors of wooden buildings have been constructed.

He mentioned that teak is the most common priority species for forest industries and planted forest. Despite, Thailand has natural teak forest and abundance of genetic diversity, there are obstructions such as good quality materials for plantation, forest certification.

A few comments and complements from delegates as follow:

Mr. Sapol Boonsermsuk, Ex-Senior Expert of the RFD

Ask Dr. Suwan to clarify between SFM certificate and CoC

Reply- CoC is involved in transportation and wood processing.

Mr. Nattawin Phongsphetarat, Managing Director of PTS Furniture Ltd.

Mr. Nattawin Phongsphetarat noted that he also joined the trip to Sweden and was impressed SFM in Sweden. The permission process is simple, online and one-stop service, which encourage farmer to engage in forest plantation. Regarding international certification, smallholders and local community are discussing with the Government to implement community or national certification to reduce the cost. Finally, he emphasizes that if the government facilitate the permission processes and simple certification, and provision of micro-finance to prolong plantation period, these will encourage wood industries in the country.

Item 4. ITTO-BMEL Project presentation: structure, objectives and workplan Prof. Yongyut Trisurat, KUFF

4.1 ITTO-BMEL Teak Project Phase I (2019-2022)

Prof. Yongyut Trisurat as the Regional project Manager highlighted the achievements of project phase I.

After the dual signing Ceremony for Teak Project at ITTC 54 on 6 Nov 2018, Yokohama, Japan between Gerhard Dieterle, ex-Executive Director, ITTO, and Matthias Schwoerer, BMEL-Germany, the ITTO invited Kasetsart University Faculty of Forestry (KUFF) to serve as the Regional Project Manager.

The ITTO teak project entitled “**Enhancing Conservation and Sustainable Management of Teak Forests and Legal and Sustainable Wood Supply Chains in the Greater Mekong Sub-region (PP-A/54-331)**” aims to promote the sustainable management of natural and planted teak forests with establishment of demonstration plots for conservation of genetic resources and capacity building of key stakeholders in the Mekong sub-region to improve legal and sustainable supply chains for sustainable production and consumption.

The project was implemented in 5 countries of the Greater Mekong Sub-region as follows:

- **Cambodia:** Forestry Administration/Institute of Forest and Wildlife Research and Development
- **Lao PDR:** Forestry Department/National Agriculture and Forestry Research Institute
- **Myanmar:** Forestry Department/Forest Research Institute/Myanmar Timber Enterprise
- **Thailand:** Royal Forestry Department/Forest Industry Organization
- **Vietnam:** Administration of Forestry/Vietnamese Academy of Forest Sciences,

The project period covered 3 and a half year with the budget of USD 1,236,250.

Outputs and key achievements are shown below:

Output 1: The conservation of teak genetic resources, sustainable management and use of natural teak forests and market accesses of teak from legal sources

- Establish 16 demonstration plots related to teak clonal seed orchard, seed sources, clonal test and innovative afforestation in five participating countries.

Output 2: Community-based and smallholders teak forest management and agroforestry systems have been strengthened with improved legal and sustainable supply chains

Conducted 24 training courses related to (1) seed production/nursery techniques, (2) silvicultural practices/improved stand management, (3) minimizing harvesting loss, efficient transport and processing, and (4) supply chains and marketing. There were 673 participants. Trainees from Laos, Cambodia, Vietnam and Myanmar became trainers in their home countries. In addition, teak-based forest user groups were established in Thailand and Myanmar.

Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach on the sustainable management of teak forests strengthened

- Two regional workshops were conducted in Myanmar and Thailand.
- Participated in the XV World Forestry Congress in Korea, 4th World Teak Conference in Ghana, and organized a Side Event on “Forest of Thailand: Sustainable Teak Management” on 11 May 2023 at the 18th UN Forum on Forests, New York, USA.

- Published a book titled “Teak in Mekong for a Sustainable Future”, research articles, newspapers and TVs.

4.2 ITTO-BMEL Teak Project Phase II (2023-2026)

The Project phase II is developed based upon the outcomes of the BMEL-ITTO Project “*Enhancing Conservation and Sustainable Management of Teak Forests and Legal and Sustainable Wood Supply Chains in the Greater Mekong Sub-region*” (PP-A/54-331). The project supported the participating countries’ policies and strategic goals of promoting sustainable management of teak resources and the afforestation efforts in public and private land; promote and assists in value chain process in wood industries and biodiversity based economic development; certification and legality of sustainably produced timber including small- and medium enterprises. The Project is also built on ITTO’s comparative advantage in providing support to forestry issues that require strong interface with the public, private sectors and community and proven records of continued accomplishment in policy work and capacity building initiatives in its producer member countries.

Target areas and collaborating agencies

The implementation of the field activities in the selected countries in the Asia-Pacific and West Africa are as follows:

Asia-Pacific

- Cambodia Forestry Administration,
- Thailand Royal Forestry Department and Kasetsart University,
- Vietnam Administration of Forestry/Vietnamese Academy of Forest Sciences,
- Indian Council of Forestry Research & Education, Dehra Dun
- Research Centre for Plant Conservation Botanic Garden and / National Research and Innovation Agency (BRIN) in Indonesia.

West Africa

- University of Lomé. Togo.

Partners

Thünen Institute of Forestry, Germany
TEAKNET, Kerala, India

Project objectives

The Project aims to contribute to increasing the economic and social contributions of smallholder teak and other valuable species plantations in the tropics to facilitate the achievement of the Sustainable Development Goals (SDGs) for a sustainable future.

Specific objectives

To improve the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia Pacific and West Africa;

To improve livelihoods and social and environmental outcomes through better silviculture practices, efficient wood transport and small-scale processing, financial schemes to invest in quality timber production from long rotations and access to voluntary carbon markets, as well as regional and international collaboration for sustainable smallholder plantations

Outputs and activities

The project has 3 outputs and 11 main activities as follows:

Output 1: Supply chains of smallholders and community-based teak and other valuable species plantation and management systems have been strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture, and timber processing and legality.

Activities:

- 1.1 Conserve teak and other valuable species genetic variation through improved management of existing seed production areas, seed orchards, and provenance/progeny trials/clonal plantations (India, Indonesia, Thailand).
- 1.2 Support smallholders and local communities for improved management of existing and new demonstration plots (altogether 14 plots) for teak and other valuable species and field training on the following subjects: (1) seed production/nursery techniques; (2) silvicultural practices and improved stand management, including coppicing as a regeneration method; (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (4) teak and other valuable species and value-chains (5) timber legality and sustainability (all participating countries)
- 1.3 Promote timber legal compliance in smallholder/community plantations, aligning with national and local laws governing forest plantations, management, timber harvesting and legality (global)

Output 2: Financing schemes for quality timber production in smallholders and community-based teak and other species plantations have been analyzed and improvements have been suggested to increase economic outcomes

Activities:

- 2.1 Carry out a feasibility study for direct contracts/out-grower schemes with sourcing companies to ensure that smallholders' products will be purchased at remunerative prices (all participating countries)
- 2.2 Carry out a study to promote micro-lending schemes to address the credit constraints of smallholders to explore different options to overcome the problem with collaterals that smallholders often face trees as guarantees, and group-lending to a number of forest growers who can ensure loan repayments from each other (all participating countries)
- 2.3 Carry out a study to promote the formation of effective forest grower associations to reduce transaction costs and help improve access to micro-credits (all participating countries)
- 2.4 Carry out a study to access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community-based teak and other valuable species plantations to increase financial security of farmers, address the issue of cash flows, and support their access to micro-lending schemes (global scope)

Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach for sustainable smallholder teak and other species plantations have been strengthened

Activities:

- 3.1 Produce and disseminate outreach and training materials on the conservation and sustainable management of teak and other valuable species plantations and legal and sustainable supply chains in line with outcomes of Activities 1.2 and 2.1-2.4 to support forest policy development (regional scope).
- 3.2 Support and facilitate teak networking in ITTO's member countries in Africa, Asia-Pacific and Latin America in collaboration with TEAKNET and other partners through the organization of a quarterly-based Webinar (4 every year) to promote the conservation and sustainable management of teak forest resources and legal and sustainable supply chains (global scope).
- 3.3 Plan and organize two Regional Workshops in Thailand and in central Java, Indonesia with investors and financial institutions to discuss financing schemes promoting quality timber production in smallholder teak plantations (regional scope).
- 3.4 Support sharing lessons in promoting the quality teak production and legal and sustainable supply chains at the IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (Kerala, India) for improved global teak collaboration (global scope).

Implementation Arrangement

Kasetsart University Faculty of Forestry (KUFF) as the Regional Project Manager of the project in collaboration with the ITTO jointly implement the project with 5 participating countries in the Asia-Pacific and West Togo in West Africa.

Kasetsart University will officially appoint the Project Steering Committee (PSC) chaired by the Director-General of the RFD and the Project Technical Committee (PTC). The PSC members will consist of representatives of six participating countries, ITTO, donor country (Germany), partner (TEAKNET), senior experts, and the Regional Project Manager (as member and secretary). While, the PTC members consists of technical staff nominated by the six participating countries. The role of PSC and PTC are to approve the budget plan, monitor and evaluate the project progress against the project and give immediate instructions on necessary revisions and adjustments supervising, monitoring and supporting the project implementation.

Furthermore, the project management team, which consists of a Regional Project Manager (PM), Project secretary & finance (PS) are responsible for day-to-day activities and the preparation of progress report and financial reports.

The project will recruit seven international and domestic consultants to assist the project activities. These include

Title	Scope	No of MM
Consultant 1 Quality Planting Material	Vietnam, Cambodia, Indonesia and Togo	4 months
Consultant 2 Field Training Silviculture	Vietnam, Cambodia, and Togo	3 months
Consultant 3 Legality	Regional	4 months
Consultant 4 Wood processing, design products and innovation	Thailand and India	2 months
Consultant 5 Information Management	Regional (handled by ITTO)	12 months

Consultant 6 Teak value-chains	Thailand, India and Indonesia	3 months
Consultant 7 Teak strategy development	Regional (handled by ITTO)	6 months
Sub-contract with the Thünen Institute of Forestry to carry out feasibility studies for financing schemes for smallholder teak plantations	Regional (handled by ITTO)	18 months

Budget

The Ministry of Food and Agriculture (BMEL) provides financial support to implement the ITTO_BMEL Teak project Phase II with the total budget of USD 1,413,449 for 3 years or 36 months (starting on 1 November 2023 to 31 October 2026). The allocation of the budget is shown below:

ITTO	714,849	50.57%
Thailand	358,100	25.33%
Vietnam	54,000	3.82%
Cambodia	51,000	3.61%
India	71,000	5.02%
Indonesia	110,500	7.82%
Togo	54,000	3.82%

See details in Annex 6.

Item 5: Q&A and Recommendations

Professor Yongyut Trisurat (Acting Regional Project Manager) invited online and onsite delegates to comment and provide suggestions to the project implementation. Their questions and response are shown below:

Dr. Hwan-ok Ma, Office-in-Charge of Forest Management Division, ITTO

Dr. Hwan-ok Ma congratulated the success of the launching Workshop. He apologized that he could not join the meeting in person due to prior commitments and other business trips. He appreciated Kasetsart University to facilitated the launching Workshop in a short-time. The MOU between ITTO and collaborating countries will be finalized before the starting date of project implementation (1 November 2023). He appreciated the Federal Ministry of Food and Agriculture of the Federal Republic of Germany (BMEL), for continuing support the project. Special thanks were given to Stephan Wagner for internal arrangement.

Reply - Acknowledge with a lot of thanks for ITTO support.

Dr. Tetra YANUARIADI, ITTO Projects Manager

He appreciated Kasetsart University and the Royal Forest Department to jointly organize this Launching Workshop. He also thanks online and onsite delegates attending the meeting. With the capacity of the project staff and great collaboration among the six participating countries,

he is confident that the Teak Project Phase II will be success as the project phase I and deliver significant outputs to be shared to international communities in various events.

Reply - Acknowledge with a lot of thanks for ITTO support.

Asst. Prof. Kobsak Wantongchai, Dean of the Faculty of Forestry

Dean Kobsak has suggestions to organize the workshop in Phrae Province in northern Thailand and disseminate the project outputs to international communities.

Reply – Yes, the project has planned activities to organize two regional workshops in Thailand and Java, Indonesia. Thus, the Dean's suggestion is well taken. In addition, the project has planned to attend the IUFRO Conference in Sweden in June 2024 and the 5th World Teak Congress in Kerela, India.

Prof. Kouami Kokou, University of Lome, Togo

He has a pleasure to join the ITTO-BMEL Teak Project Phase II. In fact, he notified the meeting that the University of Lome introduced improved seed from Malaysia in 2015 for commercial plantation. Recently, the ITTO provided financial support to implement the project related to the production of teak clone varieties; engage community and smallholders especially the women participating in forest landscape restoration (FLR). He hopes that Togo will gain experience from the Asia-Pacific countries during the next 3 years.

Reply- NA

Mr. Pahatpong Niammeesree, Bank for Agriculture and Agricultural Cooperatives (BAAC)

He revealed that BAAC has been involved in tree collateral scheme since 2010. There are a few hundred thousand of farmers are interested in the project to gain passive income from carbon credit and direct income from wood. To get the loan, the BAAC's regulation has to consider both land deed and standing trees as security properties, which becomes barrier for farmers to access credit.

Reply – This issue has been discussed and published in scientific journals. Right now, Thailand's Government is considering to reform Land Allocation for Agriculture certificate to Land Allocation for Agriculture Land Deed, so that the farmers can use this document as security properties to get loans from Bank.

Dr. S. Sandeep, Secretary of TEAKNET

The ITTO has invited TEAKNET to provide technical support on information sharing, networking and organizing the 5th World Teak Conference. TEAKNET is delighted to get involved and work with all participating countries. He mentioned that the Launching Meeting will be published in the upcoming TEAKNET Bulletin.

Reply – Acknowledge with a lot of thanks for TEAKNET support.

Mr. Suchat Kalayawongsa, Senior Forestry Expert

Suggest to synergically implement the ITTO-BMEL Teak Project Phase II with the Sustainable Wood Use Project.

Encourage the RFD to physically implement the C&I to reduce burden for local community for legal wood certification.

Reply – Two valuable suggestions are well taken and implemented.

Dr. Paiboolya Gavinlertvatana, THAI ORCHIDS LAB CO., LTD

He noted that he is from business sector and produces high quality teak seedlings with capacity over 2 million seedlings per year. Dr. Paiboolya Gavinlertvatana appreciated the project to let him involved in the project and is very happy to provide any technical assistances.

Reply – Thanks for his offer and participation.

Ms. Uma Srisuk, Department of Climate Change and Environment

The Department of Climate Change and Environment is a newly born institution under the Ministry of Environment and Natural Resources, which is directly responsible for mitigation of climate change impacts and raises public awareness. The current NDC road map aims to reduce 20-25% of GHG emission by 2030 from the baseline in 2000. Although, forest and LULC cover was not included in the existing NDC roadmap, strategy for adaptation measures is proposed. The ITTO-BMEL project is highly relevant and would make great impact on GHG absorption/mitigation.

Reply – Acknowledged and willing to support the revised NDC roadmap.

Item 6. Other Business (Field Excursion)

Professor Yongyut Trisurat introduced the field visits program on 12-14 October 2023. The objectives of field visits included:

- To discuss forest certification and issues with FIO
- To monitor the teak clonal test implemented during the project phase I
- To explore thinning practice & yield at FIO's teak plantation
- To discuss with smallholders on issues and needs for community-based teak and other valuable spp. Plantations

Day 1 (12 Oct 2023):

Meet Managing Director of Forest Industry Organization (FIO) to discuss 1) Experience from large-scale and commercial teak plantation; 2) international and national certification; 3) role of FIO as middleman to facilitate int. trade for private sector and smallholder; and 4) challenges and opportunities for carbon credit & CBAM (Carbon Border Adjustment Mechanism). If time is permitted. The delegated will visit show room next to FIO HQ. Bangkok

Day 2 (13 October 2023)

Visit **FIO's Teak Plantation** (Kroeng Krawia Reforestation St.) located at Thongphaphum District, Kanchanaburi Province. Delegates will discuss with Head of Kroeng Krawia Reforestation Station on silvicultural practices, yield & thinning and cutting rotation. In addition, delegates will monitor the Clonal test and its growth performance implemented during the 1st ITTO Teak Project. Furthermore, the delegates will visit smallholder plantation at Thongphaphum District (**Uncle San**) and discuss the opportunity of Micro-finance mechanism (tree bank), passive income from carbon credit, other economic incentives, and obstructions/Needs: market, capacity, etc.

See the provisional agenda in Annex 7.

Item 7: Closing of the Launching Workshop

The meeting adjourned at 16.30 with a vote of thanks to ITTO, BMEL and Kasetsart University and all online and onsite delegates for various productive discussions towards the effective implementation of the project. Dr. Tetra YANUARIADI from ITTO expressed

their appreciations to the RFD, KU, Dr. Preecha Ongprasert, Dr. Suwan Tangmiycharoen and Prof. Yongyut Trisurat for organizing the Launching Workshop.

We the undersigned endorsed the minutes as a record of this Launching Workshop.

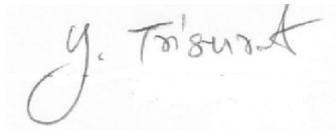
Date: 25 October 2023

Assist. Prof. Dr. Kobsak Wanthongchai
Dean, Faculty of Forestry



Dr. Tetra YANUARIADI
International Tropical Timber Organization

Mr. Stephan Wagner
Ministry of Food and Agriculture (BMEL),
Germany



Prof. Dr. Yongyut Trisurat
Regional Project Manager

Annex 7 Minutes of the Online Inception Meeting, 25 January 2024



Federal Ministry
of Food
and Agriculture



Minutes of the Online Inception Meeting

ITTO-BMEL project "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics" (PP-A/54-331A).

Rama Garden Hotel, Bangkok, Thailand
25 January 2024

Prof. Dr. Yongyut Trisurat, Regional Project Manager, moderated the Online Inception according to the Provisional Agenda as follows:

Item 1. Welcome and Opening Remarks by ITTO

Dr. Hwan-ok Ma, Officer-in-Charge of Forest Management Division of ITTO, conveyed the regards of Mrs. Sheam Satkuru, Executive Director of ITTO, and thanked all honorable delegates, distinguished members attending the online Inception Meeting of the ITTO-BMEL project entitled 'Promoting Quality Timber Production in Smallholders and Community-based Teak and other valuable Species Plantations in the Tropics'. Dr. Ma also congratulated the success of the presentation on the achievement of the 1st Phase and the 2nd phase of the project at the 59th ITTC meeting held in Pattaya, Thailand in November 2023. Dr. Ma noted that he would officially retire from ITTO on 31 January 2024. His service with ITTO is almost 28 years. From 1 February 2024, Dr. Tetra, ITTO Projects Manager, will handle this project.

Dr. Tetra YANUARIADI, ITTO Projects Manager, appreciated Dr. Ma for his contribution to ITTO. The success of the 1st Phase and the 2nd Phase of the project is largely due to his great effort. Dr. Tetra hoped that Dr. Ma will continue to support the project as the project's consultant/advisor.

Item 2. Introduction of all delegates and group photo

Prof. Yongyut Trisurat invited online delegates, accompanies and project staff to introduce themselves by the country alphabet order starting from Cambodia, followed by India, Indonesia, Thailand, Togo and Vietnam. There were 20 delegates attended the meeting. The list of delegates and a group photo are provided in Annex 1.

Item 3. Adoption of draft agenda

Prof. Yongyut Trisurat as the moderator of the meeting presented the draft provisional agenda for all delegates to review as follows:

- Welcome remarks (ITTO) - completed
- Introduction -completed
- Adoption of draft agenda
- Progress of signing MOU and KU Notification
- Consolidated Inception Report and 1st YPO (Yongyut)
- Country Inception Report (by alphabetical order)
- Comments and engagements (e.g., Thunen Inst, Consultants)
- Other businesses (e.g., audit, IUFRO 2024, 1st PSC)

Prof. Yongyut Trisurat also noted that if any delegates had other items to be raised and discussed, it can be included in the other businesses item.

All delegates did not have any objection and adopted the proposed provisional agenda.

Item 4. Progress of signing MOU and KU Notification

Prof. Yongyut Trisurat invited Dr. Hwan-ok Ma and Dr. Tetra Yanuariadi to notify the delegates on the progress of signing MOU, while the official notification of PSC and PTC appointments was reported by Prof. Yongyut Trisurat.

Dr. Ma reported that ITTO already signed MoU with Cambodia, Thailand, Togo, Vietnam and Thunen Institute of Forestry, Germany. In addition, the first installment was transferred to Kasetsart University.

ITTO works closely with Indian Council of Forestry Research and Education (ICFRE) to finalize the MoU. In fact, Dr. Ma visited the ICFRE once in September 2023 and discussed with the Director-general of ICFRE. However, the former DG was retired last year. So that it would take sometime to finalize the internal processes.

Director (International Cooperation), ICFRE (dir_pic@icfre.org), and Director, ICFRE-IFGTB,Coimbatore (dir_ifgtb@icfre.org) attended the meeting notified the meeting that the MoU with ITTO will be finalized by 2 weeks (mid-February 2024). Dr. Ma appreciated Indian delegates to engage the MoU signed. Prof. Yongyut Trisurat also informed the meeting that KU and ICfri already have MoU, thus this project will physically enhance cooperation between the two institutions.

Dr. Tetra notified the meeting that he visited Indonesia after the 59th ITTC meeting and discussed with high ranking officials. Indonesia government assigns the Ministry of Environment and Forestry to handle this project and collaborate with Research Centre for Plant Conservation Botanic Garden and Forestry /National Research and Innovation Agency (BRIN – Prof. Anto RIMBAWANTO). Dr. Tetra understands that Dr. Secunda S. Santoso, Senior Policy Analyst, will be assigned as the National Coordinator of Indonesia Component. In this connection, Dr. Secunda S. Santoso noted that a meeting to finalize the MoU will be conducted on 20 March 2024. Dr. Hwan-ok Ma and Dr. Tetra would greatly appreciate if Indonesia can speed up the process.

Prof. Yongyut Trisurat is pleased to notify the meeting that KU President officially appointed the Notifications on Project Steering Committee (PSC) and the Project Technical Committee (PTC) appointment.

The Director-General of the RFD is the Chair of PSC, while Dr. Suwan Tangmitcharoen, Director of Forestry Research and Development of RFD, is the chair of PTC. Copies of appointment were shown in Annexes 2 and 3.

Item 5: Consolidated Inception Report and 1st YPO

Prof. Yongyut Trisurat as the Regional Project Manager presented the consolidated inception report and the 1st YPO. He thanked DDG Dany Chheang of the Cambodia component for the first submission. The Cambodian report was shared and used as example among the participating countries.

The consolidated Inception was prepared based on the submission from Cambodia, Indonesia, Thailand, Vietnam and Togo. India has not submitted the report due to the delayed MoU.

The Project phase II is developed based upon the outcomes of the BMEL-ITTO Project “*Enhancing Conservation and Sustainable Management of Teak Forests and Legal and Sustainable Wood Supply Chains in the Greater Mekong Sub-region*” (PP-A/54-331). The project supported the participating countries’ policies and strategic goals of promoting sustainable management of teak resources and the afforestation efforts in public and private land; promote and assists in value chain process in wood industries and biodiversity based economic development; certification and legality of sustainably produced timber including small- and medium enterprises.

Target areas and collaborating agencies

The implementation of the field activities in the selected countries in the Asia-Pacific and West Africa are as follows:

Asia-Pacific

- Cambodia Forestry Administration,
- Thailand Royal Forestry Department and Kasetsart University,
- Vietnam Administration of Forestry/Vietnamese Academy of Forest Sciences,
- Indian Council of Forestry Research & Education, Dehra Dun
- Indonesian Ministry of Environment and Forestry.

West Africa

- University of Lomé. Togo.

Partners

- Thünen Institute of Forestry, Germany
- Research Centre for Plant Conservation Botanic Garden and / National Research and Innovation Agency (BRIN) in Indonesia
- TEAKNET, Kerala, India

Project duration

The project officially started on 1 November 2023 when Kasetsart University signed MoU with ITTO and will be officially ended on 31 October 2026. In addition, the bi-annual progress report submission is subject to this date although other participating countries sign MoU after 1 November 2023.

Project objectives

The Project aims to contribute to increasing the economic and social contributions of smallholder teak and other valuable species plantations in the tropics to facilitate the achievement of the Sustainable Development Goals (SDGs) for a sustainable future.

Specific objectives

To improve the production of high-quality timber from teak and other valuable species plantations established by smallholders and communities in the Asia Pacific and West Africa;

To improve livelihoods and social and environmental outcomes through better silviculture practices, efficient wood transport and small-scale processing, financial schemes to invest in quality timber production from long rotations and access to voluntary carbon markets, as well as regional and international collaboration for sustainable smallholder plantations

Outputs and activities

The project has 3 outputs and 11 main activities as follows:

Output 1: Supply chains of smallholders and community-based teak and other valuable species plantation and management systems have been strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture, and timber processing and legality.

Activities:

- 1.1 Conserve teak and other valuable species genetic variation through improved management of existing seed production areas, seed orchards, and provenance/progeny trials/clonal plantations (India, Indonesia, Thailand).
- 1.2 Support smallholders and local communities for improved management of existing and new demonstration plots (altogether 14 plots) for teak and other valuable species and field training on the following subjects: (1) seed production/nursery techniques; (2) silvicultural practices and improved stand management, including coppicing as a regeneration method; (3) minimizing harvesting loss, efficient transport and processing of teak roundwood and product designs and innovation; (4) teak and other valuable species and value-chains (5) timber legality and sustainability (all participating countries)
- 1.3 Promote timber legal compliance in smallholder/community plantations, aligning with national and local laws governing forest plantations, management, timber harvesting and legality (global)

Output 2: Financing schemes for quality timber production in smallholders and community-based teak and other species plantations have been analyzed and improvements have been suggested to increase economic outcomes

Activities:

- 2.1 Carry out a feasibility study for direct contracts/out-grower schemes with sourcing companies to ensure that smallholders' products will be purchased at remunerative prices (all participating countries)
- 2.2 Carry out a study to promote micro-lending schemes to address the credit constraints of smallholders to explore different options to overcome the problem with collaterals that smallholders often face trees as guarantees, and group-lending to a number of forest growers who can ensure loan repayments from each other (all participating countries)

- 2.3 Carry out a study to promote the formation of effective forest grower associations to reduce transaction costs and help improve access to micro-credits (all participating countries)
- 2.4 Carry out a study to access to voluntary carbon markets to increase revenues from longer rotation of smallholder and community-based teak and other valuable species plantations to increase financial security of farmers, address the issue of cash flows, and support their access to micro-lending schemes (global scope)

Output 3: Regional and international collaboration, information sharing and knowledge management, networking, policy development and outreach for sustainable smallholder teak and other species plantations have been strengthened

Activities:

- 3.1 Produce and disseminate outreach and training materials on the conservation and sustainable management of teak and other valuable species plantations and legal and sustainable supply chains in line with outcomes of Activities 1.2 and 2.1-2.4 to support forest policy development (regional scope).
- 3.2 Support and facilitate teak networking in ITTO's member countries in Africa, Asia-Pacific and Latin America in collaboration with TEAKNET and other partners through the organization of a quarterly-based Webinar (4 every year) to promote the conservation and sustainable management of teak forest resources and legal and sustainable supply chains (global scope).
- 3.3 Plan and organize two Regional Workshops in Thailand and in central Java, Indonesia with investors and financial institutions to discuss financing schemes promoting quality timber production in smallholder teak plantations (regional scope).
- 3.4 Support sharing lessons in promoting the quality teak production and legal and sustainable supply chains at the IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (Kerala, India) for improved global teak collaboration (global scope).

Implementation Arrangement

Kasetsart University Faculty of Forestry (KUFF) as the Regional Project Manager of the project in collaboration with the ITTO jointly implement the project with 5 participating countries in the Asia-Pacific and West Togo in West Africa.

Kasetsart University officially appoint the Project Steering Committee (PSC) chaired by the Director-General of the RFD (Annex 2) and the Project Technical Committee (PTC) chaired by Dr. Suwan Tangmitcharoen of the RFD (Annex 3).

Kasetsart University nominated the Regional Project manager (prof. Yongyut Trisurat) and project staff (Secretary and Finance) and obtained No Objection Letters to officially recruit those staff. In addition, each participating country also nominates the National Coordinator and project staff. Key staff are show below:

Cambodia: Cambodia Forestry Administration,

DDG Chheang Dany, Say Sinly, Lim Sopheap

Thailand: Royal Forestry Department and Kasetsart University

Dr. Preecha Ongprasert and Mr. Montree Intasen; Dr. Kobsak Wanthonchai

Vietnam: Vietnam Administration of Forestry/Vietnamese Academy of Forest Sciences

DDG Tran Lam Dong and Dr. Dang Thinh Trieu

India: Indian Council of Forestry Research & Education, Dehra Dun

Name (TBD)

Indonesia: Ministry of Environment and Forestry

Dr. Secunda S. Santoso and Prof. Anto Rimbawanto

Togo: University of Lome

Prof. Kokou Kouami and Prof. Kokuste A. Dzifa

ITTO: Dr. Hwan-ok Ma (retire on 31 January 2023)

Dr. Tetra Yanuariadi

The project will recruit seven international and domestic consultants to assist the project activities. These include

Title	Scope	No of MM
Consultant 1 Quality Planting Material	Vietnam, Cambodia, Indonesia and Togo	4 months
Consultant 2 Field Training Silviculture	Vietnam, Cambodia, and Togo	3 months
Consultant 3 Legality	Regional	4 months
Consultant 4 Wood processing, design products and innovation	Thailand and India	2 months
Consultant 5 Information Management	Regional (handled by RPM)	12 months
Consultant 6 Teak value-chains	Thailand, India and Indonesia	3 months
Consultant 7 Teak strategy development	Regional (handled by ITTO)	6 months
Sub-contract with the Thünen Institute of Forestry to carry out feasibility studies for financing schemes for smallholder teak plantations	Regional (handled by ITTO)	18 months

Budget

The Ministry of Food and Agriculture (BMEL) provides financial support to implement the ITTO-BMEL Teak project Phase II with the total budget of USD 1,413,449 for 3 years or 36 months (starting on 1 November 2023 to 31 October 2026). The allocation of the budget is as shown below:

ITTO	714,849	50.57%
Thailand	358,100	25.33%
Vietnam	54,000	3.82%

Cambodia	51,000	3.61%
India	71,000	5.02%
Indonesia	110,500	7.82%
Togo	54,000	3.82%

Inception phase activities

After signing the MoU, Kasetsart University together with the participating countries have conducted various activities before the Online Inception meeting as follows:

1. **Organized Hybrid Launching Workshop** on 11-13 October 2024, Bangkok

The project organized the Hybrid Launching workshops at Rama Garden Hotel in Bangkok and field Excursion at FIO Reforestation Station and Smallholder Plantation, Thong Phaphum District, Kanchanaburi Province. There were 15 participants attending onsite and 36 attending online (Annex 1).

During field visit, the participants had opportunity to visit **FIO's Teak Plantation** (Kroeng Krawia Reforestation St.) located at Thongphaphum District, Kanchanaburi Province. Delegates discussed with Head of Kroeng Krawia Reforestation Station on silvicultural practices, yield & thinning and cutting rotation. In addition, delegates monitored the Clonal test and its growth performance implemented during the 1st ITTO Teak Project. Furthermore, the delegates also visited smallholder plantation at Thongphaphum District (**Uncle San**) and discussed the opportunity of Micro-finance mechanism (tree bank), passive income from carbon credit, other economic incentives, and obstructions/Needs: market, capacity, etc.

The activity of launching meeting and field visit was published in 2 local newspapers (Thatrat and Khaosod). In addition, Dr. Thulasidas (former TEAKNET Coordinator) also nicely summarized the events and disseminated in bi-monthly Teak Mekong Newsletter issue 5, 2023.

2. **The 59th ITTO Council Meeting**

ITTO invited Prof. Yongyut Trisurat to participate in the 59th ITTC meeting in Pattaya, Thailand on 13-17 November 2023. Prof. Yongyut Trisurat had opportunities to present the achievement of ITTO-BMEL Teak Project Phase I and ITTO-BMEL Teak Project Phase II on 14 November 2023. Besides that, the project also arranged exhibition to show achievements and planned activities of both phases. Prof. Yongyut Trisurat also met and discussed the project context with Matthias Schwoerer of Ministry of Food and Agriculture, and National Coordinators and high ranking officers of Cambodia, India, Indonesia, Togo, Thailand, Vietnam (Annex 4).

3. **Contribution to IUFRO 2024 meeting**

The IUFRO will organize international conference in Sweden in June 2023. In this connection, ITTO work with TEAKNET (Dr. Thulasidas and Dr. Sandeep) to arrange side event on Strengthening Teak Forest Management for Sustainable Teakwood Supply Chains and Trade.

According to the project document, a budget of USD 3,000 is allocated for each of the participating countries and USD 5,000 to ITTO to participate in the IUFRO 2024. Dr. Hwan-ok Ma, Dr. Tetra Yanuariadi, Dr. Tran Lam Dong and Prof. Yongyut Trisurat submitted abstracts for oral presentations and all abstracts were accepted by IUFRO.

The above presenters and Prof. Kokou Kouami have registered and paid early registration fees. Dr. Tetra Yanuariadi noted that besides the allocated budget item (C13), ITTO received confirmation from the Government of Japan to support the 5th World Teak Conference in India in 2025. Thus, the some parts of the previously allocated budget for this activity (C14) can be used to cover additional participants (Dr. Hwan-ok Ma and Dr. Thulasidas) to participate in the IUFRO 2024. Prof. Yongyut Trisurat and ITTO will request budget modification of item C14 from the BMEL during the 1st PSC meeting.

Item 6: Country Inception Report (by alphabet order)

Cambodia Component (DDG Chheang Dany)

Forest Administration (FA) is a responsible agency for the Cambodia component. The Project areas are located in Kampong Speu province Aural district, where a 350-ha teak plantation by M/s. TEAKFARM, an Israeli private holding company established teak plantations in 2018 with superior quality planting stock obtained from Sabah, Malaysia. Another area is Phnom Scouch and Aoral district in the same Kampong Speu with 48 ha teak plantation raised by M/s Grandis Timber in 2014. These plantations were established under the economic land concession (ELC).

FA assigns the project staff as follows:

Title/Position	Name	Tel/E-mail
Project Coordinator	Dr. Chheang Dany	Email: wpo@online.com.kh ; Phone: (855-12) 867-477
Deputy Project Coordinator	Mr. Say Sinly	Email: saysinlyrua@gmail.com ; Phone: (855-17) 909 768
Project Finance	Ms. Lim Sopheap	Email: sopheap73@yahoo.com ; Phone:(855-61) 939-929
Project Secretary	Mr. Pang Phanit	Phone:(855-17) 913-127
Field Assistant	Mr. As Brosden	Phone:(855-71) 544-2013
Field Assistant	Mr. Kong Kongkea	Phone:(855-17) 944-468
Field Assistant	Mr. Phoung Sophea	Phone:(855-17) 222-745

Planned activities were presented by Prof. Yongyut Trisurat (Regional Project manager), however Cambodia component started physical activities from 1 January 2024 due to the delayed MoU but will speed up the process.

The total budget allocated for Cambodia component is USD 51,000 for 3 years, and the planned budget for year 2024 is USD 20,000 For the practicality, Cambodia component would like to use the existing Bank account for international project. This is due to it is time consuming and complicated procedures to open a new bank account for this project.

Indonesia Component (Prof. Anto Rimbawanto)

Naturally, Indonesia does not have natural teak forests, but teak was introduced by Dutch to Indonesia in Muna Sulawesi in 16th century and Java in the 17th century. Nowadays, small-scale teak plantation is a common practice in Indonesia. These small-scale teak plantations are typically owned and managed by local farmers, contributing to the socio-economic enhancement of rural communities.

The cultivation of teak on a smaller scale allows for decentralized ownership and utilization of the valuable hardwood resource. However, this practice also presents challenges such as limited access to technical expertise, financing, and market opportunities for smallholders. Despite these hurdles, smallholder teak plantations play a crucial role in supporting the national timber industry, providing livelihoods for local communities, and contributing to sustainable forestry practices.

The Ministry of Environment and Forest is the implementing agency in Indonesia. It will collaborate with Research Centre for Plant Conservation Botanic Garden of National Research and Innovation Agency (BRIN).

Indonesia selects the District of Gunung Kidul in the Special Region of Yogyakarta as the target region. The project areas were selected based on the number of small-scale teak plantations in the district that benefited from the initiative.

The Ministry of Environment and Forest has not signed MoU with ITTO. It is under consultation process with relevant agencies. The Ministry will arrange the meeting to finalize the MoU in mid-March, and hopefully will officially implement the planned activities in April 2024. Currently, the Ministry assigns Dr. Secunda S. Santoso, Senior Policy Analyst, as the National Coordinator to coordinate with ITTO, while Prof. Anto Rimbawanto will provide technical and scientific supports.

The total budget allocated for Indonesia component is USD 110,500 for 3 years, and the planned budget for year 2024 is USD 24,000 or 22% of the total budget. Note that Indonesia component will host 2 consultants (Const#1: quality plantation material and Const#6: teak value chains). Bank account, names of consultants and contracts will be established after signing MoU.

India component (TBD)

Thailand Component (Prof. Yongyut Trisurat)

In the absence of Dr. Preecha Ongprasert and Mr. Montree Intasen, Prof. Yongyut Trisurat presented on their behalf the Thailand inception report

Thailand has the third largest natural teak forests after Myanmar and India. Most the remaining forests are located inside protected areas such as national parks and wildlife sanctuaries. The government of Thailand established teak plantations more than 100 years, but teak seedlings are from unknown sources or poor quality. Based on the recent data gathered from GISTDA (remote sensing data) and Land Development Department (remote sensing data), the remaining teak plantations cover approximately 1.2 – 1.3 million rai (192-208 thousand ha) largely in northern Thailand.

Previous activities cover the entire teak supply chains from upstream (Genetic conservation, clonal test & tree improvement, good quality material), middle stream (Silvicultural practices, Minimizing harvesting loss, Smallholder plantation, Efficient transportation and wood processing, Forest certification), and down stream (Value-added products, Marketing (domestic & international), Value-chain, Trade permission & transaction cost) through ordinary activities and the project funded activities.

The results of ITTO-BMEL Teak Project Phase I revealed that teak production planted in Thailand is very low (4-8 m³/ha/year) compared to plantations in Africa and Latin America (18-20 m³/ha/year). In addition, the traditional plantation period is also very long (30-40 years) and longer in Myanmar and India (40-60 years), while the average plantation period in Africa and Latin America is 15-20 years. Thus, Thailand, Myanmar and India cannot compete with those countries for economy markets.

Although teak wood is highly demanded for international markets, especially India, legality permission and international certification are complicated processes and the transaction cost is very high.

Thailand (Royal Forest Department and Kasetsart University) is one of the six participating countries of the ITTO-BMEL Teak Project Phase II. Thailand component preliminarily selects target areas as follows: The Maegar Silvicultural Research Station in Payao Province for clonal plantation; Dong Lan SRS, Khon Kaen Province, Kanchanapuri Province under RFD for clonal testing sites; FIO plantations sites at Lampang province for wood processing. In addition, FIO operates a teak furniture factory in Bang Phó (west of Bangkok) with chain-of-custody certification. The KU department of Forestry in Bangkok for wood products design and innovation.

As the main executing agency (RFD), the DG of the RFD is the Chair of the PSC, and Dr. Suwan Tangmitcharoen, the Director of Forestry Research and Development Office of the RFD is the Chair of PTC. Besides, the RFD and KU assign the project staff to handle day-by-day activities as follows:

Title	Name	Position/Tel/E-mail
Central Level		
National Project Coordinator	Dr. Preecha Ongprasert	Director of Forestry Foreign Affairs Office, RFD
Deputy Project Coordinator	Mr. Montree Intasen	Director of International Cooperation and Organization Division, RFD
Regional Project Manager	Prof. Yongyut Trisurat	Faculty of Forestry, Kasetsart University Email: fforyyt@ku.ac.th
Project Secretary	Miss. Saichon Mutarapat	Forestry Foreign Affairs Office, RFD Email: chon-ag44@hotmail.com
Project Finance	Miss Suchanart Suyarat	Email: plantz.sucha@gmail.com

Thailand component signed MoU with ITTO in mid-October 2023 and officially started physical activities from 1 November 2024 as the first country among the six participating countries. Previous activities done by Thailand component includes as below:

1. Organized the Launching Workshop on 11 October 2023 and field excursion on 12-13 October 2023;
2. Present the achievements of project phase I and project phase II, as well as arrange exhibition at the 59th ITTO Council Meeting on 13-17 November 2023 at Pattaya, Thailand;
3. Kasetsart University organized onsite and online seminar on networks of economic plantations and management on 18 January 2024

The total budget allocated for Thailand component is USD 358,100 for 3 years (1 Nov 2023-31 Oct 2026), and the planned budget for year 2023-2024 is USD 150,913 or 42% of the total budget. Thailand component hosts 2 consultants (Const#4: Efficiency teak wood transportation, Const#6: teak value chain, and Const#5: Information Management). Thailand component already opened the project Bank account and obtained the first installment of USD 100,000 on 18 October 2023. Dr. Preecha Ongprasert and Prof. Yongyut Trisurat authorize to handle the project account.

Togo component (Prof. Kouami Kokou)

Togo does not have natural teak forests, but teak was introduced in 1910 from Burma by the Germans and have become well adapted to the country's climate. The planting rate of teak is 300 hectares per year, mainly on agricultural land using the *Taungya* system. This planting rate is considered inadequate to meet the domestic timber needs of the country. Smallholder farmers in Togo grow teak on their farms to increase household income, even though it competes with the production of staple crops such as maize and cassava.

Currently, Togo is ranked as the 5th in West Africa for teak plantations after Benin, Nigeria, Ghana, and Côte d'Ivoire. The existing plantation areas cover about 50,000 ha with 30,000 ha from Private sector and 20,000 ha from the Government.

University of Lome is the implementing agency in Togo. It will collaborate with Forest Department in which the Dr Alaba, Director of ODEF/Ministry of Forest Resources and Environment, Focal Point of ITTO attended the 59th ITTC meeting in Pattaya and met several colleagues of the project phase II. With the approval of ODEF/Ministry of Forest Resources and Environment, the MoU between University of Lome and ITTO was signed on 3 October 2023.

The total budget allocated for Indonesia component is USD 54,000 for 3 years, and the planned budget for year 2024 is USD 24,000 or 45% of the total budget. Note that Togo component already opened Bank account and obtained the first installment to implement the planned activities of year 1 (2024). In addition, Togo component will host 2 consultants (Const#1: quality plantation material and Const#2: field training silviculture). Names of consultants and contracts will be established soon.

Vietnam component (DDG Tran Lam Dong and Dr. Dang Thinh Trieu)

Vietnam Academy of Forest Sciences (VAFS) the implementing agency for Vietnam component. Dr. Tran Lam Dong notified the meeting that he has been promoted as the Deputy Director-General/Vice President of VAFS, thus he will serve as a PSC member and National

Coordinator of ITTO and assigns Dr. Dang Think Trieu to be the Project Coordinator of the project Phase II.

Dr. Dang Think Trieu made presentation on the inception report and the 1st YPO of Vietnam Component as follows:

Vietnam has existing forest cover of 14.789 million ha or 42,02% of the county land area. Natural forests cover 10.134 million ha, while forest plantations cover 4.655 million ha. The Popular species in plantations include Acacia, Eucalyptus, Pine, Cinnamom, and other valuable species are Teak, *Cinnamomum balansae*, *Michelia tonkine*.

Teak was introduced in Vietnam in late 19 century. The existing plantations cover 6.665 ha, mostly in Son La province. Main challenges to mainstream teak plantation and other valuable species are lack of capital resource of the growers for long rotation species and lack of improvement of teak resource.

Vietnam component proposes the project staff as follows:

Title	Name	Position/Tel/E-mail
Project Steering Committee	Dr. Tran Lam Dong	Email: tranlamdong@gmail.com; Phone (84)986506018
Project Coordinator	Dr. Dang Think Trieu	Email: thinktrieu@hotmail.com ; Phone: (84)983174696
Project Finance/ Secretary	Dr. Dang Nhu Quynh	Email: quynhfsiv@gmail.com ; Phone: (84)986727259
Field Assistant	Ms. Nguyen Thuy Duong	Phone:(84) 981344735
Field Assistant	Mr. Duong Quang Trung	Phone:(84) 975848729
Field Assistant	Mr. Le Van Quang	Phone:(84) 974217901

The total budget allocated for Indonesia component is USD 54,000 for 3 years, and the planned budget for year 2024 is USD 31,003 or 54% of the total budget. VAFS already signed MoU with ITTO and obtained the first installment to implement the planned activities of year 1 (2024). In addition, Vietnam component will host 2 consultants (Const#1: quality plantation material and Const#2: field training silviculture) similar as Cambodia and Togo. Names of consultants and contracts will be established soon.

Discussion topics and decisions

After the presentations, there were 5 topics for discussion and decision by the delegates as follows:

1) Arrangement of international and national consultants

Prof. Yongyut Trisurat (Regional Project Manager) noted that the project document stated that Consultants#1, #2, #4, and #6 are responsible in many countries (regional scope), but the budget was allocated to each country. For example, Consultant#1 (quality planting material) will receive payment of 3 man-months. He or she is responsible for Vietnam, Cambodia and Togo. However, the budget is allocated to each country (1 man-month each).

To facilitate the project implementation, Prof. Yongyut Trisurat (Regional Project Manager) proposes each country nominate and host the Consultant to carry out activity within the country with the allocated budget. However, the three consultants will nominate one consultant as the Editor-in-Chief to consolidate the report.

Decision: The delegates of the meeting have consensus to endorse this proposal.

2) Starting date and ending date for each participating countries and the project?

Only Thailand officially started the project on 1 November 2023, while Cambodia, Togo and Vietnam started on 1 January 2024. Furthermore, India and Indonesia would officially start physical activities after signing MoU in mid-February and late April 2024, respectively. Dr. Hwan-ok Ma, Officer-in-Charge of Forest Management Division mentioned that the official duration of the project cover 3 years from 1 November 2024 to 31 October 2026. In addition, the bi-annual progress report submission will follow this schedule although late starting dates of some members. The extension of project may be possible with the approval of PSC and BMEL in the future.

Decision: The delegates of the meeting acknowledge the regulation of ITTO and follow Dr. Ma's comment.

3) Facilitation and arrangement with Thunen Institute of Forestry (TIF), Germany

DDG Chheang Dany and some delegates mentions during the presentation that the six participating countries do not obtain budget to facilitate data collection and field activities to support the Thunen Institute of Forestry, Germany. They request ITTO to provide further information about the TIF involvement and the responsibility of the participating countries.

Dr. Hwan-ok Ma, Officer-in-Charge of Forest Management Division informed the meeting that ITTO already signed agreement with the TIF to carry out micro-finance study in the six countries with the budget of USD 353,954. This budget covers desk research and field activities of TIF staff and the project staff of six countries (if needed). The signed MoU clearly mentioned this concern.

Decision: The delegates of the meeting acknowledge the MoU signed between ITTO and TIF, and will provide in-kind support.

4) Bank Account for Cambodia

Cambodia component would like to use the existing Bank account for international project for the teak project phase II. This is due to it is time consuming and complicated procedures to open a new bank account for this project. In addition, the allocated budget for Cambodia component is quite small.

Decision: ITTO understood the complicated bureaucratic system in Cambodia. Thus, ITTO approves this request and notify the finance staff of ITTO to act accordingly.

Item 7. Other businesses (e.g., IUFRO 2024, 1st PSC meeting)

7.1 IUFRO 2024

TEAKNET and ITTO jointly organized a side event on Sustainable Teak Management for Sustainable Teakwood Supply Chains and Trade at the IUFRO Conference during 24-29 June 2024 in Sweden. According to the project document, a budget of USD 3,000 is allocated to Thailand, Vietnam, India, Indonesia and Togo and USD 5,000 for ITTO to participate in the IUFRO 2024. Dr. Hwan-ok Ma, Dr. Tetra Yanuariadi, Dr. Tran Lam Dong, Prof. Kouami Kokou and Prof. Yongyut Trisurat successfully registered for early registration rate. Dr. Ma urged Indonesia and India to consider whether they are interested in participating in this event, otherwise the project will request budget modification to use this amount for other purposes in the future.

7.2 1st PSC meeting

Due to the delayed signing MoU, Dr Tetra Yanuariadi notified the meeting that the 1st PSC is most likely to be organized in the mid-second half of 2024 (late July or August). He will discuss with Prof. Yongyut Trisurat about suitable time and venue and inform all delegates later.

7.3 Recommendations/Suggestions

- Thematic works (national and international consultants): to increase the efficiency of those efforts and facilitate the completion of comprehensive assessments, each participating country prepare a document for the use of each of the thematic consultants that would outline current conditions associated with the project's principal themes. Those themes include the conservation of teak genetic resources; the production of good-quality planting material; the development of improved management systems for natural teak forests; considerations of legality, certification, sustainable supply chains, and log tracking; the minimization of harvesting losses; the efficient transport and processing of teak roundwood; analyses of value chains; field training in silvicultural practices, as well as in wood harvesting, transport and processing; forest policies; and information management outreach.
- National Project Secretary: those assigned to this position in each participating country should be paid by ITTO to prepare required progress reports, as well as other project-related reports.

Item 8: Closing of the Online Inception Workshop

Prof. Yongyut Trisurat invited Kr. Suchat Kalyawongsa, a PSC member and ex-Thailand National Focal Point of ITTO and Dr Tetra Yanuariadi to thank you Dr. Hwan-ok Ma on behalf of the participating countries and ITTO, respectively for his professional work and tireless contributions over the last 28 years. We hope that he will continue and engage with the teak project as appropriate. .

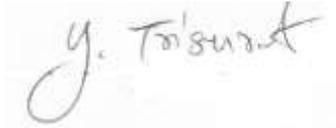
The meeting adjourned at 17.30 with a vote of thanks to ITTO, BMEL and Kasetsart University and all online and onsite delegates for various productive discussions towards the effective online inception meeting. Dr. Hwan-ok Ma expressed his appreciation to KU, and Prof. Yongyut Trisurat for organizing the Online Inception Meeting.

We the undersigned endorsed the minutes as a record of this Online Inception Meeting.

Date: 25 January 2023



Dr. Tetra Yanuariadi
International Tropical Timber Organization



Prof. Dr. Yongyut Trisurat
Regional Project Manager

Annex 1 List of delegates attending the Inception Meeting

1	Dr. Hwan-ok Ma	Officer-in-Charge, Forest Management Division, ITTO	ma@itto@int
2	Dr. Tetra Yanuariadi	ITTO Projects Manager Projects	tetra@itto.int
3	Prof. Yongyut Trisurat	Regional Project Manager, KUFF	fforyyt@ku.ac.th
4	Prof. Kouami Kokou	University of Lome, Togo	kokoukouami@hotmail.com
5	Mr. Secunda S Santoso	Indonesia Ministry of Environment and Forestry	Secunda.e28@gmail.com
6	Prof. Anto Rimbawanto	Research Centre for Plant Conservation Botanic Garden and Forestry National Research and Innovation Agency, Indonesia	rimba@indo.net.id
7	Dr. Dany Chheang	Forest Administration, Cambodia	wpo@online.com.kh
8	Ms. Sopheap Lim	Forest Administration, Cambodia	sopheap73@yahoo.com
9	Dr. Tran Lam Dong	DDG, Vietnamese Academy of Forest Sciences	tranlamdong@gmail.com
10	Dr. Dang Thinh Trieu	Vietnamese Academy of Forest Sciences (VAFS)	thinhtrieu@hotmail.com
11	Mr. Thuy Duong	Vietnamese Academy of Forest Sciences (VAFS)	
12	Mr. Duong Quang Trung	DDG, Vietnamese Academy of Forest Sciences	
13	Mr. Le Van Quang	DDG, Vietnamese Academy of Forest Sciences	
14	Director (International Cooperation), ICFRE	ICFRE	dir_pic@icfre.org
15	Director, ICFRE-IFGTB, Coimbatore	ICFRE	dir_ifgtb@icfre.org
16	Dr. Suwan Tangmitcharoen	Director of Forest Research and Development Office	suwanrfd@gmail.com
17	Mr. Suchat Kalayawongsa	ex-Senior Expert of the RFD	suchat_forester@yahoo.com
	Mr. Sapol Boonsermsuk	ex-Senior Expert of the RFD	sapolboonsermsuk@gmail.com
18	Mr. Montri Intasen	Royal Forest Department	b_willam@hotmail.com

19	Miss Suchanat Suyarat	ITTO Project	plantz.sucha@gmail.com
20	Ms. Saichon Mutarapat	ITTO Project	m.saichon565@hotmail.com

Annex 8 VAFS's letter to ITTO requesting budget modification



Vietnamese Academy of Forest Science

Duc Thang Ward, Bac Tu Liem District, Hanoi, Vietnam

Tel: +84.24.3838.9031

Fax: +84.24.3838.9722

Email: vkhln@vafs.gov.vn

Ms. Sheam Satkuru

Executive Director

International Tropical Timber Organization (ITTO)

International Organization Center, 5th Floor Pacific-Yokohama

I-I-I, Minato-Mirai, Nishi-KU, Yokohama, 220-0012 Japan.

2nd April 2024

Dear Ms. Sheam Satkuru,

Please refer to the **Memorandum of Understanding between the International Tropical Timber Organization (ITTO) and the Vietnamese Academy of Forest Sciences (VAFS)** on agreement of cooperation for the purpose of supporting the implementation of the Vietnam component of the project named, "Promoting Quality Timber Production in Smallholders and Community-based Teak and Other Valuable Species Plantations in the Tropics" and please refer to the **Inception Report** of the Project.

In this connection, Vietnam will be received 54,000 USD for implementing of the activities of the project. After planning activities, we found that we need less budget for trainings, but we need more budgets for demonstration plots and operating of the project offices.

Based on the above issues, we would like to submit the proposal of the budget modification for your approval (Appendix 1).

Please let me know if you need more information via email thinhtrieu@hotmail.com or mobile phone No. +84.983174696.

I look forward to hearing from you.

Yours sincerely,

Dang Thinh Trieu

National project Coordinator of ITTO - BMEL Project

Silviculture Research Institute – Vietnamese Academy of Forest Science

Annex 9 Approved project budget dated 25 January 2024 and the proposed budget modification dated 30 June 2024

Financial Report																
Project No. PP-A/54-331A		Approved budget: Project document September 2023														
Project Title Promoting Quality Timber Production in Smallholders and Community-based Teak		Proposed Budget Revision (IR-A): July 2024														
Implementing Agency: Countries																
Budget line/Item	Approved budget (USD)				Budget total	Proposed budget (USD)				Budget total	Balance	Expenditure			Budget next period	
	2023	2024	2025	2026		2023	2024	2025	2026			New-Dec 2023	Jan-Jun 2024	Total		Jul-Dec 2024
	(\$Jan-Dec)	(Jan-Dec)	(Jan-Dec)	(Jan-Dec)		(M)	(\$Jan-Dec)	(Jan-Dec)	(Jan-Dec)			(Jan-Dec)	(M)	(M)		(M)
A. Land and Consultants																
A01	Regional Project Manager (RPM THA) 1, 2/	12,000	36,000	36,000	24,000	108,000	6,000	36,000	36,000	30,000	108,000	-	6,000	18,000	24,000	18,000
A02	Project Secretary 1, 2/	3,000	9,000	9,000	6,000	27,000	1,500	9,000	9,000	7,500	27,000	-	1,500	4,500	6,000	4,500
A03	Finance Staff 1, 2/	2,400	7,200	7,200	4,800	21,600	1,200	7,200	7,200	6,000	21,600	-	1,200	3,600	4,800	3,600
A04	Cox # 1 Quality Planting Material 2/	3,000	12,000	6,000	3,000	24,000	-	9,000	6,000	9,000	24,000	-	-	2,700	2,700	6,300
A05	Cox # 2 Field Training Silviculture 2/	5,000	5,000	5,000	-	15,000	-	7,000	5,000	3,000	15,000	-	-	2,700	2,700	4,300
A06	Cox # 3 Logging 2/	6,000	12,000	6,000	-	24,000	-	12,000	6,000	6,000	24,000	-	-	-	-	12,000
A07	Cox # 4 Efficient teak wood transportation and processing 2/	-	6,000	6,000	-	12,000	-	4,500	6,000	1,500	12,000	-	-	2,000	2,000	2,500
A08	Cox # 5 Information Management 1, 2/	2,633	8,500	8,500	5,667	25,500	3,000	5,000	8,500	7,000	25,500	-	3,000	5,000	10,000	-
A09	Cox # 6 Teak value chains 2/	-	12,000	6,000	-	18,000	-	7,500	6,000	4,500	18,000	-	-	2,000	2,000	5,500
A10	Cox # 7 Teak strategy development 2/	-	18,000	12,000	6,000	36,000	-	6,000	12,000	18,000	36,000	-	-	6,000	6,000	-
A11	Sub-contract Thünen Institute of Forestry, Germany* (*No ITTO programme support on this amount)	-	132,733	132,733	86,488	353,954	-	132,733	132,733	86,488	353,954	-	-	132,733	132,733	-
A	Sub-Total Personnel & Consultants	34,233	258,433	234,433	137,955	665,054	13,700	235,933	234,433	180,288	665,054	-	13,700	179,233	192,933	56,700
B. In sum items																
B01	Operations cost for project offices (electr., consum., communication) 3/	2,000	6,000	6,000	4,000	18,000	101	9,479	6,000	7,391	22,971	4,971	101	1,800	1,901	7,679
B02	Technical reports and completion report editing	2,000	6,000	6,000	4,000	18,000	-	8,000	6,000	4,000	18,000	-	-	-	-	8,000
B	Sub-total Insum sum items	4,000	12,000	12,000	8,000	36,000	101	17,479	12,000	11,391	40,971	4,971	101	1,800	1,901	15,679
C. Variable items																
C10	Conferences, meetings, workshops	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C11	PSC meetings (venue, trav., accom)	-	12,000	12,000	12,000	36,000	5,661	12,000	12,000	6,339	36,000	-	5,661	342	6,003	11,658
C12	Regional teak workshop (venue, trav., accom) 4/	45,500	-	45,500	-	91,000	-	45,500	45,500	-	91,000	-	-	-	-	45,500
C13	RUFO World Congress 2024 (Regs, trav, accom.) 5/	-	20,000	-	-	20,000	1,911	20,281	-	-	22,192	2,192	1,911	20,281	22,192	-
C14	World Teak Conference 2025 (Regs, trav, accom.)	-	-	40,000	-	40,000	-	-	40,000	-	40,000	-	-	-	-	-
C20	Staff Travel (flights, transp., lodging, food)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C21	International travel of RAM & staff 6/	2,000	8,000	8,000	6,000	24,000	-	6,784	8,000	7,750	22,534	-	1,625	470	2,295	6,314
C30	Consult. Travel (flights, transp., lodging, food)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C31	International travel consultants#3,#6 and#7 7/	3,000	6,000	6,000	3,000	18,000	-	9,000	6,000	3,000	18,000	-	-	-	-	9,000

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
B02	2,000	6,000	6,000	4,000	18,000	-	8,000	6,000	4,000	18,000	-	-	-	-	8,000
B	4,000	12,000	12,000	8,000	36,000	101	17,479	12,000	11,391	40,971	4,971	101	1,300	1,301	15,679
C. Variable Items															
C10															
C11		12,000	12,000	12,000	36,000	5,661	12,000	12,000	6,339	36,000	-	5,661	342	6,003	11,638
C12	45,500	-	45,500	-	91,000	-	45,500	45,500	-	91,000	-	-	-	-	45,500
C13		20,000	-	-	20,000	1,911	20,291	-	-	22,192	2,192	1,911	20,291	22,192	-
C14			40,000	-	40,000	-	-	40,000	-	40,000	-	-	-	-	-
C20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C21	2,000	3,000	3,000	6,000	24,000	-	6,794	3,000	7,750	22,534	-	1,925	470	2,295	6,214
C30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C31	3,000	6,000	6,000	3,000	18,000	-	9,000	6,000	3,000	18,000	-	-	-	-	9,000
C40	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C41	2,000	2,000	2,000	4,000	10,000	104	3,896	2,000	4,000	10,000	-	104	-	104	3,896
C42	10,000	20,000	10,000	10,000	60,000	-	38,499	10,000	22,926	71,445	11,445	-	2,886	2,886	35,603
C43	18,000	66,000	42,000	18,000	144,000	-	38,429	26,429	56,000	126,858	17,142	-	9,912	9,912	26,517
C44		3,000	3,000	3,000	15,000	-	3,000	3,000	3,000	15,000	-	-	-	-	3,000
C45	2,000	2,000	2,000	1,000	7,000	-	4,000	2,000	1,000	7,000	-	-	2,912	2,912	1,185
C46		39,600	39,600	-	79,200	-	39,600	39,600	-	79,200	-	-	-	-	39,600
C	82,500	199,600	212,100	89,000	854,200	7,675	218,979	206,929	106,956	879,722	4,971	9,911	36,901	46,225	192,176
D. ITTO Monitoring and Review															
D01	3,000	10,000	10,000	7,000	30,000	3,079	10,000	10,000	6,922	30,000	-	3,079	1,079	4,158	9,921
D	3,000	10,000	10,000	7,000	30,000	3,079	10,000	10,000	6,922	30,000	-	3,079	1,079	4,158	9,921
Sub-total direct indirect cost (A+B+C+D)															
E. ITTO Project Administration															
E01	18,560	59,745	59,370	18,520	138,195	3,672	54,372	59,370	29,790	138,195	-	3,672	12,923	16,295	41,450
E	18,560	59,745	59,370	18,520	138,195	3,672	54,372	59,370	29,790	138,195	-	3,672	12,923	16,295	41,450
Grand Total (A+B+C+D+E)															
	152,921	591,770	618,930	259,470	1,413,495	38,227	536,956	513,422	240,272	1,413,495	-	38,227	211,427	261,249	356,921

Note

1/ The project requests a no-cost extension of the project duration for 4 months (from Sep 2024 to Aug 2025 to Sep 2025 to Dec 2025). This is due to the project activities could only start in November 2023 and the pending MOU signing by India and Indonesia. Note that starting 1/ 401-403, 404 - Starting date was shifted from September 2023 to November 2023. Payment to staff and consultants are not fragmented with the exchange rate. Thus, it is rounded to 100 as indicated in the project document.

2/ The payment for Consultants#1, 2, 3, 4, 6 and 7 are shifted from year 2023 to year 2024 due to the project activities started in November 2023 (Thailand and Togo) and early 2024.

3/ C01 Vietnam component proposed to increase USD 4,971 for operation costs (from USD 2,000 to USD 7,971). This amount will be obtained from C43-Training costs. The proposed reduction from training costs will not affect the overall objective because Vietnam will conduct

4/ C12 The 1st Regional Workshop is postponed from year 2023 to September 2024.

5/ C13: Additional travel and accommodation costs (Thailand USD 259, Vietnam USD 726, Togo USD 1,007) to support delegates from Thailand, Vietnam and Togo. This amount was obtained from C43-Training costs.

6/ In addition, advanced payment to support Dr. Hana-Ok Ma and Dr. PK Thanasida (Resource persons of the project) to participate in the IUPRO 2024 conference in Sweden. This amount was borrowed C14-for Thailand component. This amount will be reimbursed from C13, but

7/ C31: International travel of RAM & staff was zero in year 2023 (C41 USD 104) due to the project activities started in November 2023.

8/ C-42 Vietnam component proposed to increase the budget for demonstration plots of USD 11,445. This amount will be obtained from C-13 Training costs (Vietnam component). The increased funds will be used to establish good quality teak plantations imported from Thai.

9/ C-42: Vietnam component proposes to reduce USD 17,141 to support operation cost (D01), C13 (IUPRO congress - Vietnam and Togo) and C-42 (demonstration plots). The expected expenditures will be less than the estimation shown in the project document. However, Vietnam

Installments	Amount (USD)
#1 The 1st installment that ITTO received from BMEL in December 2023 after signing the agreement	142,293.00
#2	
#3	
Total	

1. 1st installment from BMEL	142,293.00
2. Expenditures (Nov 2023-Jan 2024) by the participating countries, Thailand and	361,309.00
3. Balance	179,296.00
4. Bank interest part 1	141.00
5. Balance + Bank interest	179,437.00
6. Total planned budget Jul-Dec 2024	204,927.00
7. 2nd call for funds from BMEL 3/	428,363.00

(Thailand component)

- 1/ Bank interest USD 160 (Thai component Nov 2023-Jan 2024)
- 2/ 2nd installment for participating countries and Thailand
- 3/ planned expenditures during Jul-Dec 2024 (71) + (Balance + Bank interest) <070 >