



**INTERNATIONAL TROPICAL
TIMBER COUNCIL**

Distr.
GENERAL

ITTC(LX)/10
28 November 2024

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SIXTIETH SESSION
2-6 December 2024
Yokohama, Japan

**PROGRESS REPORT ON THE IMPLEMENTATION OF ITTO'S
NEW FINANCING ARCHITECTURE – PHASE II**
(Item 16 of the Provisional Agenda)



ITTO

INTERNATIONAL TROPICAL
TIMBER ORGANIZATION

Progress report on the Implementation of ITTO's New Financing Architecture

Phase II Decision 4(LVI) & 8(LVII)

Council Agenda Item 16

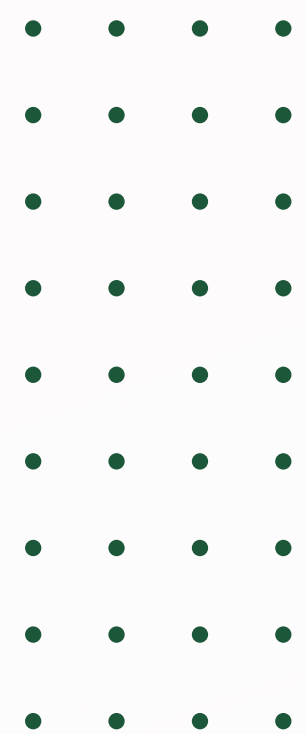
Ms. Sheam SATKURU
Executive Director

Distr. GENERAL
ITTC(LX)/10
2 - 6 December 2024

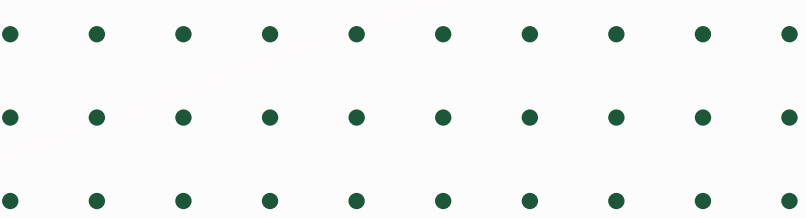


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ENGAGEMENT WITH OTHER BODIES CALLED FOR BY DECISIONS 8(LV) AND 4(LVI)

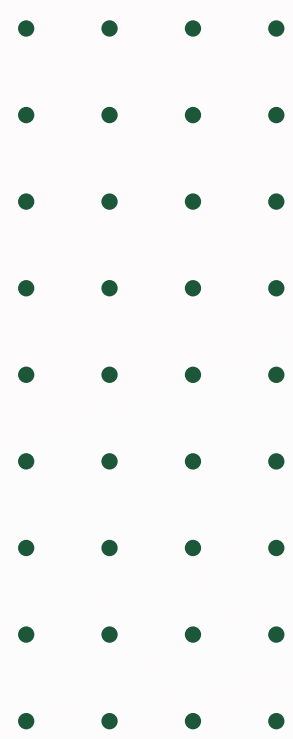


| ITEM |  DESCRIPTION |  STATUS |
|---|--|--|
| 1 Engage on GEF Activities/Projects | <ul style="list-style-type: none"> Contact with select Members through 2024 on including ITTO in GEF discussions/projects |  ONGOING |
| 2 Memorandum of Understanding (MoUs) | <ul style="list-style-type: none"> Work in progress on operationalizing MoUs with: CBD, AFoCO, JICA, UNCCD, UNFF MoU to be renewed: IGES Potential new MoUs: UNU & RESTEC |  ONGOING |
| 5 Formal accreditation to the GCF | <ul style="list-style-type: none"> ITTO was officially accredited by GCF in March 2024 Onboarding process ongoing, work in progress on financing submission |  COMPLETED |



ONGOING ENGAGEMENT WITH OTHER BODIES CALLED FOR BY DECISIONS 8(LVII) AND 4(LVI)

- Council informed at the ITTC (LVIII) and ITTC (LIX) through various Agenda items and Updates - ITTO diligently continues its close collaboration with ALL partners, such as the members of the CPF collectively and individually, and others.
- Examples: FAO, UNFF, CITES, CIFOR-ICRAF, AFoCO, IGES and many others.
- Secretariat continues efforts to grow the TAG and CSAG participation in the ITTO's work where BOTH need funding contributions to advance their work.
- ITTO engaging with potential new partners!



IMPLEMENTATION OF DECISIONS 8(LVII)

Outstanding Task



DECISION

8(LVII) Timeline and ToR for Review of PA

Second progress report on the implementation of the pilot program at ITTC 58 and third progress report at the ITTC 59. The timeline and ToR for the review determined at the ITTC 60.



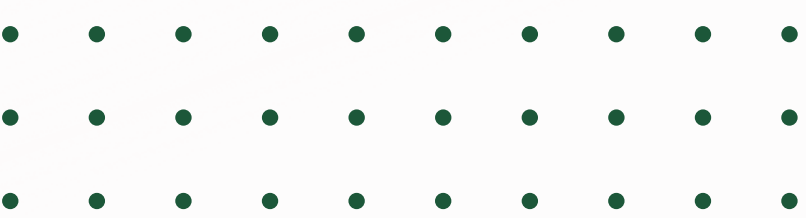
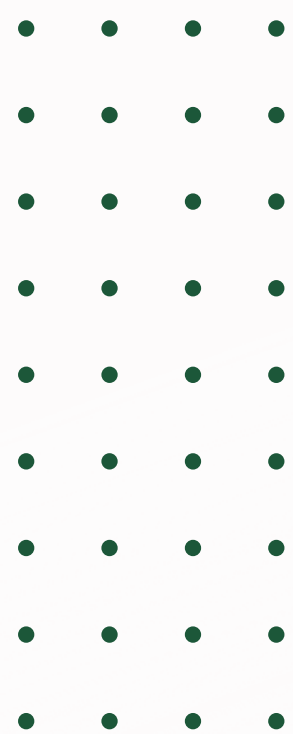
DESCRIPTION

Review of PA conducted and report circulated to members for review at ITTC60 (2024).



STATUS

ONGOING



IMPLEMENTATION OF OTHER DECISIONS

DECISION

5(LIX) Working Group on Article 44 of ITTA

Take a Decision without Meeting by 1 June 2024 on the extension of the ITTA, 2006. The Preparatory working Group to commence its work by Feb 2024.

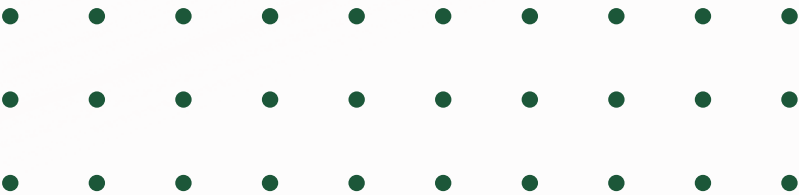
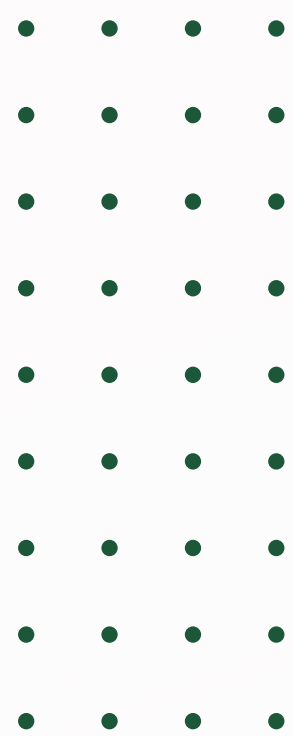
DESCRIPTION

2 PWG meetings held in 2024

PWG I in May 2024
PWG II in November 2024

STATUS

COMPLETED



IMPLEMENTATION OF OTHER DECISIONS



DECISION

7(LVII) Article 15 of the ITTA

Further pursue collaboration measures in international and regional organizations for 2022-23. Reporting at ITTC 60 – ED’s initiative for continuity.



DESCRIPTION

UNCCD, AFoCO, JICA, UNFF, FAO, GEF, GCF, CITES, CIFOR-ICRAF, IUFRO, UNEP, COMIFAC, APEC, ADB, Japanese authorities, etc.

Engagement with the Central African Forest Initiative (CAFI) on potential projects.

Engagement with the Common Fund for Commodities (CFC) on potential project partnership under CAFI funding.

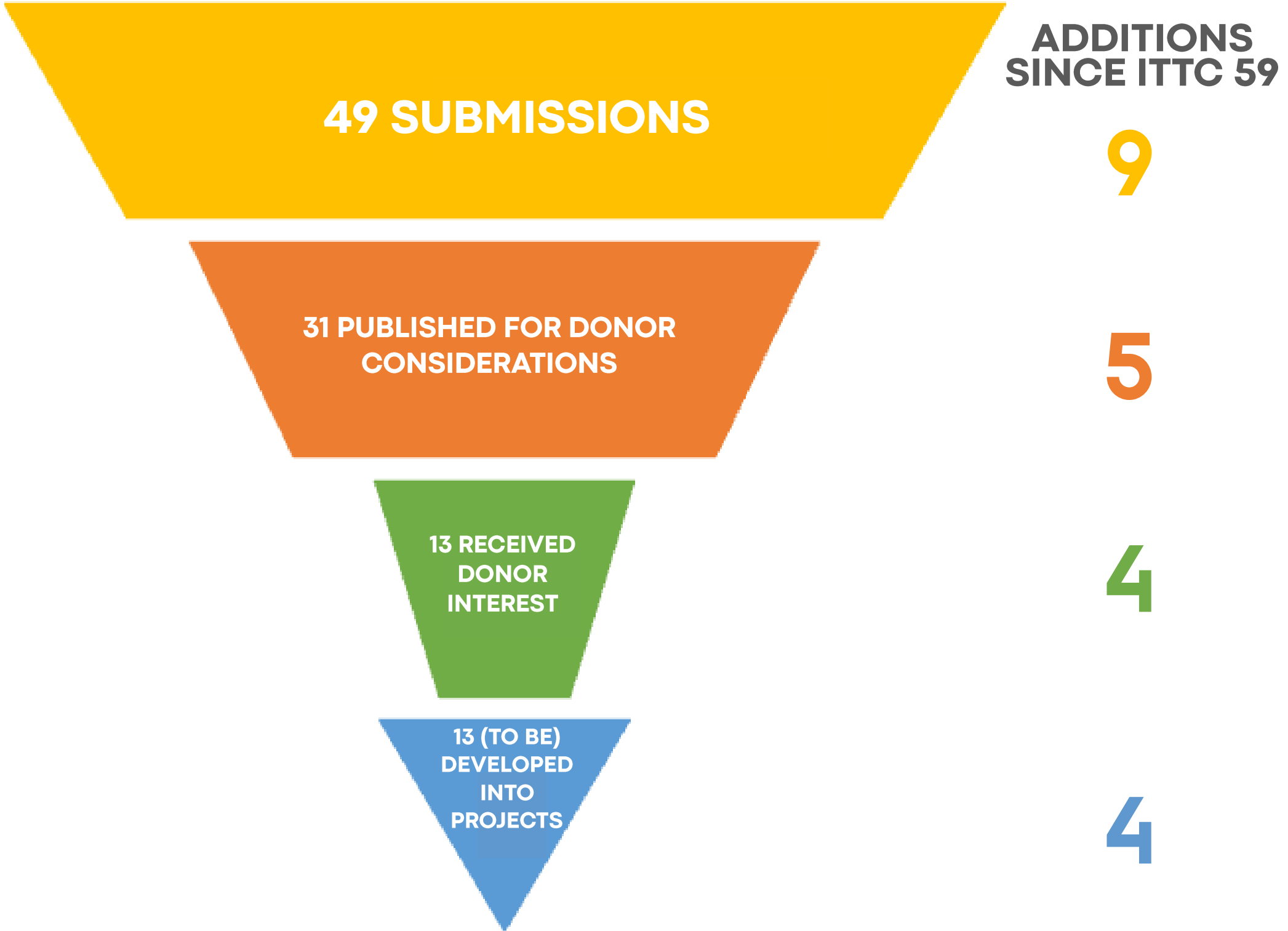
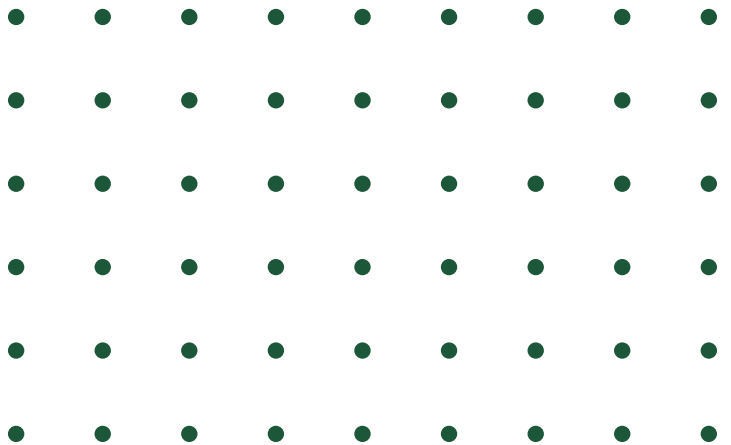


STATUS

ONGOING

CALL FOR CONCEPT NOTES UNDER FUNDING SCENARIO 4 OF DECISION 4(LVI)

Results 2020 - 2024



FUNDED PROJECTS

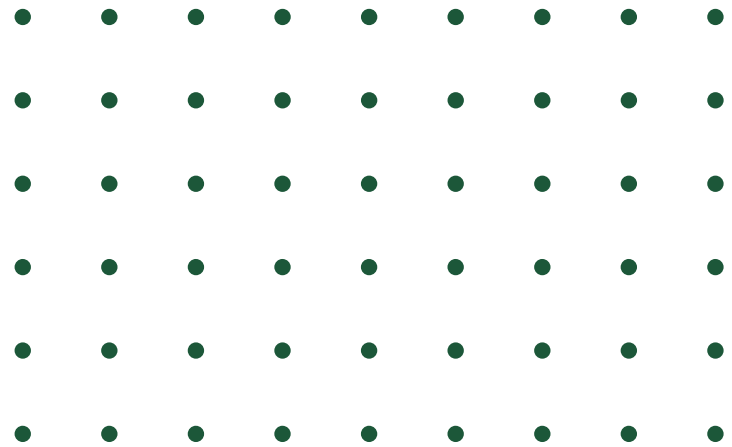
- CN-21001 - PD 922/21 R.1 (I) Viet Nam
- CN-22015 - PD 926/22 R.1 (I) Thailand
- CN-21002 - PD 927/22 R.2 (F) Indonesia
- CN-22016 - PD 928/22 R.1 (I) Indonesia
- CN 21004 - PP-A/59-353 - Costa Rica
- CN-21005 - PD 931/23 (F) Costa Rica
- CN-22014 - PD 932/23 (F) Peru
- CN-21007 - PD 934/23 (F) Viet Nam
- CN-23025 - PD 935/23 (I) Malaysia
- CN-23026 - PP-A/54-331A Cambodia, India, Indonesia, Myanmar, Thailand, Togo, Viet Nam
- CN-22022 - PP-A/60-368 Mexico
- CN-24030 - PP-A/60-370 Angola
- CN-24031 - Malaysia PP-A/60-367

FUNDER

- Japan (FA)
- Japan (FA)
- Australia, United States
- Japan (FA)
- Japan (MoFA)
- Rep. of Korea
- Rep. of Korea
- Australia, United States
- Japan (FA)
- Germany
- Japan (MoFA)
- Japan (MoFA)
- Japan (MoFA)



FUNDING PLEDGED OR SOUGHT RELATED TO THE PILOT PROGRAMMATIC APPROACH



2024

FUNDRAISING EFFORTS

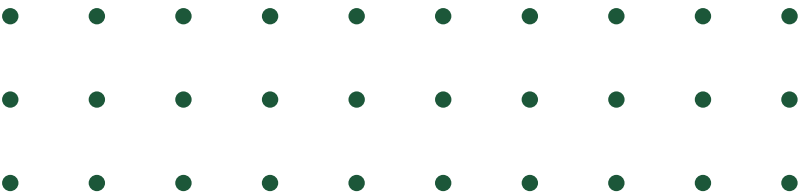
PROGRAM LINE

STATUS

ACTUAL RESULTS TO DATE (USD)

| | | | |
|---|------------|-------------|-----------|
| 935/23(I) (former CN-23025) Malaysia - additional funds | PL 1: LSSC | Operational | 19 032 |
| PP-A/53-323K GLSTF - additional funds | PL 1: LSSC | Operational | 75 000 |
| PP-A/53-323L Macao GTI Phase III | PL 1: LSSC | Operational | 1 140 215 |
| PP-A/53-323M Macao BTTS Phase III | PL 1: LSSC | Operational | 325 353 |
| PP-A/56-341C REFACOF Benin Phase | PL 3: FLR | Operational | 64 181 |
| PP-A/60-367 Community-based conservation in Upper Baram | PL 3: FLR | Operational | 139 039 |
| PP-A/60-368 Sustainable use of biodiversity in Yucatan Peninsula | PL 2: CBES | Operational | 227 097 |
| PP-A/60-369 Strengthening surveillance in Thailand's border areas | PL 1: LSSC | Operational | 278 078 |
| PP-A/60-370 SFM in Miombo Forest (Angola) | PL 1: LSSC | Operational | 166 847 |
| CN-21009 Cameroon - in addition to C-58 & C-59 | PL 1: LSSC | Pending | 40 000 |

TOTAL USD 2 474 843



PROGRAMMATIC APPROACH

Total Received

| YEAR | AMOUNT (USD, million) |
|-------------|----------------------------------|
| 2019 | 2.48 |
| 2020 | 2.45 |
| 2021 | 0.76 |
| 2022 | 2.57 |
| 2023 | 4.1 |
| 2024 | 2.48 |

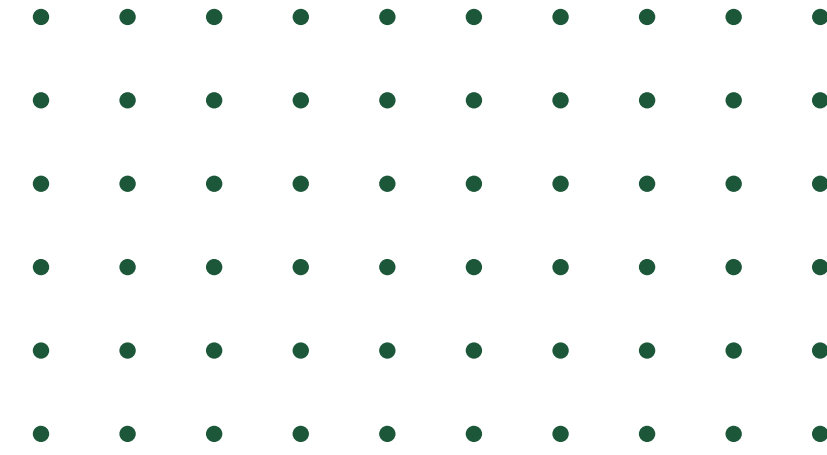
TOTAL USD 14.8 million

Average of USD 2.5 million per year x 6 years



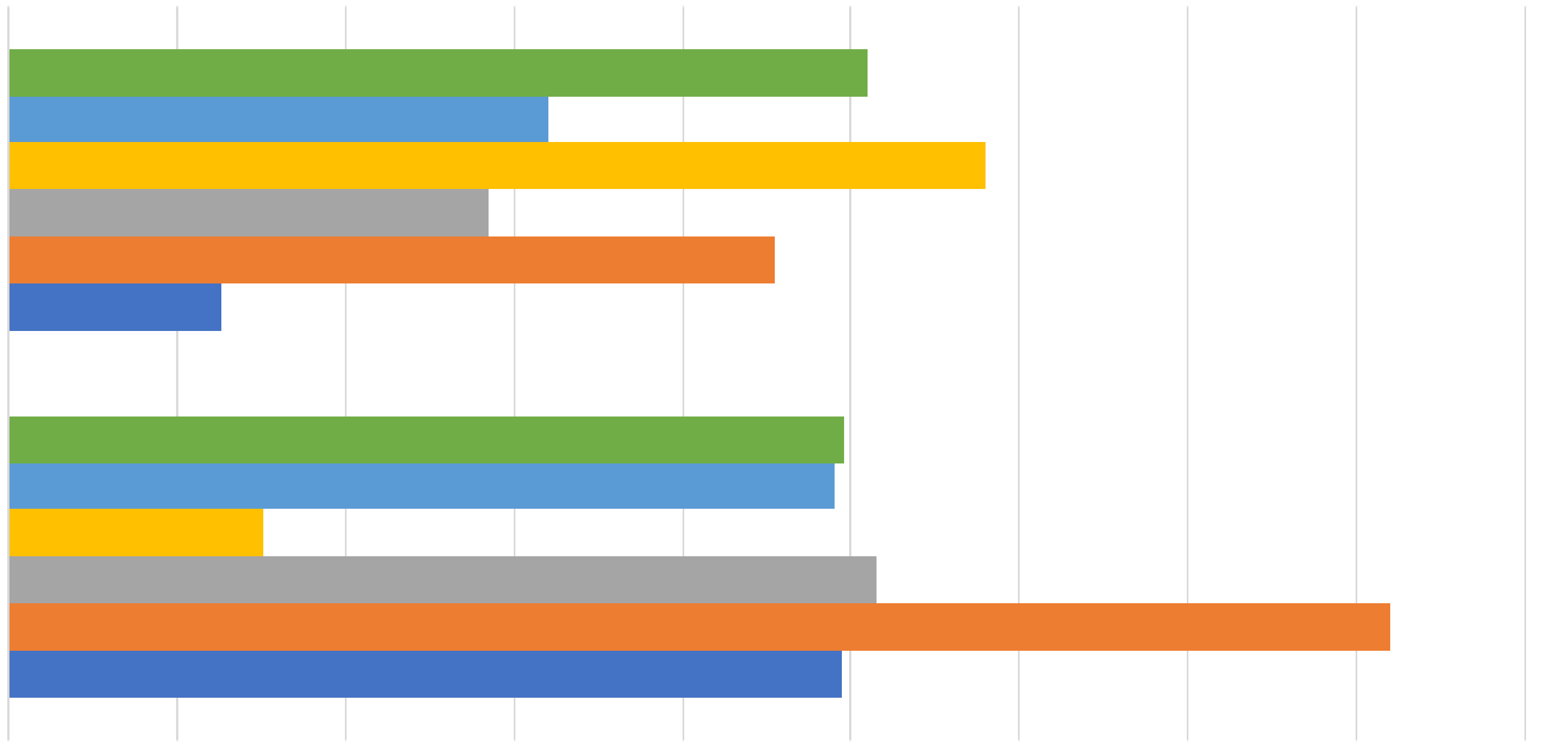
FUNDING RECEIVED

Voluntary Contributions (2019-2024)



Non-PA

PA



2019 2020 2021 2022 2023 2024

USD million



PROJECTS/ACTIVITIES/CONCEPT NOTES

Pending Finance

| PENDING FINANCE | AMOUNT (USD) | NO. |
|---|-----------------------|------------|
| Projects | 4 005 249 | 10 |
| BWP Activities | 3 538 775 | 15 |
| Concept Notes | 6 147 329 | 6 |
| TOTAL | USD 13 691 353 | 31 |
| Projects and CNs Sunset Jan-Oct 2024 | 4 750 227 | 11 |
| Projects and CNs Sunset during Nov-Dec 2024 | 0 | 0 |
| Projects and CNs to Sunset in 2025 | 10 152 578 | 16 |

NOTE:

3 CNs (USD 587 834) + 7 projects (USD 3 853 740) were sunset in 2022 with a total budget of USD 4 441 574.

3 CNs (USD 382 369) + 6 Projects (USD 1 914 177) were sunset in 2023 with a total budget of USD 2 296 546.

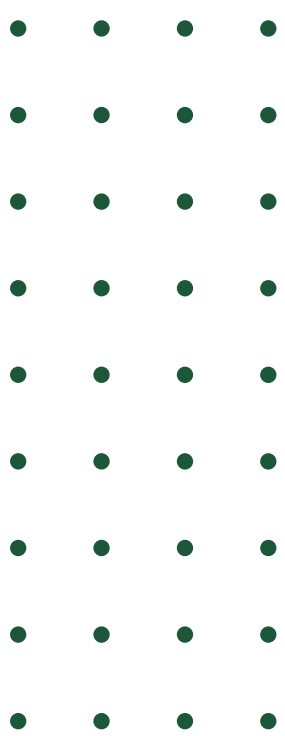
7 CNs (USD 2 377 769) + 10 projects (USD 2 372 458) sunset in 2024, total USD 4 750 227.



NEXT STEPS

Council to take a Decision on the future of the pilot Programmatic Approach and four Programme Lines, to consider whether:

1. To terminate the pilot phase and continue with the Programmatic Approach & 4 Programme Lines, with another review to be conducted in 3 years time (ITTC64 2027);
2. To continue to maintain the Regular Project Cycle (RPC) and run the RPC and the Concept Note approach in parallel; and
3. If the RPC is maintained, to keep 2 cycles per year of the RPC OR reduce to 1 cycle per year.





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60th Session of the International
Tropical Timber Council (ITTTC60)
2-6 Dec 2024 | Yokohama, Japan