



ITTO

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DECISION 10(XXXIV)

PHASED APPROACHES TO CERTIFICATION

The International Tropical Timber Council,

Reaffirming the commitment of Members to the process of advancing ITTO Objective 2000;

Recalling Decision 11(XXXII) on the Potential Role of Phased Approaches to Certification in Tropical Timber Producer Countries as a Tool to Promote Sustainable Forest Management and the progress achieved in its implementation;

Noting the outcomes and recommendations of the ITTO Regional Workshops on Phased Approaches to Certification held in Jakarta, Libreville and Panama City in the first half of 2003;

Appreciating the interest in and the support for phased approaches to certification by tropical timber producing countries as a practical means to address the constraints facing many tropical timber producers in achieving certification as one of the instruments to encourage sustainable forest management;

Acknowledging that a crucial baseline requirement for a phased approach to certification is verification of legality of timber origin;

Acknowledging that verification of legality of timber origin should be undertaken based on national legislations applied in each member country as well as international agreements ratified by the member country;

Recognizing that it is fundamental to know how the diversity of social and cultural conditions in all wood-producing countries is dealt with by different verifications and certification approaches;

Noting the need for closer cooperation between producer and consumer member countries in facilitating policy development and technical assistance to ensure the realization of enabling conditions necessary for the implementation of phased approaches to certification;

Recognizing the need for further development and promotion of phased approaches to certification as a tool to promote sustainable forest management in ITTO producing member countries;

Decides to:

1. Authorize the Executive Director to engage two consultants, one from a consumer and one from a producer country, to develop procedures on how phased approaches to certification might be implemented in tropical timber producing countries for presentation and consideration of the Council at its Thirty-sixth Session;
2. Authorize the Executive Director to engage two consultants, one from a consumer and the other from a producer country, to undertake a study to evaluate the costs and benefits of certification in selected ITTO producing member countries from the three producer regions, according to the attached Terms of Reference for presentation and consideration of the Council at its Thirty-sixth Session;

3. Authorize the Executive Director to convene an international workshop on phased approaches to certification, if possible in collaboration with other partners, in a consumer member country after the Thirty-sixth Session, with a view to reporting its outcomes and recommendations no later than the Thirty-eighth Session of the Council based on the attached Terms of Reference; and
4. Authorize the Executive Director to seek voluntary contributions from member countries and other partners to meet the financial requirements of this decision, not exceeding US\$250,000.00.

ANNEX

Terms of Reference for the Development of Procedures

The consultants, one from a consumer and the other from producer member countries, will develop procedures on how phased approaches to certification might be implemented in tropical timber producer countries.

The assignment will include the following, taking into account the range of country conditions and the concerns of small and medium-sized enterprises:

- a) Define and elaborate relevant terms used in phased approaches to certification, drawing on the concept of phased approaches as presented to the Council at its Thirty-fourth Session, and develop procedures on how such approaches might be implemented. In particular, definition and clarification on how verification of legality of timber origin should be undertaken based on national legislations applied in each member country as well as international agreements ratified by the member country shall be provided. It is also fundamental to analyze how the diversity of social and cultural conditions in all wood-producing countries is dealt with by different verifications and certification approaches;
- b) Identify enabling conditions for implementation of phased approaches, at the local, national and international levels;
- c) Identify both external and internal constraints that may impede implementation of phased approaches, at local, national and international levels;
- d) Consult with relevant parties, including buyers groups, consumer groups, industry, retailers, certification schemes, certifiers, forest owners and managers, governments, environmental and social NGOs, representatives of local communities and indigenous people;
- e) Prepare a preliminary report to present at the Thirty-fifth Session of the Council; and
- f) Taking into account comments and views of Member Countries, finalize the report and present to the Thirty-sixth Session of the Council.

Terms of Reference for the Study

The consultants, one from a consumer and the other from producer member countries, will undertake a financial cost-benefit analysis (CBA) for forest management units (FMUs) for implementation of phased approaches.

The assignment will include the following:

- a) Elaborate on possible analytical models or approaches for assessing costs and benefits of forest certification and phased approaches;
- b) Carry out voluntary field-level case studies on the costs and benefits of certifying forest management units in selected ITTO producing member countries, delineating those costs and benefits associated with meeting certification requirements and those associated with certification assessments;
- c) Based on the analysis, identify under which conditions forest certification can be financially feasible, including through a phased approach, and managed ways how to reduce costs and increase benefits due to certification in tropical forests;
- d) Prepare a preliminary report to present at the Thirty-fifth Session of the Council; and
- e) Taking into account comments and views of Member Countries, finalize the report and present to the Thirty-sixth Session of the Council.

Terms of Reference for the Workshop

The international workshop will be for a duration of three days to be held in a key ITTO consuming member country.

The objectives of the workshop are:

- To solicit views, facilitate consultations and promote a better understanding of phased approaches to certification among buyers, government agencies with timber procurement policies, certification schemes and other stakeholders
- To raise awareness among governments, markets, donor agencies, NGOs, multilateral development banks and international organizations on the merits and benefits of phased approaches to certification and possibilities to encourage their implementation
- To facilitate understanding of procurement policies of buyers and public agencies as related to certification and the implications of such policies for tropical timber producers.

Participants of the workshop should include representatives from:

- ITTO producing and consuming member countries
- Certification schemes
- Environmental and social NGOs
- Local communities and indigenous peoples
- Buyers groups and consumer groups
- Industry, traders and retailers
- Local government municipalities.

Sponsorship will be provided to twenty (20) participants.

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