



# INTERNATIONAL TROPICAL TIMBER COUNCIL

COMMITTEE ON ECONOMIC INFORMATION  
AND MARKET INTELLIGENCE

COMMITTEE ON FOREST INDUSTRY

Distr.  
GENERAL

CEM-CFI(XXXVII)/2  
12 September 2005

Original: ENGLISH

THIRTY-SEVENTH SESSION  
7-12 November 2005  
Yokohama, Japan

## REPORT OF COMPLETED PROJECTS AND PRE-PROJECTS

This document highlights the work carried out under project PD 39/98 Rev.2 (M), PD 48/99 Rev.1 (M,F), PD 74/01 Rev.1 (M), PD 124/01 Rev.2 (M) Phase I Stage 1 and PD 140/02 Rev.2 (M) as well as projects PD 34/99 Rev.2 (I) and PD 35/99 Rev.4 (I) and pre-projects PPD 64/02 Rev.1 (M), PPD 74/03 Rev.1 (M), PPD 63/02 (I) and PPD 80/03 Rev.2 (I) which the Committees may declare complete:

### Committee on Economic Information and Market Intelligence

**1. PD 39/98 Rev.2 (M) Research on Value Accounting of Tropical Forest Environmental Resources and Bringing it in Line with the National Economic Accounting in China**

**Budget and Sources of Funding:**

Total Budget:	US\$ 416,834
Government of Switzerland:	US\$ 200,000
Government of Japan:	US\$ 140,774
Government of China:	US\$ 76,060

Implementing Agency: The Chinese Academy of Forestry (CAF)

Council Session Approved: Twenty-sixth (Chiang Mai, 1999)

Starting Date: January 2000

Duration:      Planned:      36 months  
                  Actual:         66 months

The project was aimed at improving the environment policy on the sustainable management of tropical forests in China by developing a theory and methodological system of tropical forest accounting, enhancing the quantitative and qualitative values of tropical forests, and integrating comprehensively the economic and environmental values of tropical forests in line with the national economic accounting system.

Its focus was on completing the inventory of tropical forest environment resources and their value accounting, creating new views on values of tropical forests, and developing theories and methodologies for tropical forest environment accounting and proposals for environment policies.

The key actual outputs of the project are as follows:

- i. Published research report entitled 'Tropical forest environment: theories and methods'.
- ii. Published research report entitled 'Accounting of tropical forest environment: theories and methods'.
- iii. Published assessment report entitled 'Value assessment of tropical forests: China case study'.
- iv. Convened International Symposium on Value Accounting of Forest Environment.
- v. Published report entitled 'Green GDP accounting of tropical forests and Hainan case study'.
- vi. Published research report entitled 'Tropical forest environment policy studies'.
- vii. Convened International Workshop on Environmental Economics of Tropical Forests and Green Policy.

**4. PD 124/01 Rev.2 (M) Phase I Stage 1 Promotion of Sustainable Management of African Forests (ITTO/ATO)**

Budget and Sources of Funding:

Total Budget:	US\$ 807,733
Bali Partnership Fund Sub-account B:	US\$ 634,983
African Timber Organization:	US\$ 172,750

Implementing Agencies: ITTO and ATO

Council Session Approved: Thirty-second (Bali, 2002)

Starting Date: August 2003

Duration:	Planned:	18 months
	Actual:	24 months

This project is designed to assist ITTO's ten African member countries (all of which are also members of the African Timber Organization - ATO) to implement the harmonized ITTO/ATO Principles, Criteria and Indicators (PCI) for the Sustainable Management of African Tropical Forests. Since it involves extensive capacity building in ten member countries and within ATO itself, the project has been divided into three phases, with the first phase split again into two stages to facilitate funding. Since the second stage of phase one is currently on-going, this "completion" report deals only with activities that were implemented in stage one of phase one of the project. The full completion report as submitted by ATO is available on request from the ITTO Secretariat (French only).

Stage one of the project achieved substantial progress in the attainment of outputs 1.1, 1.2, 1.3, 2.1, 2.2, 2.3 and 2.5 as follows:

- Output 1.1: National C&I fora are now operational in 6 of the 10 countries to be covered – Cameroon, Central African Republic, Democratic Republic of Congo, Ghana, Gabon and Togo.
- Output 1.2: National versions of the PCI and accompanying certification standards have been established in Cameroon, Côte d'Ivoire, Gabon, Ghana and Republic of Congo.
- Output 1.3: National statistics relating to the PCI have been collected for Cameroon, Gabon and Ghana.
- Output 2.1: The ITTO/ATO PCI have been endorsed at the ministerial level by all African member countries.
- Output 2.2: The regional forum has been established and regular communications occur.
- Output 2.3: An auditing manual for FMU level implementation of the PCI has been developed and a workshop convened to review and disseminate it.
- Output 2.5: The regional coordinator was hired and is continuing his duties. ATO staff have been assigned to the project and computer equipment obtained.

The addition of Nigeria as a new ITTO member after the commencement of the project has required the reallocation of some project resources to allow preliminary activities to commence in that country. Work will continue in later project phases in Nigeria and in several other countries where civil wars and other disturbances precluded project activities commencing during stage one of phase one. Two of the project computers and some peripheral equipment were lost due to a robbery at the ATO headquarters in August 2005. Security is being improved before any replacement equipment is purchased. There will be some savings in the project budget due to related ITTO-funded C&I projects being carried out in some countries (i.e. Republic of Congo) that will fund activities (e.g. establishment of a national C&I set) originally intended to be funded under this project. At the conclusion of stage one of phase one of the project, all project outputs and objectives are on target to be met on time and within the approved budget.

Due to the on-going nature of this project, ATO has requested and been granted permission to combine the final audit (covering 2005 only since 2003-2004 were covered in the first annual audit submitted earlier this year) with the 2005 annual audit of the second stage of phase one.