

COMPLETION REPORT

Committee on Economic Information and Market Intelligence

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

Budget and Sources of Funding:

Total Budget:				US\$	951,070
International	Tropical	Timber		US\$	864,070
Organization:					
African Timber Organization:				US\$	87,000

Implementing Agencies: ITTO and ATO

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

Starting Date: January 2008

Duration:

Stage 1	Planned:	12 months
	Actual:	13 months

Duration:

Stage 2	Planned:	12 months
	Actual:	22 months

Narrative Report:

i. Overview of the activities and objectives referred to in the activities plans

This project is designed to assist ten ITTO 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. It involves extensive capacity building in ten member countries and within ATO itself. The project has been divided into three phases, with the first and second phases split again into two stages each to facilitate funding.

The phasing of the project split activities as follows:

Phase I Capacity building at regional and at national levels in selected ITTO member countries and development of draft harmonized PCI (43 months, stage one and two completed): This phase had a focus on developing PCI development on countries with well defined legal and institutional frameworks of the forestry sector (Cameroon, Central Africa Republic, Congo, Côte d'Ivoire, Gabon and Ghana). Some of these countries had even begun this process before of developing their set of C&I before even the project had been launched (Cameroon, Gabon and Ghana). Phase I had also laid emphasis on building ATO capacity to assist its member

countries to implement ATO/ITTO PCI by developing common tools that will facilitate this implementation and by organizing regional training of trainers. Assistance was given to countries that had launched their FLEGT VPA negotiations (Cameroon and Ghana).

Phase II Capacity building at national level in the other ITTO member countries and among beneficiaries within selected countries (35 months, stage one and two completed, under reporting): This phase continued with the development of PCI in countries which had completed the establishment of their legal and institutional framework of the forestry sector. These countries had experienced political instability during the first phase of project (Liberia and DRC). Nigeria case is different since this country only became a member of ITTO on 2005 and was not included at the project designing phase. In addition, phase II was dominated by capacity building of forestry actors at national level in the effective use of ATO/ITTO PCI through trainings. Assistance in FLEGT VPA negotiations continued (Cameroon, CAR, Congo, Liberia and Gabon).

Phase III Capacity building among beneficiaries within the other ITTO Member countries (pending finance): PCI development will continue in Togo and will mainly deal with forest plantations. Assistance will be given to all country members to incorporate the PCI in their forestry legal framework. This will enable country members to effectively audit forest management in the field (9 countries which have completed their PCI development) and verify legality in accordance with FLEGT VPA implementation in countries which have concluded the VPA (Cameroon, Congo and Ghana). Assistance in FLEGT VPA negotiations will continue in some countries which have not yet completed this initial phase (CAR, Gabon and Liberia).

The agreement for the first stage of Phase II of this project was finalized in September 2007. The yearly plan of operations and a revised budget (taking account of the staging of Phase II) were submitted to the ITTO Secretariat at that time. The final financial audit of Phase I of the project (reported complete at the Forty-first CEM Session) was received in late 2007, following which the first installment of ITTO funds for the implementation of Phase II, Stage 1 of the project was disbursed in early 2008. Subsequent to the signing of the agreement for Stage 1, funds were pledged for Stage 2 during the Forty-third ITTC Session in November 2007 through ITTO's Tropical Forest Law Enforcement and Trade (TFLET) program. An addendum to the Stage 1 agreement was signed with ATO by the end of 2008 to allow a smooth transition between the two stages of Phase II of the project.

At the completion of Phase I, the first project coordinator (Richard Ebaa Atyi) resigned. A new project coordinator (Mr. Francois Hiol Hiol) was recruited in early 2008 to oversee implementation of Phase II.

To date, Phase II of the project has continued to focus on establishing functional C&I working groups in all ten ITTO countries and on implementing the various manuals (including on auditing SFM) in selected member countries.

Due to the differences in national situations, ATO member countries have been divided into four groups for the purpose of planning project activities:

- A. Countries with progress in forest management and implementing PCI (Cameroon, Ghana, Gabon)
- B. Countries with progress in forest management and CIFOR tests on PCI (Central African Republic, Cote d'Ivoire)
- C. Countries with progress in forest management (Congo, Nigeria and Togo; non-ITTO members Equatorial Guinea, Tanzania)
- D. Countries in need of major improvements in the existing policy and regulatory framework to make progress in forest management (Congo DR and Liberia; non-ITTO members Angola and Sao Tome and Principe)

Stages 1 and 2 of Phase II of the project have occurred in all four country groupings, with special efforts to make progress in those countries of groups C and D.

Stages 1 of Phase II was completed on schedule late January 2009 whereas for stage 2, an extension period of 10 months was requested by ATO and approved by the project steering committee held on December 2009. This report is accompanied by the phase II financial audit report.

Phase 2 achieved substantial progress in the attainment of outputs 1.1, 1.2, 1.3, 1.5, 2.2, 2.4 and 2.5 as it follows:

Output 1.1: Four meetings of SFM stakeholders held in each of the four countries (Cameroon, Gabon, and Côte d'Ivoire) to improve their national monitoring/auditing frameworks. Stakeholders representatives participatively agreed on necessary road maps that will lead to these frameworks.

Output 1.2: National versions of the PCI and accompanying certification standards have been established in Central Africa Republic, Liberia, and Nigeria. The first draft of SFM PCI for the Democratic Republic of Congo was drafted and amended by stakeholders representatives. These are awaiting for field tests to be completed. In Ghana harmonization was made between Ghana national set of C&I and ATO/ITTO PCI.

Output 1.3: Data were collected for drafting country reports on progress towards SFM in five countries (Cameroon, Central Africa republic, Congo, Gabon and Liberia).

Output 1.5: 242 forestry staff and specialists from the forestry administration, forest concessions, NGOs, Universities and Research institutes received theoretical and practical trainings on implementing ATO/ITTO PCI and auditing of SFM. This occurred in 9 training sessions organized in 9 African country members of ITTO (Cameroon, Central Africa republic, Congo, Côte d'Ivoire, Democratic republic of Congo, Gabon, Ghana, Liberia and Nigeria)

Output 2.2: Support was given for the organization of a meeting of a regional forum to finalize the regional FSC standard on forest certification. This support was channelled through the partnership between the ATO and WWF regional program office in central Africa.

Output 2.4: Workshop to train additional 22 trainers from francophone ITTO African country members on forest management and forest management auditing

was organized. This was to bring the total number of trainers to 60 for the entire region.

Output 2.5: The regional coordinator was hired at the beginning of phase II of project and has continued his duties throughout stages 1 and 2 of Phase II (including providing support to ATO in relevant areas).

The main lessons learnt during implementation of Phase II are:

- Budget and time as they were initially planned in the project document were not enough for an effective implementation of Phase II activities. Many explanations can be provided for this: (i) high rate of inflation in the project area and fall in dollar exchange rate; (ii) extension of project activities to a new country like Nigeria without additional funds; (iii) cost of activities were planned to be the same irrespective of the area and population sizes of the country; (iv) strategy and project activities were designed with an hypothesis of a functional and operational ATO that would be fully involved in project implementation in partnership with ITTO; this has not been the case since the beginning of project implementation; in Phase II ATO contribution to project implementation was very limited, and it has continuously been decreasing until it has completely disappeared early 2010.
- Partnership with WWF in Central Africa proved to be very essential in project implementation in this area; project activities were successfully carried out in central African countries participating in the project;
- Phase II benefited from the awareness raising that was created by WWF Global Forest Trade and Network initiative on FSC certification in the region; ATO/ITTO PCI appeared as a supporting tool for adequate preparation for forest certification; this resulted in higher participation across the stakeholders range;
- During Phase II Central Africa Republic, DRC, and Liberia have regained political stability and have engaged on national reconciliation; this was conducive to greater enthusiasm on SFM; which has resulted greater participation;
- The development of FLEGT process almost in all of these countries has been a booster for participation in project activities; the legality definition with indicators for its verification was rendered easier after a national set of PCI had been established;
- Project implementation in central Africa during Phase II has continued to serve as one of the main operational implementation mechanism of SFM component of COMIFAC action plan;
- The need assessment conducted before each training session has revealed the necessity of conducting these trainings for all types of SFM stakeholders, and it explains the high demand that was experienced for the trainings on the implementation of ATO/ITTO PCI and SFM auditing;
- The training sessions organized during Phase II on the implementation of ATO/ITTO PCI and SFM auditing have favoured the development professional African Forest Auditors who are recruited by FSC certifying firms and those that are working on legality verification;
- For Phase III ITTO will have to redefine the project strategy which consisted of using ATO as its partner in the project implementation; all staff of ATO have resigned in result of absence of country members fees;

The audit of Phase II of the project was being completed at the time of preparation of this report. It is expected to be received by the Secretariat by October 2010.

ii Explanation of any discrepancies

An extension period of almost 12 months occurred during stage 2 of phase II.

One of the main explanation seems to be the under estimation of the duration of the whole second phase which initially was planned to last only 12 months.

Adding to this is the unavailability of ATO personnel who were mandated by ATO to contribute in project implementation. These employees as all ATO employees have resigned from their duties because of several months of unpaid salary.

We can also mention the tensed socio political situation of Gabon (host country of the project) during one half of year 2009. Project implementation was slowed down.

The slow reaction of some member countries which is linked to the manner in which some African administrations traditionally operate. Envies of controlling project funds by national authorities have also contributed to delay implementation of activities in some countries

iii List of staff and equipment required for the activity (as per project document)

Expert	Post	From	To	Persons /months
Francois Hiol Hiol	Project Coordinator	20/12/07	20/12/10	36
National consultants	Various, as per project document	-	-	70.5
International consultants	Various, as per project document	-	-	5

Equipment	TOTAL
1. Computer/software	2,000
Total	2,000

iv Reporting according to the approved monitoring and protocol indicators.

The TFLET monitoring protocol approved the indicators contained in the project document (PD 124/01 Rev 2(M)). Three project steering committee (PSC) meetings were held in Libreville on February 28th 2008, December 18th 2008, and December 15th 2009. The last PSC has been programmed on October 4, 2010.

As noted above, phase II activities were divided into 2 stages: Stage 1 from January 1st 2008 to end of January 2009 and Stage 2 from February 2009 to December 2010. The table below indicates the monitoring elements for the entire phase 2 (2008-2010).

Project Elements	Indicators	Means of Verification	Assumptions	Progress to date (refer to note above)
<p>Development Objective: Promote sustainable management of African forests through application and implementation of the ATO/ITTO Principles, Criteria and Indicators with support and participation of all stakeholder groups</p>	<p>Countries that have internalized the PCI (or are in the process) in their policies and regulatory framework</p> <p>Participation of stakeholders in the internalization process of the PCI</p>	<p>Policy and regulatory documents</p> <p>Minutes of the meetings, workshop reports</p>	<p>Countries are willing to implement in practice the PCI</p> <p>All stakeholders see merit in participating in the PCI process</p>	<p>During the reporting period project PD 124/01 continued the facilitation of national PCI development and internalization in participating countries.</p> <p>Following the approach developed in Congo by ITTO project PD 272/04 Rev.2 (F), negotiations were initiated for the development of regulatory framework with key stakeholders in 3 countries: Cameroon, Côte d'Ivoire and Ghana.</p> <p>The project provided support for the development of a FSC regional standard for African tropical forests. These standards have included a large number of ATO/ITTO indicators.</p> <p>The project pursued its support to preparation of countries in their negotiation for VPA within the framework of EU FLEGT.</p>
<p>Specific Objective 1 Establish key elements of the adequate capacity to implement the ATO/ITTO PCI at national level in the African Member countries of ITTO</p>	<p>National-Level elements of capacity to implement PCI in place</p>	<p>National-level progress reports</p>	<p>The identified capacity building elements are relevant for countries' needs</p>	<p>CAR, Liberia and Nigeria have their own national set of C&I documents which follow ATO/ITTO harmonized PCI format.</p> <p>Cameroon, CAR, Congo, Gabon, and Liberia drafted their national-level progress reports based on principle 1 of ATO/ITTO PCI.</p>

Project Elements	Indicators	Means of Verification	Assumptions	Progress to date (refer to note above)
Output 1.1 National PCI forums operational in all countries	Forum with stakeholder involvement operational in 4 countries (Cameroon, Côte d'Ivoire, Gabon and Ghana)	Mandate and statutes of each forum; list of members; minutes of meetings	Stakeholders agree to participate	<p>The activities aimed at strengthening national forums which has been put in place in phase I by facilitating the development of auditing frameworks in 4 identified countries (Cameroon, Gabon and Côte d'Ivoire). In Ghana it was planned to use the forum to harmonize Ghana C&I and ATO/ITTO standards.</p> <p>Four meetings of SFM stakeholders held in each of the four countries (Cameroon, Gabon, and Côte d'Ivoire) to improve their national monitoring/auditing frameworks. Stakeholders representatives participatively agreed on necessary road maps that will lead to these frameworks</p>
Output 1.2 National PCI implemented in all countries	National developed published/ disseminated; certification scheme(s) based on PCI development	National PCI document and certification criteria published or under development	Stakeholders accept ATO/ITTO PCI as basis for SFM; political stability in countries like Liberia and DRC	<p>CAR process of PCI development was completed with the national working groups organizing a validation meeting for its set of C&I based on harmonized ATO/ITTO PCIs</p> <p>DRC process of PCI which was launched during phase 1 and abandoned because of uncertainties relative to the sociopolitical context was pursued; the amended final draft is to be field tested during phase 3 of the project</p> <p>During the current phase-2 the whole process of PCI development which was initiated in Liberia and Nigeria was completed. Both countries have their own set of C&I based on</p>

Project Elements	Indicators	Means of Verification	Assumptions	Progress to date (refer to note above)
				<p>harmonized ATO/ITTO PCIs.</p> <p>With the facilitation of Project PD 124/01 Rev.2 (M) Ghana working group on sustainable forest management and certification undertook the work of harmonization of their set of C&I to produce Ghana ATO/ITTO PCI; this set was amended during a multi stakeholder meeting held in Kumasi on September 17, 2010.</p>
Output 1.3 National PCI statistics/ reports for all countries	PCI reports for 6 countries (Cameroon, Congo, CAR, Côte d'Ivoire, Gabon and Liberia)	Reports and statistics on progress towards SFM using the PCI in each country	Availability of relevant information and statistics	Data were collected for drafting country reports on progress towards SFM in five countries (Cameroon, Central Africa republic, Congo, Gabon and Liberia).
Output 1.5 Forestry staff, and specialists trained on implementing PCI, and auditing of sustainable forest management in each country and field testing in each country of the harmonized ATO/ITTO PCI	Minimum 60 stakeholder representatives, forest staff and specialists trained in each country	List of trainees	Relevance of training for participants' needs	242 forestry staff and specialists from the forestry administration, forest concessions, NGOs, Universities and Research institutes received theoretical and practical trainings on implementing ATO/ITTO PCI and auditing of SFM. This occurred in 9 training sessions organized in 9 African country members of ITTO (Cameroon, Central Africa republic, Congo, Côte d'Ivoire, Democratic republic of Congo, Gabon, Ghana, Liberia and Nigeria)

Project Elements	Indicators	Means of Verification	Assumptions	Progress to date (refer to note above)
<p>Specific Objective 2 Establish key elements of adequate capacity for effective regional-level cooperation through the African Timber Organization to support individual Member countries to implement the ATO/ITTO PCI</p>	<p>Regional-level elements of capacity to implement PCI in place</p>	<p>Regional-level progress reports</p>	<p>ATO's capacity to implement the regional-level elements of the project</p>	<p>With the advice of the project coordinator, ATO successfully participated in key regional meetings organized in central and west Africa. These meetings dealt with forest certification development in Central Africa, Forest Law Enforcement, Governance and Trade (FLEGT) under the auspices of the Partnership on Congo Basin Forests (PCBF) in central Africa and FAO, ITTO and ECOWAS in west Africa. ATO was able to communicate with its member countries on the issue of SFM using harmonized ATO/ITTO.</p>
<p>Output 2.2 A regional-level consultative forum for the promotion of SFM established with key stakeholder groups represented through their relevant regional organizations.</p>	<p>Regional operational forum</p>	<p>List of forum members; reports of meetings</p>	<p>Interest in forum</p>	<p>Through the partnership with WWF Regional Office in Central Africa and the FSC Regional Office of Africa, the project gave support to organization of a regional meeting on May 26 to 29 to facilitate input from stakeholders in view to finalize regional FSC standards on forest certification. The project coordinator gave assistance to the ATO general secretary in writing speeches which were delivered in several regional forums to explain the use of ATO/ITTO harmonized PCI in central and west Africa. The project coordinator also attended some of these meetings</p>

Project Elements	Indicators	Means of Verification	Assumptions	Progress to date (refer to note above)
Output 2.4 Minimum 60 trainers trained through regional-level training on the development, application, implementation and auditing of the ATO/ITTO PCI at FMU level.	Minimum of 20 Additional trainers trained	List of trainers trained	Suitable trainers can be identified in member countries	Workshop to train additional 22 trainers from francophone ITTO African country members on forest management and forest management auditing was organized. This was to bring the total number of trainers to 60 for the entire region.
Output 2.5 ATO capacity building	Capacity of ATO to advise/assist members enhanced	Publications and other services offered to members improved	ATO members make adequate contributions	The ATO/ITTO Project Coordinator has worked for the project implementation during the reporting period. During this period communication between ATO and participating countries was enhanced.