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## REPORT OF COMPLETED PROJECTS AND PRE-PROJECTS

This document highlights the work carried out under projects PD 124/01 Rev.2 (M) Phase II, PD 353/05 Rev.2 (M,F,I), PD 440/07 Rev.1 (M,I) and pre-project PPD 45/02 Rev.3 (M) of the Committee on Economic Information and Market Intelligence, as well as projects PD 65/01 Rev.2 (I), PD 100/01 Rev.3 (I) and PD 318/04 Rev.2 (I) and pre-projects PPD 68/03 Rev.2 (I) and PPD 133/07 Rev.1 (I) of the Committee on Forest Industry. The Committees may declare these projects and pre-projects complete:

### Committee on Economic Information and Market Intelligence

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

##### Budget and Sources of Funding:

Total Budget:		US\$	951,070
Stage 1:	ITTO (BPF-A)	US\$	320,000
	ATO	US\$	40,000
Stage 2:	ITTO (TFLET)	US\$	544,070
	ATO	US\$	47,000

Implementing Agencies: ITTO and ATO

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

Starting Date (Phase II): January 2008

##### Duration:

Stage 1	Planned:	12 months
	Actual:	13 months
Stage 2	Planned:	12 months
	Actual:	22 months

This project was 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 its activities as follows:

- Phase I Capacity building at regional and national levels in selected ITTO member countries and development of draft harmonized PCI (43 months, stages one and two completed)
- Phase II Capacity building at national level in the other ITTO member countries and among beneficiaries within selected countries, including establishment of C&I working groups in all countries (35 months, stages one and two completed)
- Phase III Capacity building among beneficiaries within ITTO member countries, including on the use of the PCI in certification and/or legality assurance initiatives (pending finance)

The agreement for the first stage of Phase II of this project was signed 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 under the ITTO Tropical Forest Law Enforcement and Trade (TFLET) programme. An addendum to the Stage 1 agreement was signed with ATO at the end of 2008 to allow for 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 (Francois Hiol Hiol) was recruited in early 2008 to coordinate the implementation of Phase II. 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 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, D.R. and Liberia; non-ITTO members Angola and Sao Tome and Principe)

Under stages 1 and 2 of Phase II of the project, activities have been carried out in all four country groupings, with special efforts aimed at making progress in those countries under groups C and D. Stage 1 of Phase II was completed on schedule in late January 2009 whereas for stage 2, an extension period of 10 months was requested by ATO and approved by ITTO following a meeting of the project steering committee held in December 2009.

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

- Output 1.1: Four meetings of SFM stakeholders held in each of the four countries (Cameroon, Congo, Côte d'Ivoire and Gabon) to improve their national monitoring/auditing frameworks. Stakeholder representatives were involved in discussions and 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 African Republic, Liberia, and Nigeria. The first draft of SFM PCI for the Democratic Republic of Congo was drafted and amended by stakeholder representatives. The field testing of the DRC PCI was the final activity carried out under Phase II. In Ghana, the harmonization of Ghana's national set of C&I with the ATO/ITTO PCI was achieved.
- Output 1.3: Data were collected for drafting country reports on progress towards SFM in five countries (Cameroon, Central African Republic, Congo, Gabon and Liberia).
- Output 1.5: A total of 242 forestry staff and specialists from the forestry administration, forest concessions, NGOs, Universities and research institutes underwent theoretical and practical training on implementing ATO/ITTO PCI and auditing of SFM. This was achieved through 9 training sessions organized in 9 ITTO member countries in Africa (Cameroon, Central

African 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 programme office in central Africa.

Output 2.4: Workshop to train additional 22 trainers from Francophone ITTO member countries in Africa 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 the project and has continued his duties throughout stages 1 and 2 of Phase II (including providing support to ATO in relevant areas). Costs of telephone and internet connections charged to the project had benefitted ATO staff in addition to the project coordinator.

The main lessons learnt during implementation of Phase II are:

- Budget and time as initially planned in the project document were not adequate 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 the fall in dollar exchange rate; (ii) extension of project activities to an additional ITTO member 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's contribution to project implementation was very limited and has continuously been decreasing until it was completely discontinued in 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 the 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 in national reconciliation; this was conducive to greater enthusiasm for SFM, which has resulted in greater participation;
- The development of FLEGT processes in many of these countries has been a boost 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 mechanisms of the SFM component of the COMIFAC action plan;
- The need assessment conducted before each training session has revealed the necessity of conducting such training for all types of SFM stakeholders, and it explains the high demand that was experienced for the training 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 supported the development of professional African Forest Auditors who are recruited by FSC certifying firms and those that are working on legality verification; and
- For Phase III, ITTO will need to redefine the project strategy of using ATO as its partner in project implementation as all staff of ATO have resigned as a result of non-payment of members' financial contributions to ATO.

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 November 2010. The full completion report submitted by the project coordinator is available on request from the ITTO Secretariat. A final PSC meeting for Phase II was convened in early October to review Phase II outputs and options for facilitating funding and implementation of Phase III. Funds are urgently sought during this session for the first stage of Phase III of the project to enable the project coordinator to be retained and for project activities to continue to be implemented toward the achievement of all project objectives.