

INTERNATIONAL TROPICAL TIMBER ORGANIZATION

ITTO

PRE-PROJECT DOCUMENT

TITLE	FEASIBILITY STUDY ON THE CERTIFICATION OF ONAB'S NATIONAL PLANTATION ESTATES
SERIAL NUMBER	PPD 167/13 Rev.1 (M)
COMMITTEE	ECONOMIC INFORMATION AND MARKET INTELLIGENCE
SUBMITTED BY	GOVERNMENT OF BENIN
ORIGINAL LANGUAGE	FRENCH

SUMMARY

With the ever-increasing consumers awareness to sustainable forests management, forest product certification is becoming an important precondition for global market access. Despite its status as a major exporter of wood including West African teak, Benin has experienced a long delay in forest certification. In fact, until now, no forest certification initiative there has been launch and stakeholders are not sufficiently informed or trained. Principles, criteria and indicators for sustainable forest management which are the prerequisites for certification are not yet formulated. This set Benin forest products at a disadvantage and causes losses of economic and financial opportunities on the global market. This pre-project proposes to meet this challenge. It aims to comprehensively contribute to the sustainable management of forest resources through the certification of forest products from natural forests or plantations under sustainable management plans. **Specifically this pre-project aims at gathering the information required to formulate a project forest certification project proposal in Benin.** At the end of the pre-project, the main expected outputs are: (i) baseline information for the certification of ONAB national plantation estates is available, (ii) a project for timber certification in Benin is formulated and submitted to ITTO for approval. In more detailed and practical terms, this project will identify and describe the types of players and stakeholders involved in the certification process, conduct consultations and advocacy activities directed at all players and stakeholders involved in the forest certification process, formulate national-level PCIs and **conduct a market review.**

EXECUTING AGENCY	<i>OFFICE NATIONALE DU BOIS (ONAB)</i>	
COLLABORATING AGENCY	GENERAL FOREST AND NATURAL RESOURCES DEPARTMENT / <i>DIRECTION GENERALE DES FORETS ET DES RESSOURCES NATURELLES (DGFRN)</i>	
DUREE	<u>10 MONTHS</u>	
PROPOSED BUDGET AND FUNDING SOURCES	Source	Contribution in US\$
	ITTO	<u>88,794</u>
	Gov't of Benin (ONAB)	<u>24,500</u>
	TOTAL	<u>113,294</u>

ACRONYMS

AE	:	Executing agency
ATO	:	African Timber Organization
CBD	:	Convention on Biological Diversity
COGEPAF	:	<i>Comité de Gestion Participative des Forêts</i> (Participatory Forest Management Committee)
DGFRN	:	<i>Direction Générale des Forêts et des Ressources Naturelles</i> (General Forest and Natural Resources Department)
FAO:	:	Food and Agriculture Organization
FAC	:	<i>Fonds d'Aide à la Coopération</i> (Cooperation Aid Fund)
FLEGT	:	Forest Law Enforcement, Governance and Trade)
ha	:	Hectare
m/d	:	Man/ day
IGA	:	Income generating Activity
ITTA	:	International Tropical Timber Agreement
ITTO	:	INTERNATIONAL TROPICAL TIMBER ORGANIZATION
m ³	:	Cubic metre
MEHU	:	Ministry of Environment, Housing and Urban Development
ONAB	:	<i>Office National du Bois</i> (National Timber Board)
PAE	:	Environment Action Plan
PCI	:	Principles, Criteria and Indicators
PNGDRN	:	National Programme for Sustainable Natural Resource Management
PP	:	Project stakeholders
SCRP	:	Growth and Poverty Reduction Strategy
SFM	:	Sustainable Forest Management
SPANB	:	Strategies and National Action Plan for Biodiversity Conservation
TDR	:	Terms of Reference

PART 1 PRE-PROJECT CONTEXT

1. Pre-project context

1.1. Origin

Currently, the global timber market is characterized by an increasing preference for green products, and consumers are becoming more aware and demanding sustainable management of forest resources. Certified wood is not only a standard in the industry, but also a condition of access to public and private markets. Indeed forest certification is considered as one market instrument that aims to promote sustainable forest management. Its objective is to establish a link between the trade in forest products and sustainable forest management while giving buyers the required information concerning the management of forests from which marketed timber is harvested. Therefore, several forest certification systems have been developed, some of which are regional in scope.

However tropical forests have fallen behind in terms of forest certification relative to other types of forests. Only 7% of the 138 million hectares of certified forests in the world (July 2002) were located in tropical areas. African Countries in general are lagging rather badly in the trend for forest certification. Among the member countries of the African Timber Organization (ATO), apart from a few forests verified in Gabon and Congo under the Keurhout system, no forest had been certified by FSC or any other system till 2002. Therefore, if no action is undertaken quickly and in view of the growing market demand for certified timber, the African forest industry is likely to experience major difficulties.

Although not a country with strong forest potentials like the Central African countries, Bénin exports a significant quantity of timber. In 2010, 68.535 m³ were exported (DRFRN, 2010). According to FAO (2010) Bénin is the fourth Teak producer country (26,000 ha) and is among the major teak exporter countries in Africa.

In Benin there is still no initiative to promote the forest certification process. However in national debates, the question is more frequently raised. Indeed the Office National du Bois (ONAB), which is the governmental structure responsible for the production and marketing of timber, the issue has become a recurrent one with ONAB partners. However, the implementation of a certification system based on the determination of standards consist of principles, criteria and indicators (PCI) as a tool for sustainable forest management and was the first step in the forest certification process. The important role played by forest certification depends on the quality of sustainable forest management PCIs selected and resulting system. The formulation of these PCIs is according to the definition of the SFM concept. The fact that there are several interpretations of SFM induces, from the outset, divergent PCI definitions. The choice of these standards and the issue of who must certify are core subjects in most discussions on forest certification. Therefore, forest certification mobilizes many players and their first bone of contention is often on which PCIs to use.

Certification is often an appropriate way to improve forest management and a way to enhance and add value to the forest economy.

The *Office National du Bois* (ONAB) currently has 17,856.10 ha of plantations. These plantations are associated with a participatory management plan and are sustainably managed. This pre-project proposes to establish baseline data on existing potentials and to build the national capacities in terms of forest certification in order to have baseline data available to engage in the certification process.

1.2. Relevance to the Project

1.2.1. Conformity with ITTO' Objectives and Priorities.

This pre-project proposal complies with the Objectives of the International Tropical Timber Agreement (ITTA) which are to promote the expansion and diversification of the international trade in tropical timber from forests under sustainable management and forest harvesting in compliance with national regulations, and to promote Sustainable Forest Management in tropical timber producing forests.

More specifically, this pre-project is in line with the ITTO objectives stated in Article 1 of ITTA, 2006 paragraphs d, e, l, k and o.

d) Enhancing the capacity of members to implement strategies for achieving exports of tropical timber and timber products from sustainably managed sources. ONAB manages plantations under participatory management plans. This proposal will evaluate forest management strategies implemented in relation to international standards, concentrating efforts in areas where knowledge is still insufficient to address the deficiencies. The pre-project will also review the training and capacity building needs of stakeholders directly involved in the sustainable management of plantations and certification thereof. This proposal will explore the possibilities to implement a timber tracking system for timber harvested in these plantations.

e) Promoting improved understanding of the structural conditions in international markets, including long-term trends in consumption and production, factors affecting market access, consumer preferences and prices, and conditions leading to prices which reflect the costs of sustainable forest management. Through training workshops, the pre-project will improve knowledge of national stakeholders on market access conditions for certified products and consumers preferences. The pre-project will facilitate the establishment of a tool to monitor and evaluate changes and market trends. Following the certification process, timber prices will be negotiated taking into account the costs related to sustainable management efforts. Thus, cost accounting systems used by ONAB will be reassessed and upgraded through the implementation of new, innovating techniques.

i) Promoting increased and further processing of tropical timber from sustainable sources in producer member countries, with a view to promoting their industrialization and thereby increasing their employment opportunities and export earnings. Through this project strategies will be put in place to strengthen the capacity of ONAB Carpentry Division in order to increase revenue and employment opportunities. By addressing certification, this pre-project will contribute to the improvement of timber export earnings.

k) Improving marketing and distribution of tropical timber and timber product exports from sustainably managed and legally harvested sources and which are legally traded, including promoting consumer awareness. The goal of this pre-project is to facilitate the certification process. It will formulate national principles, criteria and indicators based on international standards. This is the basis for raising the awareness of stakeholders with an interest in certified timber, private traders who buy timber from ONAB and who run into difficulties when attempting to access certain international markets.

o) Encouraging information sharing for a better understanding of voluntary mechanisms such as, inter alia, certification, to promote sustainable management of tropical forests, and assisting members with their efforts in this area. Through this project, information, outreach and mutual consultation workshops and capacity-building workshops will be organized with all stakeholders involved in the production and marketing of timber at national level.

In addition, this pre-project is fully consistent with priority actions of Guideline 12 of the ITTO / IUCN Guidelines for the conservation and sustainable use of biodiversity in tropical production forests, which stipulates that all stakeholders should:

- Ensure that owners and forest managers are benefiting from forest certification;
- Facilitate certification by participating in the development of standards and related participatory processes by providing objective information on all available and relevant systems, creating local capacity for certification and identifying resources that can provide support technical and funding.

1.2.2. Conformity with the policies of the submitting country

This proposal aims to contribute to the sustainable management of state plantations to improve the living standards of local communities. It is in line with the new national forest policy which advocates participatory and sustainable management of forests on the one hand and on the other hand the sustainable development of the timber industry. This proposal is also consistent with Law No. 93-009 of July 2nd, **1993** providing the forest regime in the Benin Republic, which states in Article 40 that "forest management plans developed with the participation of local communities define the goals assigned to forest development and the means to achieve them: It is based on the principles of conservation management and sustained production". The framework law on the environment in the Republic of Benin (Laws No. 98-030 of 1st February 1999) stipulates in Articles 55 and 56 that forests, whether public or private, are a national treasure that must be managed by addressing environmental concerns so that the protective function of forests are not compromised by economic, social or recreational uses and in Article 56 that forests must be protected against all forms of degradation, pollution or destruction caused by overuse, grazing, excessive clearing, fire, burning, disease or introduced alien species.

This project falls within the priorities defined in the Strategic Development Directions of Benin (OSD 2006-2011), whereby the Government is committed to reversing the degradation of the forest cover by strengthening the legislative and regulatory framework in this area, improving the management of fragile systems (wetlands, coastal and marginal ecosystems). In addition, this project is fully consistent with the Priority Action Programme on Growth Strategy for Poverty Reduction (SCRIP) which defined the National Programme for Sustainable Natural Resources Management which aims, inter alia to: i) promote alternative energy to meet the energy needs of households in urban centres ii) support municipalities and grassroots communities to achieve sustainable forest management including in conservation areas high wildlife potential through the development and implementation of participatory management plans; iii) ensure an equitable distribution of revenue derived from the use of forest resources; iv) strengthen the legal and regulatory framework for the promotion of sustainable management of natural resources by municipalities and the private sector; v) ensure the establishment and sustainable management of biological reserves owned by communities and vi) develop and implement a reforestation program at the national level addressing the specificities of different forest types and areas agro-ecological.

This project is also part of the sectoral strategies and policies of the Ministry of Environment, Housing and Urban Development (MEHU) in particular, the Strategy and National Action Plan for the Conservation of Biodiversity (NBSAP 2002), which states in strategic orientations that, by the year 2025 regional and local authorities and the state have a clear awareness of the issues of Biological Diversity and sustainably manage the biodiversity to support socio-economic development in Benin.

This project is also part of Benin Government's vision as the Government has just forwarded to the representation of the European Union in Benin a letter of intent for a FLEGT Voluntary Partnership Agreement.

Moreover, Benin is a signatory to a number of international conventions and agreements including the Convention on International Trade in Endangered Species, the Ramsar Convention on Wetlands, the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC) and the International Tropical Timber Agreement (ITTA 2006). Benin is bound under these international to engage in the sustainable management of its forest resources.

PART TWO: JUSTIFICATION OF THE PRE-PROJECT

2.1 Objectives

2.1.1. Development Objective

To contribute to the sustainable management of forest resources in Bénin through national capacity building for forest certification.

2.1.2. Specific Objective

The Specific Objective of this pre-project is to establish the baseline status of the forest certification process in Bénin, in order to formulate a project proposal on certification.

2.2 Problem identification

Currently on the global market, the requirement for certified timber not only is a standard in the industry, but now a condition of access to public and private markets. In Europe regulations on procurement policies for timber increasingly specify certification as a condition for the purchase. On the private markets, traders and retail groups favour certified timber to meet increasing consumers demand. Some retail chains are changing their purchasing policies by increasing their annual supplies of certified timber. Within a few years, issues of forest protection and sustainable development have become critical. Currently, ONAB sustainably manages over 17,856 hectares of state plantations under participatory management plans. More than 20,000 cubic meters of timber are produced annually and are marketed to private industrialists who are supposed to process timber for export. These assets are not developed and products of ONAB forestry operations end up on mainstream and informal markets. Whereas were these products be certified they would generate more value. This situation is mainly caused by the low capacity to engage in voluntary certification of timber and timber products. Thus, sustainable management efforts on national plantation estates are not generating any added value on the global market. As a result, ONAB products are almost sold off and turnover often can hardly cover operating expenses.

Therefore this pre-project aims at meeting the challenge of certification, i.e. a domestic ambition catalyzed by external pressures. Following consultations with national stakeholders, it appears that the core problem with timber in Benin lies in the non-availability of basic information. In fact, the main causes of this problem are twofold, namely:

1. Inadequate information reaching national stakeholders and players.

The lack of reliable information on the certification process is one of the causes of the delay in and lack of awareness of the benefits and interests that can be derived from certification. This has inhibited the development of relevant initiatives.

2. The ability of stakeholders to engage in the process of forest certification has resulted in the slow development of national initiatives in the field of certification and loss of opportunities.

These issues have had the following negative impacts:

- The efforts to achieve the sustainable management of forest resources are not built-upon;
- The loss of economic and financial opportunities.

The development of this pre-project is justified by the lack of understanding of some aspects required to directly develop a project proposal. Indeed, the development of a project proposal requires reliable data made available through empirical studies. This pre-project will ease bottlenecks and build capacities for the implementation of the project itself.

Implementation of this pre-project will yield the following information: The matrix of stakeholders with a plan to build their capacities, national PCIs and timber tracking strategy for the timber and timber products from ONAB's national plantation estates. All this information will be used for the design of a full project document.

3. PART 3: PRE-PROJECT INTERVENTIONS

3.1. Outputs

There are two outputs expected at the completion of this pre-project.

Output 1: Baseline information on forest certification for ONAB's national plantation estate is available.

Output 2: A project to support timber certification in Bénin is formulated and submitted to ITTO for approval.

3.2. Activities

To achieve the outputs, the following activities will be implemented:

Output 1: Baseline information on forest certification for ONAB's national plantation estates is available.

Activity 1.1: To implement and operationalize the pre-project management unit;

Activity 1.2: To identify players and stakeholders in the certification process for ONAB's forest estate plantations;

Activity 1.3: To implement a series of information and outreach campaign for all players and stakeholders involved in the forest certification process;

Activity 1.4: To define Principles, Criteria and Indicators (PCIs) for the certification of ONAB's national forest estate plantation;

Activity 1.5: To conduct a market review for ONAB timber.

Output 2: A project to support the certification of ONAB's estate plantations is formulated and submitted to ITTO for approval.

Activity 2.1. To develop and submit a project proposal on the certification of ONAB's estate plantations;

Activity 2.2. To have the project proposal validated and submitted to ITTO for funding.

3.3. Approaches and methods

This pre-project will be implemented by a multidisciplinary team of foresters, socio-economists and experts in forest certification. Specific studies will be the topic of mutual consultation exercises. The implementation of this project will include two major steps: Collecting baseline data and developing a project proposal on forest certification.

3.3.1. To compile baseline information in order to achieve certification

3.3.1.1. To identify players and stakeholders in the certification process for ONAB's forest estate plantations

Based on the certification scheme selected, the certification process will be identified and the various players and stakeholders involved in the certification of ONAB national plantation estates will be identified. A study of the range and types of stakeholders will be conducted and a communication plan will be implemented. A detailed survey of these stakeholders will be conducted to identify the role of each group in the certification process.

A consultant will be hired for this purpose and will prepare a document characterizing the different types of stakeholders and stakeholder groups together with a capacity-building plan. This process will be based on a SWORT Analysis (identifying strengths, weaknesses, opportunities and threats) of community forestry and certification in Benin, to identify actors and stakeholders and develop a capacity-building plan. A stakeholder analysis will be made to identify the various stakeholder groups, their characteristics, problems, needs, interests and potential. This activity is expected to yield the following results:

- **Matrix of Stakeholders**
- **Stakeholders involvement and capacity-building plan;**

3.3.1.2. Formulation of national PCIs:

Criteria and indicators for sustainable forest management (C&I for SFM) have been described as the most important and innovative policy instrument for operationalizing the concept of "sustainable forest management". They are the centrepiece of the certification process. The goal of PCIs is to provide a tool to monitor and evaluate changes and trends observed in the status of forests and management systems, and reporting thereon, at both the national and forest management units (FMU) levels. As they enable the identification of key elements of sustainable forest management, CIs provide a means to assess progress towards sustainable forest management and the ITTO 2006 Objective, "to enhance the capacity of members of implement a strategy to export tropical timber and timber products from sustainably managed sources". **The implementation of indicators will create a reliable base to assess and monitor sustainable forest management. ITTO's C & Is could be used as a framework by providing each country with the possibility to develop its own system and assess sustainability at both the national and FMU levels.** The work will consist therefore in formulating national PCIs as was done in several ITTO member countries.

As part of the national PCIs formulation process, one consultant will be hired to prepare a document to be validated through a workshop.

3.3.1.3. Information, outreach and stakeholders consultation and evaluation of management capacities

A series of information, outreach and mutual stakeholders consultation will be held to bring all players to the same level of information and initiate the certification process in a participatory manner. Outreach, information and mutual consultation sessions will be undertaken by themes and categories of stakeholders. **This activity will result in higher stakeholders awareness of the certification process and will help identify their concerns so as to better address them in the project document. These results will make it possible to develop a forest certification project in a participatory manner.**

To achieve this, stakeholder groups will be identified through a descriptive survey and an outreach plan will be implemented. A detailed analysis of stakeholders will be undertaken to define the role of each one of them in the certification process.

3.3.1.4. To undertake a market review for certified timber

International tropical timber markets are undergoing tremendous change amid evolving patterns of global demand and new market requirements, especially those requirements for marketed timber to be sourced from sustainably and legally managed forests. Therefore, undertaking a survey of qualitative and quantitative market status has become essential at this juncture, so as to describe all market access prerequisite for certified tropical timber. Such a survey will help identify some key actions to be developed to ensure i) the enhancement of market information systems, (ii) improved market transparency; and iii) market access facilitation and trade development.

3.3.2. To develop and submit a forest certification project in Bénin

This pre-project will compile the information necessary for the formulation of a full project proposal on the certification of ONAB's national estate plantations.

The development of the full project proposal will be participatory and will incorporate the concerns of the various stakeholders and actors. Therefore there will be exchange meetings and awareness-raising sessions organized with these stakeholders.

One consultant will be hired to develop the project document. He/she will use the baseline information to define the following parameters:

- Forest certification standards and schemes for ONAB's national estate plantations;
- Hurdles to the implementation of forest certification in Benin;
- Costs of outcomes and outputs, funding sources;
- Local, national and global environmental benefits sought;
- The sustainability of the process;
- The comprehensive risk assessment and mitigating measures;
- The cost-effectiveness of the project;
- The social, institutional, economic and financial sustainability of planned project activities;
- The project monitoring and evaluation plan with baseline data, and indicators of project impacts.

Work Plan

Outputs/Activities	Responsible Party/ Project staff	MONTH									
		1	2	3	4	5	6	7	8	9	10
Output 1: Baseline information on forest certification for national estate plantations are available.											
Activity 1.1: To implement and operationalize the pre-project management unit											
Activity 1.2: To identify players and stakeholders in the certification process for ONAB's forest estate plantations	ONAB										
Activity 1.3: To implement a series of information and outreach campaign for all players and stakeholders involved in the forest certification process;	EP / ONAB and PP										
Activité 1.4: To define Principles, Criteria and Indicators (PCIs) for the certification of ONAB's national forest estate plantations	ONAB/ PP and EP										
Activité 1.5 : <u>To undertake a market review for ONAB's certified timber</u>											
Output 2: A project to support the certification of ONAB's estate plantations is formulated and submitted to ITTO for approval.											
Activité 2.1. <u>To develop a project proposal on the certification of ONAB's national estate plantations</u>	ONAB /EN										
Activité 2.2. To have the project proposal validated and submitted to ITTO for funding	ONAB /DGFRN										
Activité 2.3. <u>To prepare pre-project implementation reports</u>	ONAB										

ONAB : Office National du Bois

DGFRN: *Direction Générale des Forêts et des Ressources Naturelles*

EP: National Expert

PP: Project stakeholders

3.4. Budget

The budget of the pre-project is introduced in the budget matrix below. It provides the costs of activities by listing quantities, unit costs, totals and distribution by funding sources.

Outputs/ Activities	Description	Budget component	Quantity	Unit	Unit cost \$	Total cost \$EU	ITTO	EA
Output 1	Baseline information on forest certification for national plantation estates are available							
A 1.1:	To implement and operationalize the pre-project management unit							
	1 Pre-project coordinator	11	<u>10</u>	m/m	1200	<u>12000</u>		<u>12000</u>
	1 Expert in project monitoring and evaluation	12	<u>10</u>	m/m	750	<u>7500</u>	<u>7500</u>	
	1 Administrative and Financial Secretary	12	<u>10</u>	m/m	500	<u>5000</u>		<u>5000</u>
	1 Driver and messenger	12	<u>10</u>	m/m	300	<u>3000</u>		<u>3000</u>
	Fuel and Lubricants	51	<u>10</u>	m	300	<u>3000</u>	<u>3000</u>	
	Office Supplies	54	<u>10</u>	m	300	<u>3000</u>	<u>3000</u>	
	Utilities	53	<u>10</u>	m	150	<u>1500</u>		<u>1500</u>
	Office rental	61	<u>10</u>	m	300	<u>3000</u>		<u>3000</u>
A 1.2	To identify players and stakeholders in the certification process for ONAB's forest estate plantations							
	One national consultant in sociology / management of natural resources	20	2	m	3500	7000	7000	
	Validation workshop for Players and Stakeholders Analysis Document. <u>2 days</u> ; 40 participants							
	Daily subsistence allowance	62	<u>80</u>	m/d	40	<u>3200</u>	<u>3200</u>	
	Transports	62	40	m/d	30	1200	1200	
A 1.3	To implement a series of information and outreach campaign for all players and stakeholders involved in the forest certification process							
	<u>Six 4-day missions</u> for 4 participants	25	<u>96</u>	m/d	80	<u>7680</u>	<u>7680</u>	
	Daily subsistence allowance							
A 1.4	To define Principles, Criteria and Indicators (PCIs) for the certification of ONAB's national forest estate plantation							
	To hire one consultant <u>to formulate PCIs</u>	22	<u>4</u>	m	3500	<u>14000</u>	<u>14000</u>	
	To validate the PCI for SFM formulation document for estate plantations. <u>2 days</u> ; 40 participants							
	Daily subsistence allowance	63	<u>80</u>	m/d	40	<u>3200</u>	<u>3200</u>	
	Transport	63	40	m/d	30	1200	1200	
A 1.5	<u>To undertake a review of the certified timber market</u>							
	Recruiting a consultant in forest certification	<u>23</u>	3	m	5000	15000	15000	
	<u>Validating review report on certified timber market. 2 days</u> ; 40 participants							
	Daily subsistence allowance	64	<u>80</u>	m/d	40	<u>3200</u>	<u>3200</u>	
	Transport	64	40	m/d	30	1200	1200	

Output 2:	A project to support the certification of ONAB's estate plantations is formulated and submitted to ITTO for approval							
A .2.1	To develop a project proposal on the certification of ONAB's estate plantations and to submit it to ITTO for approval							
	1 project development expert	24	2	m/m	3500	7000	7000	
	Audit	66				2500	2500	
	<u>ITTO Monitoring and Review Costs</u>							
	ITTO program support costs (12% on items 10–82 above)	80				<u>9514</u>	<u>9514</u>	

EA = Executing Agency

Consolidated pre-project budget (USD)

Budget Component	Description	Total	Month									
			1	2	3	4	5	6	7	8	9	10
10	Personnel											
	11.1 Project Coordinator	12000	1200	1200	1200	1200	1200	1200	1200	1200	1200	1200
	12.1 Assistant (expert in project monitoring and evaluation)	7500	750	750	750	750	750	750	750	750	750	750
	12.2 Administrative and Financial Secretary	5000	500	500	500	500	500	500	500	500	500	500
	12.3. Driver and messenger	3000	300	300	300	300	300	300	300	300	300	300
	19. Component total	27500	2750	2750	2750	2750	2750	2750	2750	2750	2750	2750
20	Sub-contracting											
	21: To identify players and stakeholders in the certification process for ONAB's forest estate plantations	7000	3500	3500								
	22: To define Principles, Criteria and Indicators (PCIs) for the certification of ONAB's national forest estate plantation	14000		3500	3500	3500	3500					
	23 : <u>To undertake a market review for certified timber</u>	15000		5000	5000	5000						
	24: To develop a project proposal on the certification of ONAB's estate plantations and to submit it to ITTO for financing	7000							3500	3500		
	25.Stakeholders information and outreach missions	7680	1280	1280	1280	1280	1280	1280				
	29 Component total	50680	4780	13280	9780	9780	4780	1280	3500	3500	0	0
50	Consumable items											

Budget Component	Description	Total	Month										
			1	2	3	4	5	6	7	8	9	10	
	51. Fuel and Lubricant	3000	300	300	300	300	300	300	300	300	300	300	300
	52. Utilities	1500	150	150	150	150	150	150	150	150	150	150	150
	53. Office Supplies	2400	2400										
	59. Component total :	6900	2850	450	450	450	450	450	450	450	450	450	450
60.	Miscellaneous												
	61. Office rental	3000	300	300	300	300	300	300	300	300	300	300	300
	62. Validation workshop for Players and Stakeholders Analysis Document	4400			4400								
	63. Validation workshop for the estate plantation SFM PCI formulation document	4400							4400				
	64. <u>Validation workshop for an review of market for certified timber</u>	4400							4400				
	65. <u>Validation of the project on forest certification by the focal point</u>												
	66. Audit	2500								2500			
	69. Total rubrique	18700	300	300	4700	300	300	300	9100	2800	300	300	
80	Project monitoring and administration												
	ITTO Programme Support Costs (12 % on items 10 to 82 above)	9514	9514										
	Component total :	9514	9514										
100	OVERALL TOTAL	113294											

ITTO Budget contribution

Budget component	Description	Total
10	Personnel	
	12. Assistant (expert in project monitoring and evaluation))	7500
	19. Sub-Total	7500
20	<i>Sub-contracting</i>	
	21: To identify players and stakeholders in the certification process for ONAB's forest estate plantations	7000
	22: To formulate Principles, Criteria and Indicators (PCIs) for the certification of ONAB's national forest estate plantation	14000
	23 : To undertake a market review for ONAB's certified timber	15000
	24: To prepare a project proposal for the certification of ONAB's estate plantations and submit it to ITTO	7000
	25. Stakeholders information and outreach missions	7680
	29 Sub-Total	50680
50	<i>Consumable items</i>	
	51. Fuel and Lubricants	3000
	53. Office Supplies	2400
	59. Sub-total	5400
60.	<i>Miscellaneous</i>	
	62. Validation workshop for Players and Stakeholders Analysis Document	4400
	63. Validation workshop for the estate plantation SFM PCI formulation document	4400
	64. Validation workshop for the strategy document on the development of estate plantation certification	4400
	65. Validation workshop for the forest certification project	2500
	69. Sub-total	15700
80	<i>Project Monitoring and Administration</i>	
	81. Monitoring and review	79280
	Sub-total (10 to 82)	9514
	ITTO program support costs (12% on items 10–82 above)	9514
100	OVERALL TOTAL	88794

Budget of Executing agency contribution

Poste budgétaire	Description	Total
10	Personnel	
	11.1 Project Coordinator	<u>12000</u>
	12. Other Personnel	
	12.2 Administrative and Financial Secretary	<u>5000</u>
	12.3. Driver and messenger	<u>3000</u>
	19. Sub-total	<u>20000</u>
50	<i>Consumable items</i>	
	52. Utilities	<u>1500</u>
	59. Sub-total	<u>1500</u>
60.	<i>Miscellaneous</i>	
	61. Office rental	<u>3000</u>
	69. Sub-total	<u>3000</u>
100	OVERALL TOTAL	<u>24500</u>

PART 4: IMPLEMENTATION ARRANGEMENTS.

4.1. PRE-PROJECT IMPLEMENTATION ARRANGEMENT

4.1.1. Executing agency and organizational structure

The National Timber Board (ONAB) is the Executing Agency of the pre-project; ONAB has a multidisciplinary team. The project will be implemented by a Management Unit composed of the Director General of ONAB assuming the role of Pre-project coordinator, on Expert in project monitoring and evaluation and one accountant and secretary. This Unit will be assisted by consultants; The Unit will oversee the implementation of the various studies to be carried out by subcontractors (see flowchart in Appendix 1).

4.1.2. Monitoring and reporting

➤ Monitoring and Evaluation

To ensure proper monitoring of the pre-project, a Technical Support Committee will be established, whose mission will consist in appraising the reports of the respective consultants and National Expert. Technical Support Committee meetings will be convened each time preliminary reports will be submitted. The membership of this Committee will be as follows:

- One (1) representative of DGFRN who is the Government's Focal Point for ITTO (Chairman of the Committee);
- One (1) representative of the Ministry of Trade;
- Two representatives of ONAB including the CEO of ONAB;
- Two (02) representatives **of ONAB potential customers**;
- Two (02) representatives appointed by the local communities (COGEPAF).

➤ Reporting

The Coordinator will prepare the work plan the timing and progress reports for ITTO, with copies submitted to DGFRN. Two technical reports will be prepared for ITTO, including:

- Progress reports (An inception report and a mid-term report) will be produced in compliance with ITTO procedures;
- A pre-project completion report following ITTO guidelines, complete with findings and recommendations. This report will be followed by the financial audit report of the pre-project.

ANNEX 1: PROFILE OF THE EXECUTING AGENCY (ONAB)

1- ONAB creation and main missions

L'Office National du Bois (ONAB) – National Timber Board – is a State Corporation of the Bénin Republic created by Decree N°83-425 of 02 December 1983;

ONAB's headquarters are in Cotonou (Bénin).

PO Box: 1238 Cotonou

Telephone: (+229) 21 33 16 32

Fax: (+229) 21 33 19 56

E-mail: contact@onab-benin.net; ckouchade@yahoo.fr

Web Site: www.onab-benin.net

To ensure effective management of plantations including teak plantations in order to guarantee sustained production, the Government recognizes the importance the assets, role and contribution of forests in the combat against poverty and for the economic development of our country, and it has selected the sensible option to create the Board whose mission has been refocused after spinning off its industrial branch by Decree No. 2000-488 of 9 October 2000, and broken down as follows:

- The development of Forest Management Plans;
- The implementation of these management plans including management of work executed by sub-contractors and management mechanisms for timber supply to the private sector of the industry;
- Monitoring of forest management plans;
- The protection of plantations against forest fires and illegal logging;
- Support and guidance to forest surrounding communities;
- The implementation of all operational studies, surveys and work within its remit on the basis of contracts or agreements with third parties;
- Logging conducted in compliance with management prescriptions (management plan) to ensure sustainable production;

2- Personnel, Staff establishment and categories

Since its inception, ONAB has played a significant social role, by employing a large manpower. Human resources to service its activities include a staff of executives, middle managers, supervisory staff and skilled workers and labourers. To date, the structures of the Board are manned as described in the table below:

ONAB Staff establishment in 2011

Staff categories	Number
Senior executives	17
Mid-ranking executives	26
Supervisory staff	13
Workers	72
TOTAL	128

3- Management structure

ONAB is headed by a Director General assisted by three (03) Technical Directors namely: one Administrative and Commercial Director (a woman), one Technical Director and one Chief Financial Officer.

- **The General Management Unit**

As part of daily management operations, the General Management Unit, through its technical departments and units, coordinates the activities of all other business units. At the strategic level, the General Management Unit implements the general objectives of the business defined by the Board of Directors. The GMU translate these objectives into Activité programmes and budgets and submits them to the Board of Directors. The following sub-structures directly report to the General Management Unit : the Private Secretariat, the Administrative Secretariat, the Participatory Supervision Unit , the Audit and Control Unit et the Legal Affairs and Litigation Unit.

- **Administration and Commerce Department**

This Department manages personnel and equipment; it is also in charge of the implementation of administrative procedures and marketing of products from different plantations. The Administration and Commerce Department exercises its responsibility on one unit and two services, which are: The Carpentry Unit, the Administrative Service and the Commercial Service.

- **The Technical Department**

This Department is responsible for the development and execution of forest activities planned based on participatory forest management plans under ONAB supervision. It includes six units under its control namely: Reforestation Unit, Forest Management Unit, Plantations Protection Unit, Logging Unit, 'Planning, monitoring and evaluation and control Unit, and the IT Unit. It operates in close collaboration with the CEP.

- **The Finance Department**

In order to ensure effective and efficient management of the financial resources of the business and provide real-time information for decision making, the Finance Department is responsible for the full establishment of ONAB financial statements and budgets in accordance with the provisions of the accounting law. It ensures compliance with tax regulations, monitors internal compliance with administrative and accounting procedures and that of other Departments and prepares quarterly progress reports and year-end report. The Financial Directorate has authority over the Accounting Service, the Finance, Budget and Taxation Service and the Procurement Service.

4- Brief on main activities implemented between 2008 and 2011

The following table summarizes the activities implemented during the 2008 – 2011 period

Results/ Activities	2009	2010	2011
Implementing participatory management plans in six areas and the Master Plan of the The core			
<i>Logging activities</i>	550.63 ha	678.31ha	1170.46 ha
<i>Log processing</i>	39237.1956 m ³	37 101.07 m ³	51 068 .8926 m ³
<i>Reforestation</i>	106 ha	198.70 ha	546.52 ha
<i>Plantation maintenance</i>	7501.89 ha	7 309.54 ha	8 840.46 ha
<i>Mechanized tending operations – forest track construction</i>	0.0	79.0 km	0 km
Improving the protection of teak forests and the Core with the involvement of communities, local municipalities and other stakeholders			
<i>Organization of patrols, ambushes, rounding-up (law enforcement operations)</i>	Organization of 14 556 patrols, 730 ambushes, 95 rounding-up, 78 property searches.	Organization of: 14010 patrols, 858 ambushes, 112 rounding up, 111 property searches.	Organization of: 398 patrols, 248 ambushes, 43 rounding up, 61 property searches.
Improving the protection of teak tree stands and the Core against arson in plantations			
<i>Preparation of document</i>	Plantation Fire Control Strategy Paper available	Plantation Fire Control Strategy Paper available	Plantation Fire Control Strategy Paper available
<i>Development of the fire control campaign report</i>	497.00 ha of forest plantations burnt down, report available	Report of the fire control campaign report available	127.55 ha burnt down in 2011 vs. 510 ha in 2010, Report of the fire control campaign report available
Improving the participation of local organizations, private operators and others in teak stand management			
<i>Forest seedling production, clearing</i>	500,000 forest tree seedlings produced 379.98 ha cleared	* 669,247 forest tree seedlings produced, * 300.00 ha cleared	* 1,287,182 forest tree seedlings produced , 500.0 ha cleared
<i>Re-training of COGEPAF Members and women's groups</i>	Three (03) retraining courses for COGEPAF members completed; One (01) exchange visit for women of the Atchérigbé area; One (01) training course for new groups of the Atchérigbé area forest seedling production techniques	-	Training of members of new producer groups and retraining in forest seedling production techniques.
Operating the Computerized Monitoring & Evaluation System			
<i>Organization of periodical</i>	Twelve (12) technical	Twelve (12)	Twelve (12)

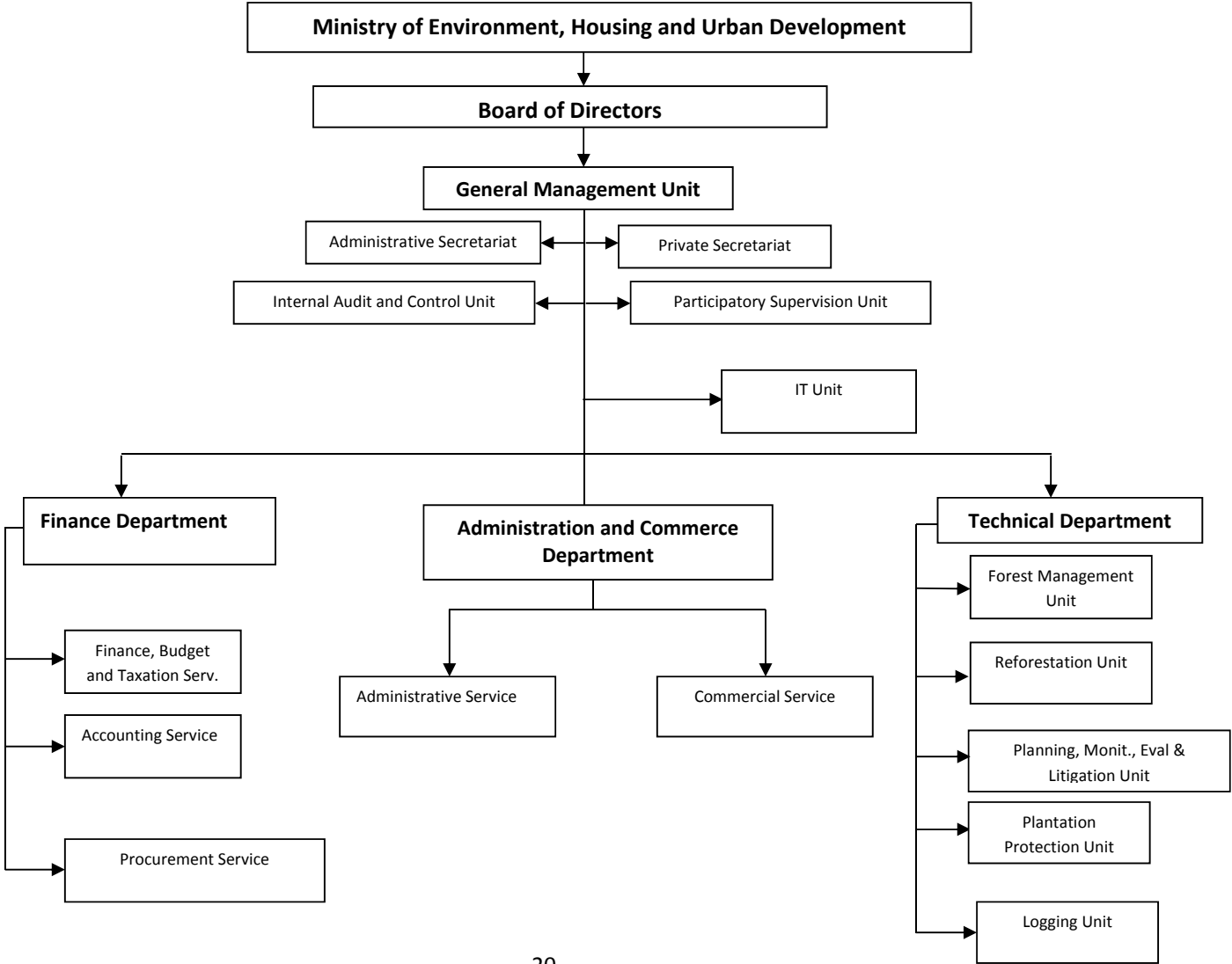
<i>technical meetings</i>	meetings organized	technical meetings organized	technical meetings organized
<i>Preparation of progress reports, quaterly, bi-annual and annual reports</i>	Two (02) quaterly reports, one (01) bi-annual report and 1 annual report available	Two (02) quaterly reports, one (01) bi-annual report and 1 annual report available	Preparation of the 1st bi-annual report and annual report
<i>Updating of monitoring application for teak plantation management</i>	Data sheets on forestry activities available	Data sheets on forestry activities available	Updating of application; Data sheets on Activité implementation
Preparation of Budgets and Financial Statements			
<i>Preparation of Budgets</i>	The 2010 Budget is developed	The 2011 Budget is developed	The 2007 Budget under development
<i>Preparation of financial statements</i>	Financial statements for 2008 are prepared	Financial statements for 2009 are prepared	Financial statements for 2010 are prepared

ONAB Budget in US Dollars)

Budget	Year		
	2009	2010	2011
Personnel	1 413 255	1 262 137	1 369 122
Sub-contracting	351 949	498 939	575 068
Duty Travels	15 594	14 619	1 949
Mission	58 479	64 327	146 198
Consumables	50 152	96 491	100 093
Sub-total	1 889 430	1 936 515	2 192 432
GRAND TOTAL	6 018 378		

Note: 1 US Dollar = FCFA 513

ONAB's Staff chart



ANNEX 2. DUTIES AND RESPONSIBILITIES OF THE KEY EXPERTS TO BE SECONDED BY THE EXECUTING AGENCY

Experts Seconded	Duties and responsibilities
Pre-project coordinator (CEO of ONAB; Dr in wood technology)	<ul style="list-style-type: none"> - Responsible for coordinating all project activities according to the work plan developed; - Executing agency's manager; - In charge of project administrative work; - Provides interface with the ITTO by progress reports on project progress; - Provides interface with collaborating structures; - Reports to DGFRN (ITTO Point Focal in Bénin) on project progress activities, - Instructs disbursements.
Technical Director, Forest engineer	<ul style="list-style-type: none"> - Assists the consultants in their duties, - Monitors the technical implementation of the pre-project; - Performs monitoring, evaluation and implementation of the comprehensive plan; - Takes charge of communication, stakeholders' awareness and outreach; - Participates in the preparation of the final pre-project technical report with annexed executive summary of studies and surveys undertaken and the formulated project proposal.
1 Accountant/ Secretary	<ul style="list-style-type: none"> - Assists the Coordinator in his Secretariat functions; - Performs typing, editing, filing and storage of project documents; - Handles telephone calls for the Coordinator; - Manages the schedule of work of Coordinator; - Ensures the editing of the minutes of meetings chaired by the Coordinator; - Develops recording media for the accounting and financial operations of the project; - Records all accounting transactions under the project; - Prepares the income and expenditures schedules of the project; - Prepares all documents to be used in the audit of project accounts

ANNEX 3. TERMS OF REFERENCE OF PERSONNEL AND CONSULTANTS TO BE FINANCED ON ITTO BUDGET.

Experts to be contracted	Duties and responsibilities
National consultant in charge of stakeholders and players identification and analysis in the certification process for ONAB national plantation estates	<ul style="list-style-type: none"> - To identify all stakeholders and players involved in the certification process of ONAB's national plantation estate; - To list all stakeholders by categories; - To draw up an analysis of the strengths and weaknesses of stakeholders; - To define the characteristics, problems, needs, interests and potentials of each stakeholders group; - To propose a plan to build the capacities of the respective stakeholders; - To propose a communication plan; - To introduce the implemented study to a validation workshop - To participate in the validation workshop for the project document to be submitted to ITTO.
<u>International Market Review/ Analysis Consultant</u>	<ul style="list-style-type: none"> - <u>To analyse the national literature on sustainable forest management;</u> - <u>To analyse national PCIs for the sustainable management of plantations;</u> - <u>To survey market access, trade barriers and impediments;</u> - <u>To undertake an economy analysis of market access for certified timber;</u> - <u>To describe the structure of ONAB's timber trading pattern;</u> - To assess the certification scheme (costs and benefits) - To present the survey implemented in a validation workshop.
National SFM consultant to formulate national PCIs	<ul style="list-style-type: none"> - To analyse national documents in terms of sustainable forest resource management, - To analyse the strengths, weaknesses, opportunities and threats inherent in current ONAB's national plantation estate; - To formulate the national principles, criteria and indicators (PCIs) for the sustainable management of plantations by drawing from ITTO/ATO Guidelines on Criteria and Indicators of SFM in tropical forests; - - To introduce the results during a validation workshop.
National Forest Certification Consultant	<ul style="list-style-type: none"> - To analyse national documents in terms of sustainable forest resource management, - To analyse national PCIs for the sustainable management of plantations - To identify and review existing certification options; - To propose one (...) for ONAB national plantation estates; - To identify certification procedures; - To define labelling and tracking procedures; - To define institutional arrangements; - To appraise the certification scheme (costs and benefits); - To introduce the implemented study to a validation workshop
National Consultant in charge of project document development	<ul style="list-style-type: none"> • Based on the respective studies undertaken and in keeping with the ITTO project development procedures, the National Expert shall: • Draft the project proposal and have it validated during a workshop having as participants all key project stakeholders; • Finalize the project proposal by incorporating all amendments recommended by the validation workshop; • Incorporate amendments formulated by stakeholders and subsequently by ITTO Expert Panel.
Monitoring & Evaluation Officer	<ul style="list-style-type: none"> - Assists the Coordinator in project management duties, - Monitors project implementation; - Develops the detailed project plan; - Performs the monitoring, evaluation and implementation of the

	<p>comprehensive plan;</p> <ul style="list-style-type: none">- Develops ToRs and monitors procurement contracts;- Monitors the implementation of studies;- Undertakes communication and outreach work with stakeholders;- Prepares the final pre-project technical report with annexed executive summary of studies and surveys undertaken and the formulated project proposal.
--	--

ANNEX 4. Assessment by the Forty-fifth Panel

PPD 167/13 (M)

Feasibility Study on the Certification of ONAB's National Plantation Estates (Bénin)

Assessment by the Forty-fifth Panel

A) Overall Assessment

The Panel noted that the proposal was about establishing baseline information on forest certification for ONAB's national plantation estates and formulating a project proposal to support the certification of these plantations for submission to ITTO. Overall, the Panel was of the opinion that the proposal had been soundly formulated and well written.

In its assessment of Part 1: Pre-project Context, the Panel noted that it was well presented, underlining clearly the relevance of the proposal and its conformity with ITTO objectives and priorities as well as with Benin's relevant national policies.

On Part 2: Justification of the Pre-project, the Panel found that the problem analysis was clear and consistent particularly in highlighting that certification was becoming more of a market requirement than a voluntary mechanism and in identifying the absence of basic information as the core problem and its main causes.

With regard to Part 3: Description of Pre-project Interventions, the Panel was not clear of what the proponent intended to do under activity 1.5 in relation to the approach/method under sub-section 3.3.1.4. Clarification on activity 1.5 would be required while sub-section 3.3.1.4 should be left out considering the limited scope and budget of the proposal. An additional activity under Output 1 on market analysis would be appropriate. The Panel further observed that while it would be desirable for the project proposal to be formulated in consultation and with the contributions from actors and stakeholders, it would not be practical for it to be approved by them prior to submission to the ITTO Secretariat. The Panel also felt that it was optimistic of the proponent to plan for an eight month duration for the implementation of the pre-project as some of the proposed activities, particularly activity 1.4, were likely to require more time to be implemented and completed. The Panel noted that the budget of the proposal was reasonable and the budget tables adequately presented. However, the number and duration of the validation workshops under activities 1.2, 1.4 and 1.5 as well as the outreach campaigns under activity 1.3 appeared to be inadequate and more needed to be added. The ITTO monitoring and review cost should be deleted while ITTO programme support cost should be increased from 8% to 12%. Section 3.5 should be entitled 'Budget' and not 'Pre-project Logical Framework Matrix' as presented while an error on the budget for Project Coordinator US\$96,000 instead of US\$9,600 should be corrected.

On Part 4: Implementation Arrangements, the Panel noted that the implementation arrangements as proposed were adequately presented.

B) Specific Recommendations

To further enhance the proposal, the Panel recommended that it be revised in accordance with the overall assessment above and the following specific recommendations:

1. Clarify what is to be undertaken under activity 1.5;
2. Insert activity on market analysis under Output 1;
3. Amend the last sentence under sub-section 3.3.2 and delete the reference that the project document will be approved by the actors and stakeholders before its submission to the ITTO Secretariat;
4. Extend the duration of the pre-project;
5. Review and adjust the proposed budget for validation workshops under activities 1.2, 1.4, 1.5 and outreach campaigns under activity 1.3 and increase the number of them;
6. Delete the budget for ITTO monitoring and review cost and amend the budget for ITTO programme support cost from 8% to 12%;

7. Make corrections to Section 3.5 and typing errors on the budget for Project Coordinator on page 12 and other parts of the proposal including on SWOT on page 5; and
8. Include an Annex that shows the overall assessment and specific recommendations of the Expert Panel and respective modifications in tabular form. Modifications should also be highlighted (**bold and underline**) in the text.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with the incorporation of the above amendments.