



de la part du
Peuple japonais

**PD 700/13 Rev.2 (I) : DEVELOPMENT OF INTRA-AFRICAN TRADE
AND FURTHER PROCESSING IN TROPICAL TIMBER AND
TIMBER PRODUCTS – PHASE I [STAGE 1]**

Completion report of ITTO Project PD 700/13 Rev.2 (I)



July 2016

ITTO PD 700/13 REV.2 (I)



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**PD 700/13 Rev.2 (I) :
DEVELOPMENT OF INTRA-AFRICAN TRADE AND FURTHER PROCESSING IN
TROPICAL TIMBER AND TIMBER PRODUCTS – PHASE I [STAGE 1]**

Started on: April 2015

Duration: 12 months

Project cost: USD1,399,989 for Phase 1 [Stage 1] funded by the Government of Japan

Completion Report

Executing Agency: ITTO Secretariat

Pilot Countries: Cote d'Ivoire, Cameroon, Democratic Republic of Congo

Yokohama, July 2016

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LIST OF ACRONYMS AND ABBREVIATIONS

- AfDB : African Development Bank
- ADIE : Agence de Développement de l'Information Environnementale
- AEO : Authorized Economic Operator
- ATIBT : Association Technique Internationale des Bois Tropicaux
- ATO : African Timber Organization
- BAE : Bon à Enlever
- BEAC : Banque des Etats d'Afrique Centrale
- BREPF : Bordereau de Route pour l'Exportation des Produits Forestiers
- BIVAC : Bureau Inspection, Valuation, Assessment, Controle
- BSA : Bois et Sciages d'Abidjan (San Pedro)
- CAR : Central African Republic
- CEMAC : Communauté Economique et Monétaire d'Afrique Centrale
- CET : Common External Tariff
- CFP : Centre de Formation Professionnelle
- CFTA : Common Free Trade Area
- CIF : Cost, Insurance and Fret
- CIFOR : Centre for International Forestry Research
- CITES : Convention on International Trade of Endangered Species
- CODELT : Conseil pour la Défense Environnementale par la Légalité et la Traçabilité
- COMIFAC : Commission des Forêts d'Afrique Centrale
- CoP : Conference of Parties
- D6 : Déclaration en Douanes des Produits Forestiers destinés à l'exportation
- DAU : Document Administratif Unique
- DEIF : Direction de l'Exploitation et de l'Industrie du Bois
- DRC : Democratic Republic of Congo

ECCAS : Economical Community of Central African States

ECOWAS : Economical Community of West African States

EU : European Union

FAO : Food and Agriculture Organization

FCFA : Franc des Communautés Françaises d’Afrique

FD : Forestry Department

FIP : Fabrique Ivoirienne de Parquets

FLEGT : forest Law Enforcement, Governance and Trade

FOB : Free On Board

FSC : Forest Stewardship Council

GDP : Gross Domestic Product

IFIA : International Forest Industries Association

INPHB : Institut National Polytechnique Houphouet Boigny

INPROBOIS : Industrie et Production du Bois

ITB : Ivoire Techni Bois

ITC : International Trade Center

ITS : Industrie Tropicale de Sciage

ITTO : International Tropical Timber Organization

MINEF : Ministère des Eaux et Forêts

MNS : Market News Service

MOFA : Ministry of Foreign Affairs

MOU : Memorandum of Understanding

NGO : Non Governmental Organization

NTFP : Non Timber Forest Product

NTM : Non-Tariff Measures

NWFP : Non-Wood Fores Product

OAB : Organisation Africaine du Bois

OECD : Organization for Economic Cooperation and Development

OIBT : Organisation Internationale des Bois Tropicaux

PEFC : Programme for the Endorsement of Forest Certification Schemes

REC : Regional Economical Communities

REDD+ : Reducing Emissions from Deforestation and Forest Degradation

RWE : Round Wood Equivalent

SADC : South African Development Commission

SGS : Société Générale de Surveillance

SIBD : Société Industrielle de Bois et Débités

SMCI : Sciages et Moulures de Côte d'Ivoire

SME : Small and Medium-sized Enterprises

SMS : Short Message Service

SODEFOR : Société de Développement des Forêts

SOFIBEX : Société Forestière et Industrielle de Bois Exotiques

TICAD : Tokyo International Conference on Africa Development

TMT-SPD : Trade and Market Transparency-Project Document

TTP : Timber and Timber Product

UDEAC : Union Douanière des Etats d'Afrique Centrale

USD : United states Dollar

VAT : Value Added Tax

VPA : Voluntary Partnership Agreement

ZRA : Zambia Revenue Authority

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Executive Summary

Project Identification

1. The Project is a follow-up of the ITTO international conference, held in Accra, Ghana in 2009, which adopted the ITTO Accra Action Plan for the Development of Intra-African Trade in Tropical Timber and Timber Products, including actions for the private sector, governments, ITTO and other international and regional organizations.
2. The project is aimed at removing the main identified constraints in the expansion of further processing of tropical timber into value added products and trade development, particularly through intra-African trade. The activities are implemented in a logical sequence divided between two three year phases to ensure mainstreaming and sustainability of impacts. Phase I is divided into two stages of which the first one focuses on three pilot countries (Cameroon, Côte d'Ivoire and Democratic Republic of Congo) and strengthening of capacities in industry and trade development.
3. In June 2013, the project was included in the priority areas of TICAD V by the government of Japan. In the early 2015, the MOFA had agreed to contribute to launch the implementation of this regional ITTO project for African member countries by granting the amount of US\$ 1,399,989 for Stage 1 of Phase 1 to be implemented within a one year period.

Project Objectives

4. The development objective of the Project is to promote socio-economic development and sustainable management of African forests through value creation by expanded further processing and intra-African trade in tropical timber and timber products.
5. The specific objective is to initiate consolidated efforts with the establishment of key elements in capacity to strengthen competitiveness of ITTO African producers in timber and timber products markets.

Project Performance

6. All planned project activities at its Stage 1 Phase 1 had been fully executed. Please refer to Table 1.
7. Activity A6.4 (Initiation of integration of training on timber processing in the curricula of forest/technical colleges) had been carried out. The feasibility of integration of training on timber processing in the curricula of forest/technical colleges was established. The effective integration will be done during the stage 2.
8. All planned activities had been completed within the sanctioned time and financial budget. The project activities were completed within 15 months with funds expended in a total amount of **US\$1,112,626.90** or US\$ **\$287,362.10** unspent funds by end of June 2016.

Project Beneficiaries

9. The timber enterprises, trade and industry associations, and logging companies are the Project's primary beneficiaries. Pilot enterprises, entrepreneurs and trade associations benefit from capacity building and provide necessary information. Other enterprises, including micro and small enterprises in the informal sector, benefit from the Project's training, market information as well as trade facilitation and development activities. The government of the three pilot countries, as well as other ITTO member countries in the African Region benefitted from the capacity

building, policy inputs and regional coordination provided by the project outputs and outcomes.

10. Primary beneficiaries also include training institutions which participate in the organization of training events and whose staffs are trained.
11. National service providers benefit from improved knowledge and enhancement of their own services to the industry. Technology suppliers provide information and benefit from the Project's training and follow-up investment in retooling and expansion of the industry. Investors finance investments that are made possible by creation of enabling country conditions and transparency of opportunities and risks.
12. Government agencies benefit from capacity building and facilitate the Project's implementation by providing information about the forest sector benefiting from strategic proposals for adjustment of policies and regulations as well as improvement of statistical and other information on the sector.

Assessment and Analysis

13. During the implementation of the Stage 1, all planned targets were achieved. These results are part of wider targets of all stages of the project and will significantly form a robust platform for the implementation of the project's next phases and stages.
14. The Stage 1 results gave indications of good responses from ITTO African member countries.
15. During the course of the project implementation, government and industry sector representatives expressed their willingness to improve their trade and industry policies and were encouraged to have a common vision on trade and industry development among them.

Lessons learned

16. The selection of national consultants/experts need to be carefully undertaken to meet the highly demands of the Project.
17. The assignment of the ITTO Regional Officer as the Project Manager showed better management of the project implementation.
18. The project inception meeting in which representatives of the project host countries must be well planned and organized to ensure all participating countries reach common understanding on project objectives, scope and targets.

Conclusions

19. Phase 1 [Stage 1] was designed to take stock of the existing information and conduct necessary studies in the selected countries in order to establish a robust baseline information to be shared among African countries.
20. Three pilot countries were selected (Cameroon, Côte d'Ivoire and Democratic Republic of Congo). This was a good starting point and the results shared during the regional workshop were very useful and highly recognized by the participants.
21. It was noted that most of the stakeholders involved in the implementation of project's activities and participants of the regional workshop were unanimous to say that the Stage 1 of the project had provided an important step for African timber and timber products to be well processed and to reach major regional and external markets in order to benefit from good prices.

Recommendations

22. The data, information and recommendations provided by ITTO should be formulated and /or addressed so as to influence political decision-making on trade and industry development. Therefore, the project's outputs must be utilized as far as possible to be taken into account in developing economic value. The results should also be disseminated to parliamentarians and other high-level decision makers.
23. Market-related studies and timber flows within and between African countries should continue to improve the reliability of information. A particular emphasis should be paid to monitor the informal and illegal trade flows due to their importance.
24. In view of the weak statistical information available on the timber sector in the region, further efforts should be taken to strengthen country capacity in data collection and dissemination. The pilot phase of the ITTO Market Information Service in Africa should be continued and improved.
25. African countries must address the industry's growing demand for training, ,
26. Subregional cooperation should be strengthened, especially in ECOWAS and ECCAS zones, with the aim to have a common vision and policy coordination to take action to strengthen intra-African tropical timber trade and improving further processing of high-quality wood products.

1 Project Identification

1.1 Context

The Project is a follow-up of the ITTO international conference, held in Accra, Ghana in 2009, which adopted the ITTO Accra Action Plan for the Development of Intra-African Trade in Tropical Timber and Timber Products, including actions for the private sector, governments, ITTO and other international and regional organizations. ITTO was called to act as the coordinating monitoring body. The Project is also a contribution to the implementation of the IFIA/ITTO/FAO/PRO-INVEST development strategy of wood-processing industry in the Congo Basin developed in 2011. The Project supports practical priority actions identified in the ITTO Accra Plan and the Congo Basin strategy while complementing the other related on-going initiatives.

The project is aimed at removing the main identified constraints in the expansion of further processing of tropical timber into value added products and trade development, particularly through intra-African trade through nine areas of action: facilitation of trade; elaboration and implementation of national strategies for industrial and trade development; business development in pilot enterprises; improvement of market transparency; trade promotion measures; training; strengthening of national industry and trade associations; innovative financing; and technology transfer. Implementation involves effective engagement of stakeholders and close cooperation with the identified international, regional and national partners in the private and public sectors. The activities are implemented in a logical sequence divided between two three year phases to ensure mainstreaming and sustainability of impacts. Phase I is divided into two stages of which the first one focuses on three pilot countries (Cameroon, Côte d'Ivoire and Democratic Republic of Congo) and strengthening of capacities in industry and trade development.

In June 2013, the project was included in the priority areas of TICAD V by the government of Japan. An MOU was signed by ITTO and the government of Japan defining the field of collaboration with regard to the support to be allocated to ITTO activities. In the early 2015, the MOFA had agreed to contribute to launch the implementation of this regional ITTO project for African member countries by granting the amount of USD 1,399,989 for stage 1 of Phase 1 to be implemented within one year period.

1.2 Origin and problem

In view of the limited progress in further processing and associated trade in Africa, the International Tropical Timber Organization (ITTO), in cooperation with the African Timber Organization (ATO) organized a technical conference on the subject in 2001 and a ministerial conference in 2003. A strategic plan was approved (OAB 2004) which called for (i) development of sustainable resource base, (ii) promotion of incentives through policies and regulations, (iii) strengthening of institutional capacities, (iv) development of African and international markets, as well as (v) promotion of further processing and development of small and medium-sized enterprises (SME). Several actions have been taken since then in these areas both at regional and national level but they have not led to desired results on the ground.

In the framework of ITTO Biennial Work Programme 2008-2009, ITTO conducted a study on the promotion of intra-African trade in timber and timber products, which was followed by an international conference, held in Accra, Ghana from 30 June to 2 July 2009. The conference adopted the ITTO Accra Action Plan for the Development of Intra-African Trade in Tropical Timber and Timber Products, including actions for the private sector, governments, ITTO and other international and regional organizations. ITTO was called to act as the coordinating monitoring body to pursue the implementation of the Action Plan. The present proposal is targeted at supporting the private sector, governments and other stakeholders in the implementation of the Plan through concerted efforts.

The core problem in the development of intra-African trade in TTPs and value added processing is weak competitiveness of the producers in the ITTO producing Member countries. Causes for this situation vary between countries and enterprises but based on the various studies, consultations, and the results of the stakeholder survey carried out during the preparation of this proposal, a number of common direct and underlying causes have been identified (. Direct causes include (i) significant tariff and non-tariff barriers to trade in TTPs; (ii) inappropriate national policies and weak institutions supporting the industry; (iii) weak industrial and managerial capacity; (iv) lack of trained workforce in the industry; (v) inadequate market transparency and trade promotion; (vi) lack of awareness on African TTPs and their suppliers in importing countries; (vii) weak organization of the private sector; as well as (viii) lack of access to financing and (ix) to improved technology. There are also constraints in other areas such as lack of forest management, destructive logging techniques, and illegal forest activities. They have an impact on competitiveness but they are not included in the following analysis being outside the scope of the Project as several other initiatives are on-going in these areas in the region.

As regards trade barriers, the *tariff rates* in TTPs in Africa are high. There is also an element of tariff escalation that represents an additional burden for trade in value added products. Intra-regional economic integration is not advanced to the desired extent and some of the rules of ECOWAS and CEMAC on the liberty of movement of persons and goods are not respected in practice resulting in parallel fiscal costs. Another issue is constraints in market access by the ITTO African exporters to the other economic cooperation sub-regions (SADC, East African Community, Arab Maghreb Union) which are not justified, as there are strong complementarities in production structures with Western and Central Africa in the timber sector. Deeper integration would result in important economic benefits for governments, participating companies and their employees alike. The largest potential is where the markets are complementary and the logistical infrastructure is developed. A particularly promising area meeting these criteria is the Western African region where national resource endowments and production structures are largely complementary. In addition, Central African countries would be well placed to complement efficient trade in Western Africa. High tariffs increase the cost of TTPs to consumers, particularly in countries largely depending on imports in meeting their domestic demand in Northern Africa, the Sahel and the SADC sub-region.

Even more important may be various *non-tariff barriers* preventing making use of the potential offered by the forestry sector for sustainable development. These include export procedures in producing countries, import procedures in importing countries, unnecessary government charges, inefficient border control resulting in significant loss of time and thereby higher logistic costs, as well as associated corruption. Coupled with high costs of trade financing in the region, the transaction costs of the TTP trade in Africa are very high and penalize regional producers more than exporters from outside the region. Stakeholders perceive that this area needs urgent action by governments through simplification of

procedures, reduction of administrative charges, and improvement of government agency services. Innovative modern customs procedures have also great potential to improve the situation. However, the process of change is not easy due to vested interests of those parties who are benefiting from the current status quo.

Government policies have not been supportive of the development of further processing industry in spite of many conferences, workshops and meetings in which positive political declarations have been made. The regulatory framework in most countries is characterized by multiplicity of taxes and charges and the systems are perceived by the industry as unjust, difficult to understand and inappropriate for the objectives pursued. Reduction of transaction costs is needed together with fiscal and other incentives and coordinated action with the related ministries. **Public policies do not exist to promote procurement of TTPs from legal and sustainable sources.**

National strategies for industrialization of the timber sector and trade development do not generally exist which would cover actions needed also from other related sectors (transportation, energy, communication, etc.). Power cuts are common and many processing operations have no access to the national electricity grid, which significantly increases their production costs due to use of diesel generators. Energy is a critical production factor for further processing which requires kiln dried raw material and involves several mechanized processing stages. There is a need to link energy development plans with the needs of the TTP sector, in particular in rural areas that have no access to electricity.

In spite of the demonstrated political will in principle, enabling conditions for the industrial and trade development in the region do not yet exist and coherent structural measures are needed. Both local and foreign investors do not have trust in the consistency of the policies and continued government support and cannot count on regional opaque markets in which competition from illegal operators is significant. The issue can be addressed through implementation of coherent national industry and trade development strategies.

2 Project Objectives and Implementation Strategy

2.1 Project objectives

There is no other body than ITTO that can bring together African producers of tropical timber to develop trade and further processing. Only ITTO is capable for implementing the activities of the Project that are fully aligned with the political and economic priorities of its member governments in the region.

The core problem is weak competitiveness of the producers in the ITTO producing Member countries. Causes vary between countries and enterprises. Based on the various studies, consultations, and the results of the stakeholder survey carried out, a number of common direct and underlying causes have been identified. Direct causes include (i) significant tariff and non-tariff barriers to trade in TTPs, (ii) inappropriate national policies and weak institutions supporting the industry, (iii) weak industrial and managerial capacity, (iv) lack of trained workforce in the industry, (v) inadequate market transparency, (vi) lack of awareness on African TTPs and their suppliers in importing countries, (vii) weak organization of the private sector, as well as (viii) lack of access to financing and (ix) to improved technology.

The complex problem situation results in major negative socio-economic and environmental effects, including (i) loss of economic growth and social benefits and increased marginalization of forest communities, (ii) continued degradation of forests resulting in increasing CO₂ emissions and loss of biodiversity, (iii) reduced wood supply and high cost of raw material for the industry, (iv) high production costs, and (v) continued high transaction costs.

Based on the above identified problem the development objective of the project is *to promote socio-economic development and sustainable management of African forests through value creation by expanded further processing and intra-African trade in tropical timber and timber products*. Whereas, for the specific objective of the Phase 1 of the project is *to initiate consolidated efforts with the establishment of key elements in capacity to strengthen competitiveness of ITTO African producers in timber and timber products markets*. These key elements include (i) awareness of development opportunities among enterprises, entrepreneurs, investors, decision-makers and stakeholders; (ii) enabling conditions on regional and national levels; (iii) technical and managerial knowledge and skills in the private sector, (iv) strengthened organizations of the private sector, (v) facilitated access to financing, and (v) improved information and knowledge on the markets and technology.

2.2 Implementation strategy

The project strategy builds on common interests of the ITTO African producing Member Countries to work together in developing their further processing and expanding intra-regional trade.¹ The strategy builds on ITTO's competitive advantage in providing support to issues that require strong interface with the public and private sectors and proven record of accomplishment in policy work and capacity building. The overall strategy consists of interventions at regional, national and enterprise/entrepreneur levels. The Project is catalytic in promoting policy adjustment, building up trained human resources, and generating and effectively sharing new information and knowledge.

The Project is divided into two phases as follows:

Phase I: Capacity building at regional, national and enterprise levels in selected pilot countries and enterprises focusing on developing, piloting and validation of intervention tools.

Phase II: Expansion of capacity building at national and enterprise levels in the other producing Member countries and mainstreaming improvements in the industry and trade. Phase II also includes some regional-level support to participating countries.

This Project Completion Report cover Stage 1 of the Phase I of the project.

¹ This has been manifested in the Accra Action Plan (Annex 1) and the White Paper (IFIA/ et al. 2012).

3 Project Performance

3.1 Planned vs realized performance

a. Specific objective

The specific objective was defined during the project formulation stage as *to initiate consolidated efforts with the establishment of key elements in capacity to strengthen competitiveness of ITTO African producers in timber and timber products markets*. There was no change made to this defined specific objective during the implementation of the Stage 1 of the project. Therefore, the outputs and outcomes obtained in the Stage 1 will contribute to the achievement of the specific objective of the Phase 1 of the project.

b. Outputs and activities

Table 1 Progress in implementation and summarized findings

Output/Activities	Completion status/change made to activity	Summarized findings
Output 1: Process to facilitate trade is in place and facilitated arrangements in operation for TTP exports in the region		
A1.1.1 Study on the costs and benefits of tariff and non-tariff barriers in selected countries is produced and disseminated	100%	The document is produced and presented during the regional workshop which validated the recommendations of the study. The final version of the study is available.
A1.1.2 Establishment of a web-based data base on tariff barriers for TTPs for easy access by private sector enterprises	100%	A new database was elaborated using tariff data from www.macmap.org of the International Trade Centre (ITC). The data base is worldwide covering all timber and timber products for exports from all the ITTO African producer countries .
Output 2 : National strategies for development of further processing and TTP exports in pilot countries have been implemented		
A2.1 A stakeholder workshop on potentials and constraints of industry and trade development in one pilot country	100%	A national workshop was organized in Côte d'Ivoire on 30 and 31 July 2015
A2.2 Analytical work to support elaboration of draft national strategy	100%	6 National consultants were hired and their reports are available
A2.3 Validation workshop of the strategic conclusions and	100%	A national workshop was organized in Côte d'Ivoire on 09 and 10 December 2015

recommendations		
A2.4 Advisory service to implementation of policy proposals (including regulations, enforcement, incentives, public procurement policies, etc.)	100%	A summary note after analyzing the content of forestry codes of four (04) countries (Ivory Coast, Cameroon DRC, Gabon) coupled with proposals axes for policy formulation was produced
A2.8 Regional workshop to exchange experience on industrial and trade development to share lessons learned	100%	A regional workshop was organized on 24, 25 and 26 February in Abidjan, Côte d'Ivoire
Output 4 : Measures to improve market transparency have been undertaken		
A4.1.1 Baseline study on domestic markets, cross-border trade and the role of the informal sector on one pilot country in West Africa	100%	The study had been made for Côte d'Ivoire and results were presented during the regional workshop. The report is available
A4.1.2 Baseline studies on two pilot countries in Congo Basin	100%	The studies had been made for Cameroon and DRC and results were presented during the regional workshop. The report is available
A4.2 Establishment of a pilot phase quarterly/monthly market news service on developments in the markets for African timber and timber products	100%	The MNS was in place since July 2015 and had delivered monthly market news.
A4.4 Establishment of web-based data base on African producers of tropical timber and timber producers and their products	100%	The on-line address for access to the Data Base Directory is: http://africantimbercompaniesdirectory.com/
Output 6 : 250 trained persons are using the acquired skills in further processing and trade development		
A6.1 Compilation of available training materials on further processing and posting on the web (natural forest timbers and plantation timbers)	100%	The training material had been made available by the trainer by the training starts in December 2015

A6.2 Technical training in minimum 10 enterprises on improved practices in timber processing for at least 250 workers and staff benefiting from the activity	100%	14 Timber industries of small, medium and big size had benefit from the in-house training and 257 workers and 30 employees benefited from the training in 2 sessions (December 2015 and February 2016)
A6.4 Initiation of integration of training on timber processing in the curricula of forest/technical colleges	100%	5 training institutions were involved in this activity. The feasibility of integration of training on timber processing in the curricula of forest/technical colleges was established. The effective integration will be done during the stage 2
Output 7 : National industry/trade associations are capable for advocacy and providing adequate services to members		
A7.1. Needs assessment, consultations and workshops of development needs in existing associations and selection of pilots for support	100%	Associations had been selected in Côte d'Ivoire
A7.2. Delivery of support packages to pilot associations	100%	Support packages had been prepared and given to pilot association
A7.3. Technical assistance to development of association services to members and advocacy (coaching)	100%	Training had been given to head of associations and skills had been developed
Output 9 : Technology transfer in specific priority areas has taken place		
A9.5 Project coordination and management, crosscutting activities	100%	A project team had been put in place based in Japan and Gabon

3.2 Time schedule

- The project actually commenced in April 2015
- Planned duration of the project was 12 months; planned project activities were all completed within the sanctioned time

3.3 Inputs applied

a. Manpower

The key personnel employed by the project were the Project Team based in Libreville, Gabon. They were: Dr. Marcellin Nziengui (Project Manager), Mr. Oliver Ahimin (Deputy Project

Manager), and Mrs. Nkoulou Philomene (Project Secretary). During the implementation of the project, the Project Team was supervised by the ITTO Trade and Industry Division. Several national and international consultants, a consulting firm (ARDOT OY), and CIFOR were engaged. Supports were also received from the authorities of the three pilot countries.

b. Expenditures

Realized expenditures as of 30 June 2016 are as follows:

- Funds received by ITTO: US\$1,399,989.00
- Funds expended : US\$1,112,626.90
- Unspent funds retained by ITTO: US\$287,362.10

4 Project Outcome, Target Beneficiaries Involvement

The timber enterprises (including SMEs), trade and industry associations, logging companies, training institutions, regional organizations and international organizations are the Project's beneficiaries. Pilot enterprises, entrepreneurs and trade associations benefit from capacity building and provide necessary information. Other enterprises, including micro and small enterprises in the informal sector, benefit from the Project's training, market information as well as trade facilitation and development activities. The government agencies of the three pilot countries, as well as other ITTO member countries in the African Region benefitted from the capacity building, policy inputs and regional coordination provided by the project outputs and outcomes.

The outputs and outcomes of the project's activities were highlighted below as per outputs (Output 1, 2, 4, 6, and 7) of Stage 1.

Output 1: Process to facilitate trade is in place and facilitated arrangements in operation for TTP exports in the region

A1.1.1 Study on the costs and benefits of tariff and non-tariff barriers in selected countries is produced and disseminated

For ITTO African member countries there is a huge market potential for TTPs in the region which in the short term is estimated to be in the range of USD 700-800 million or 2.5 times the current level. The potential is projected to reach about USD 1 billion in 2020. The industry and investors have largely overlooked this opportunity. Blunt measures are needed by regional organizations and governments to create enabling conditions for future investments and intra-regional trade.

Overall in Africa the tariff levels for TTPs are high and often prohibitive; in logs up to 10%; sawnwood and wood-based panels up to 40%, and secondary processed wood products up to 50%. There is no economic reason to apply high tariffs for logs, sawnwood and panels as it limits the development of local further wood processing and other industries within the

region. The transaction costs of TTP trade depend on (i) efficiency of border control authorities, including customs; (ii) infrastructure, (iii) international shipments, (iv) logistic quality; (v) tracking and tracing; and (vi) timeliness.

A whole menu of tools is required including (i) reduction of tariff and non-tariff barriers, (ii) public-private partnerships, (iii) risk analysis, (iv) introducing the Authorized Economic Operator (AEO) concept, (v) streamlined customs procedures, (vi) single window for trade participants, (vii) strengthening of enforcement, and (viii) coordinated border management.

Trade facilitation and strengthened enforcement combined can be powerful responses to the problems of illegal trade and corruption (Fig. 1). Measures to be taken should result in smooth logistics and increased level of compliance at the same time. Actions need to be integrated into public policies aimed at the facilitation of legal trade (Fig. 2) and effective law enforcement. In order to have a sufficient impact to change actor behavior, these policies should be applied both nationally and regionally.



Figure 1: A sign promoting the anti-corruption fight (Photo by Guillaume Lescuyer)



Figure 2: Logyard in Côte d'Ivoire (Photo by Olivier AHIMIN)

A1.1.2 Establishment of a web-based data base on tariff barriers for TTPs for easy access by private sector enterprises

This activity sought to improve available information on tariffs in TTP trade, building on the experience on the database produced by the ITTO Project TMT-SPD 012/12 Rev. 1 (M) entitled “Improving Intra-African Trade and Market Transparency in Timber and Timber Products”. A new database was elaborated using tariff data from www.macmap.org of the International Trade Centre (ITC). The database covers 13 exporting countries, and all countries in Africa and countries in all the other regions of the world as importers. The data covers 38 products ranging from logs to prefabricated houses, derived or made from tropical species. The products are reported at 6-digit level based on the Harmonized System

Output 2: National strategies for development of further processing and TTP exports in pilot countries have been implemented

A2.1 A stakeholder workshop on potentials and constraints of industry and trade development

The first national workshop on the development of the national strategy on industry and trade in timber and timber products from Côte d'Ivoire was held from 30 to 31 July 2015 in Abidjan. The workshop had three (03) goals of which (i) contribute to create a platform for exchanges between national stakeholders involved in the implementation of the PD 700/13 Rev.2 (I), (ii) initiate the process of developing the national strategy for further processing development and exports of Timber and Timber Products (TTP) and (iii) strengthen the capacity of professional associations of wood industry and trade of the Republic of Côte d'Ivoire.

The different presentations of stakeholders have identified the following:

Strengths

- The existence of expertise in carpentry
- The existence of a large industrial base with great expertise
- The existence of an important regulatory mechanism
- Availability of skills in the forestry administration
- Existence of intra-African market

Weaknesses

- Lack of material and financial resources
- Ineffective control system
- Administrative delays
- Difficult access to bank credit
- Supply problems in forest resources (wood)
- Unsuitability of some regulations
- Insufficient involvement of communities
- Tax burden

Opportunities

- The FLEGT VPA process to improve forest governance
- The REDD+ process to focus on conservation and rehabilitation of forests

Threats

- Forest degradation and uncontrolled exploitation of timber resources
- Increased competition from other materials such as aluminum and plastic (PVC) vis-à-vis wood

A2.2 Analytical work to support elaboration of draft national strategies

After the first workshop, six national consultants had been hired to make an analytical work on the following areas:

- Efficient techniques of resource: recycling of waste and cuts
- Efficient techniques of resource: appropriate technology
- Information on African markets
- Constraints to intra-African market
- Access to innovative financing
- Appropriateness of the Taxation;

Based on their experience and the analytical work, each consultants had developed ideas on how to improve the efficiency of further processing and intra-African trade of wood and wooden products. The conclusion and recommendations of the consultants had been used to feed the draft strategy document. Several meetings had been organized among consultants in order to harmonize their views and fill appropriately the draft strategy document.

A2.3 Validation workshop of the strategic conclusions and recommendations

The second national workshop on the development of the national strategy of industry and trade in timber and timber products was held from 09 to 10 December 2015 in Abidjan. The main objective of the workshop was to conduct the review and validation of the "draft 0" version of strategy paper on the development of industry and trade of timber products in Côte d'Ivoire. The draft strategy was adopted during the workshop.

A2.4 Advisory service to the implementation of policy proposals (including regulations, enforcement, incentives, public procurement policies, etc.)

This activity was carried out by the project manager during his travels in the three pilot countries (Côte d'Ivoire, DRC, Cameroon) and in Gabon, where the headquarters of the regional Office of ITTO in Africa is located and where a consultation with the forest industry sector within the framework of the implementation of the A4.2 activity (establishment of a pilot phase of quarterly/monthly market news services on Developments in the markets for African timber and timber products) was conducted.

The implementation of the A2.4 activity was undertaken through drawing up an inventory of national forest policies on further processing and trade in timber and timber products based on content analysis of four existing forest codes. Based on the inventory (see Table 2 below) and discussions with government officials, several policy brief were formulated which include proposed regulations on enforcement, incentives, public procurement policies, etc.

Table 2: Inventory of national forest policies on further processing and trade timber and timber products

	CÔTE D'IVOIRE	CAMEROON	DRC	GABON
Policy document	Yes/recently actualized Law dating from 2014	Yes/to be actualized Law dating from 2001	Yes/to be actualized Law dating from 2002	Yes/to be actualized Law dating from 2001
National strategy	Yes/produce by PD700 project	Yes	No/ to be produce	Yes
Action plan	No	Yes	No/ to be produce	Yes
Institutional reform	No/ to be taken	Yes	Not/ to be taken	Yes
Legislation by code	Yes/just actualized	Yes/just actualized	Yes/to be actualized	Yes/to be actualized
Regulation by laws	Yes/to be taken	Yes/to be taken	Yes/to be taken	Yes/to be taken
Support system for stakeholders of the timber processing industry	No/ to establish	Yes	No/ to establish	Yes
Actualized baseline study on timber processing in the craft, semi-industrial and industrial sectors	No/to be produce by PD700 project	Yes	No/to be produce by PD700 project	Yes
Action Plan with the needs of timber processing stakeholders	No/to be produce by PD700 project	Yes	No/to be produce by PD700 project	Yes
Existence of actualized national forest policies on further processing and trade timber and timber products	No/to be produce by PD700 project	No/to be produce by PD700 project	No/to be produce by PD700 project	Yes

A2.8 Regional workshop to exchange experience on industry and trade development

The regional workshop to share experiences on the development of industry and trade of timber and timber products was held on 24 to 26 February 2016 in Abidjan (Fig. 3 & 4). The objectives were to disseminate the results obtained during Phase I [Stage 1] of the project and to collect feedback, opinions and comments of the countries participants to consolidate the implementation of future actions in the next stages of the project. The workshop brought together 95 participants from twenty countries from Asia, Europe and Africa. Regional organizations such as ECCAS, ECOWAS and AfDB, and international organization such as CIFOR were also involved.

Highlighted recommendation drawn during the workshop includes:

- ITTO must strengthen cooperation with ECCAS and ECOWAS to help consolidating the power of the Regional Economic Communities;
- ITTO should provide support for the implementation of the COMIFAC strategy;
- The data, information and recommendations provided by the ITTO should be formulated and/or addressed so as to influence decision-making by the politician. Therefore, these outputs must be expressed as far as possible into economic value and sent to the parliamentarians;
- Market-related studies and timber flows among African countries and between those countries should be allowed to continue on longer cycles for better reliability of information;
- Making the issue of banning the export of logs and the policy harmonization issue in general as priority areas of the Economic Communities in African Regional;
- Regeneration of timber resources (planting) can be developed/increased in different African countries, in light of the changing international context of the exploitation of natural forests;
- That the ITTO-funded projects can now involve civil society in their monitoring and evaluation;
- African countries must address comprehensively support of their demands for training, for both zones ECOWAS and ECCAS, with the aim to improve the quality of wood products;
- ITTO should update the Accra Action Plan of 2009 to serve as a basis to implement the recommendations of the Abidjan Regional Workshop of Abidjan;
- The African Development Bank (AfDB) must strengthen its role as technical and financial partners of the regional program on the development of trade in tropical timber and timber products, and industrial processing in Africa. The Regional Economic Communities and States must approach the AfDB for the financing Forestry Development Programs, such as the "Gabon Green Plan"; and
- Harmonizing timber trade and industry policies within the African Region.



Figure 3: Opening ceremony of the regional workshop (Photo by Olivier AHIMIN)



Figure 4: Group photo of the regional workshop (Photo by Olivier AHIMIN)

Output 4: Measures to improve market transparency have been undertaken

A4.1.1 Baseline study on domestic markets, cross-border trade and the role of the informal sector on one West African country (Côte d'Ivoire)

CIFOR undertook a scoping survey of the timber market in the main cities of Côte d'Ivoire was done in May 2015. Five cities were selected for data collection: Abidjan, Bouake, Gagnoa, San Pedro and Yamoussoukro. Except in Abidjan where data were collected in two timber markets (Koumassi and Yopougon), the main timber market in each town was monitored. A total number of 645 inventoried in the five main cities of Côte d'Ivoire, 77 were monitored for 6 months. The market outlets that constituted the sample were all classified as medium size, based on their annual sales volumes as indicated by sellers.

A major challenge to the country has historically been the sourcing of the domestic timber market. The decline in industrial production and the fact that only the products of second and third choices are supplied to the domestic market by the timber industry, have led to the development of an informal artisanal sector designed to satisfy a growing national demand. Even though, according to the existing Ivorian law, artisanal or chainsaw milling are placed under the banner of illegal logging.

However, such a ban has had very little effect on the operators of this sector, who occupy an increasingly important role. Unfortunately, there are no official statistics on the volume of timber consumed in the major cities of the country, and to our knowledge this report is the first of its type, that tries to provide such statistics. Existing estimates, based on data from the 1990s, put the production between 1.5 and 3 million cubic meters per year.

The consumption recorded (over 7-8 months and extrapolated to all markets and over an entire year) totals about 1.9 million cubic meters of sawn-wood. About 17% of the recorded sales were 'double counts', i.e. the timber sold to the final consumer had been bought from another market. This is especially the case in large markets in Abidjan, such as Koumassi, where timber might be bought as far as San Pedro. Also, 73% of the total consumption is from industrial or semi-industrial sawmills, while the remaining (27% or 515,000 cubic meters) was produced by artisanal millers. Consumption increased from June 2015 towards the end of the year, while it decreased towards the beginning of 2016.

By applying a standard processing rate of about 50% for the industry in Cote d'Ivoire (i.e. 2 cubic meters of logs are needed to produce about 1 cubic meter of sawn-wood), total consumption in round-wood equivalent (RWE) would correspond to about 3.9 million cubic meters of harvested timber. In particular, consumption would result in about 2.8 million cubic meters RWE harvested and processed by industrial companies, and about 1 million cubic meters RWE harvested by artisanal loggers.

Small-scale logging certainly attracts part of the rural and urban youth anxious to be financially independent. The reasons given by the sawyers to join the sector stem mainly from

the lucrative nature of small-scale logging and the quest for a source of income. The profiles of these actors can be grouped under four categories:

- Sawyers who joined the trade through relatives who were themselves sawyers or traders;
- Former employees of logging companies who reverted to small-scale sawing due to lack of financial resources necessary to carry out logging operations under the conditions laid down by law;
- Actors acting concurrently as vendors and sawyers; and
- Operators who joined the trade because of hard times, unemployment or opportunists such as some farmers.

Incomes generated by this activity are mostly used to satisfy daily household needs (61%). This means that small-scale logging as a whole is an important source of income for people in rural areas and that those operating in this sector have a long-term goals given that apart from recurrent expenditures, a significant proportion of incomes generated is used to undertake large-scale investments such as cocoa, coffee and cashew plantations.

Incomes are reinvested in rural areas since 95% of the sawyers are Ivorian and 57% of them operate in their region of origin. This situation is a contrast with what obtains downstream the industry where there are, on the contrary, more of non-Ivorian actors.

Among the constraints faced by sawyers, administrative bottlenecks come in first position. The increase in administrative bottlenecks must be related to the official ban on sawing in 2013. The ban has had very little effect on the day-to-day activities of sawyers. On the ground, government services practice a form of administrative tolerance, while sawyers adapt to the new situation. Far from ending the activity, the ban has rather led to an increase in informal payments, which occur especially during transportation of the resource but also during delivery in the markets. According to 39% of sawyers, administrative bottlenecks are settled subject to informal harvesting (Fig. 6). Sawyers are well aware of this reality on the ground, and their perception of the situation is well described by statements such as: "For the administration, what is important is not to be in order."

Five countries have land borders with Côte d'Ivoire; these countries are Ghana, Liberia, Guinea, Mali and Burkina Faso. On the one hand, Liberia and Ghana are endowed with tropical natural forest capable of producing timber, even though the forests have been substantially degraded due to high population density and very active agriculture and timber sectors. Compared to Côte d'Ivoire, Liberia still possesses considerable forest resources and preliminary inquiries informed us that Côte d'Ivoire would rather import timber from Liberia. On the other hand Mali, Burkina Faso and to some extent Guinea are Sahelian countries where natural tropical forest does not grow and one would expect these countries to import timber from Côte d'Ivoire.

Six main locations were surveyed for a period of 6 months, from July 2015 to January 2016. The estimated total volume exported per year (from the data collection basis of 6 months)

totals about 113,000 cubic meters of sawn-wood. About 30% of recorded trucks transported timber originating from sawmills, while 70% originated from operations conducted with artisanal means in the forest.



Figure 5: A medium-size truck used to convey timber from Kousseri to N'Djamena (Photo by Emmanuel Danboya)



Figure 6: Chainsawn timber in rural area in Côte d'Ivoire (Photo by Olivier AHIMIN)

A4.1.2 Two baseline studies on two pilot countries in the Congo Basin (Cameroon and DRC/Democratic Republic of Congo)

Other two baseline studies were carried out by CIFOR for the two pilot countries, namely: Cameroon and the Democratic Republic of Congo. The following flows of timber were tracked in the borders of: Cameroon-Chad Border (Fig. 5); Cameroon Nigeria; DRC-Zambia; and DRC-Angola

A4.2 Establishment of a pilot phase quarterly/monthly market news service on developments in the markets for African timber and timber products

The Project PD 700 stated 'As a contribution to improving market transparency a monthly market news service on developments in the markets for African timber and timber products will be produced in French and English. This bi-lingual activity will disseminate market news and other relevant information to the private sector enterprises, government agencies and other stakeholders through a webpage'.

The first Market News Service (MNS) for African readers was made available on ITTO's website in July 2015 and monthly thereafter until April 2016.

Trade opportunities

Given the limited budget for Activity A4.2 it was necessary to limit the coverage of the market intelligence report to countries in the region offering significant opportunities for African producer countries.

In 2013 Africa imported tropical timber products (TTPs) worth USD 6.5 billion with an average annual growth rate of 3.7% since 2008. The preliminary data for 2014 is USD 7.6 billion suggesting accelerating growth. However, intra-regional imports in 2013 were only USD 526 million or 8 % of the total.

Imports by African ITTO member countries were valued at USD 424 million in 2013 showing that their own markets are significant offering substantial business opportunities, including for cross-border trade.

Potential target markets for ITTO producers

Logs

The largest import markets for logs in the region are in North Africa but their needs are satisfied from outside the region. In view of the tightening export supply of logs in the region, primary processing industries in the major importing countries are likely to be obliged to search for alternative supplies from outside the region in the short run and from their own plantations in the long-term future.

Sawnwood

The largest importer of sawnwood is Egypt, but only USD 2 million is coming from other African countries. Other North African countries with significant imports of African sawnwood include Morocco, Algeria, Tunisia and Libya.

The largest sub-Saharan African importer of sawnwood in 2014 was South Africa followed by Senegal, Namibia, Niger, Mozambique and Mauritius.

Plywood

Egypt is by far the largest import market for plywood but almost all imported plywood comes from outside the region. The other significant importers are South Africa, Angola, Morocco, Ethiopia, Libya, Nigeria, Algeria Senegal, Niger, Mauritius and Tanzania.

Furniture and builders' woodwork

Intra-African trade plays practically no role in wooden furniture trade in Western and Central Africa.

Target markets

In choosing target markets a balance had to be made between those offering the best opportunity and those for which credible and sustained market intelligence could be secured. Using these criteria it was decided to focus efforts on South Africa, Nigeria and Algeria as representative of three African regions.

Sourcing market intelligence

ITTO identified and contracted correspondents to deliver monthly market reports on the three target markets, South Africa, Nigeria and Algeria. The correspondents were charged with using their best endeavors to report on the following:

- An overview of recent economic developments and the latest available news and data on the construction and housing sectors

The information provided to ITTO will include housing developments including details of housing starts where available, domestic production of construction materials, values and volumes of construction material imports, surveys on sentiment amongst construction stakeholders and changes in government policy for the housing and construction sectors etc. Information of economic developments will focus on trends and development for the main economic indicators that have the greatest impact on wood product consumption

such as GDP growth and prospects, consumer spending, exchange rate developments to the point that they impact imports, consumer spending and consumer sentiment.

- News, activities and other developments in the wood processing and trade sectors; changes in the flow of forest logs, changes in production capacity (closures, new and expanded capacity), shipment of products, consumption and consumer trends and any factors that may affect the market for wood products and the flow of imports and exports;
- Updated price indices for an agreed range of primary wood products as agreed with ITTO such as sawnwood and veneer as well as panel products, The price indices can be either domestic wholesale, FOB or CIF as agreed with ITTO;
- Up-to-date prices for an agreed range of manufactured wood products such as: mouldings, doors, furniture parts and furniture. Prices should include domestic, FOB or CIF as appropriate;
- The impact of exchange rate changes on the international trade in wood products, where relevant;
- Government policy statements and regulations which could have an impact on the imports and domestic sales of wood products;
- and
- Trade issue/dispute that could impact the market for tropical timber products.

A4.4 Establishment of web-based data base on African producers of tropical timber and timber producers and their products

Data and information on African producers (Gabon, Cameroon, Cote d'Ivoire, and the Republic of Congo) of tropical timber and timber producers was compiled from different sources which will be served as the basis for developing a web-based data base. All the information is already in the public domain so that if there have been or are over the years changes of address or other corrections needed then companies can advise and the alterations will be made. The on line address for access to the DB Directory is: <http://africantimbercompaniesdirectory.com/>

Output 6: 250 trained persons are using the acquired skills in further processing and trade development

A6.1 Compilation of available training materials on further processing and posting on the web (natural forest timbers and plantation timbers)

The training materials prepared for the training include: log handling at log-yards, breakdown sawing and re-sawing, several elements of plywood making, kiln drying techniques, selected elements of further processing, major elements of saw-doctoring and mill management.

The in-house/in-factory training mode is site or mill specific, designed as a problem solving approach. As the problems encountered may vary between individual mills (Fig. 7 & 8), so is

coverage of the training. For examples, mill A may face problems on plywood production techniques but is doing fine with kiln drying; consequently, the training will exclude kiln drying from its work program. In contrast, mill B may not have problems on sawing techniques but on kiln drying techniques; accordingly, the training will include kiln drying techniques in its agenda.

A woodworking industry employs considerable number of processing techniques. The document does not attempt to provide information on all those techniques. Instead, the information presented concerns only with major elements of wood processing, especially in the primary and secondary stages. The main purposes are to provide background information on major elements of wood processing in order to facilitate a two-way discussion between training participants and the trainer.

A6.2 Technical training in minimum 10 enterprises on improved practices in timber processing for at least 250 workers and staff benefiting from the activity

The activity that has been implemented and reported herewith is one of the activities pertaining to Output 6 of ITTO Project PD 700/13 Rev. 2 (I) Phase I Stage I entitled “Technical training in minimum 10 enterprises on improved practices in timber processing for at least 250 workers and staff”. The activity was implemented in Cote d’Ivoire in two batches: the first batch on 11-18 December 2015 and the second batch on 18-22 February 2016 involving 14 timber industries in total and over 250 workers and staff of the host industries.



Figure 7: Bandsaw not perpendicular to stopper and fork (Photo by ISWA)



Figure 8: Bandsaw not perpendicular to sawing table (Photo by ISWA)

The scope of the training includes strengthening capacity in solving common problem areas in wood-based industries, namely: logs stocking and loading, kiln drying and boiling, saw doctoring (Fig. 9 & 10), finger jointing, laminating, packing, waste control (Fig.11 & 12), maintenance, safety and mentality.

To implement Activity 6.2, an international consultant having accumulated practical knowledge and skills as well as experience in working with tropical wood processing over forty years in Indonesia and other tropical countries, Mr. Sukiman (Sae Yung Kim), has been hired by the project.



Figure 9: Improper placing of circular saws (Photo by Sukiman)



Figure 10: Proper storage of circular saws (Photo by Sukiman)



Figure 11: Untied veneer rolls (Photo by Sukiman)



Figure 12: Tied veneer rolls to avoid veneer breaks (Photo by Sukiman)

It should be noted that, based on available data with the project, the number of employees of forest industries in Cote d'Ivoire ranges from 60 to 100 workers and staff. The number of employees of different levels taking part in every training session was satisfactory, averaging 20 employees per factory depending on the scale of operation; in addition, owners and executives of some factories also were involved in the training, at least during the opening and concluding discussions. It can be expected that the 20 employees that have been trained will pass or transfer the skills they have learned to their colleagues and friends in a formal or informal ways, e.g. during individual talks, during working in a team, etc. Assuming an average number of 80 workers and staffs per factory of which 20 people have been directly trained, the expected indirect impact of the in-house training may reach 840 people (14*60). In the mid-term, total number of trained workers and staffs in 14 factories, directly and indirectly trained, may reach 1,120 people. If more factories are involved in in-house training, its positive impacts in the long-run are quite significant in terms of competitiveness of the forest industries, forest resource conservation and government revenues.

A6.4 Initiation of integration of training on timber processing in the curricula of forest/technical colleges

This activity was focused on meeting and discussing with forest officials and technical institutions and where possible to visit the infrastructures in order to take stock on realistic places that offer training and support pedagogy infrastructures in the context of delivering to learners a good quality of education skills in further processing and trade in timber products. Thus it appeared the following elements of the inventory.

The visited public schools admit students through competition and train skilled workers in different categories, namely: Certificate of Professional Competence (CPC), senior technicians, engineers and specialists in 2 to 5 years in the fields of the forestry. The schools have been in place for 20 to 40 years. To some extent they need to shift their vision to modern education systems.

The main difficulties are related to at least: (i) less functional working rooms due to the obsolescence of materials and equipment; (ii) low level of training (teaching old methods of wood processing; (iii) minimum budgets allocation and other state subsidies; and (iv) lack of internship programmes/practical works.

Output 7: National industry/trade associations are capable for advocacy and providing adequate services to members

A7.1 Needs assessment, consultations and workshops of development needs in existing associations and selection of pilots for support

The goal of this activity was to make an inventory of the professional associations of industry and timber trade of the Republic of Côte d'Ivoire, prior to capacity building (activity A7.2). The actors and players in the wood and forest sector can be grouped into four large entities, namely: producers, processors, traders, and other (consumers, foreign importers, farmers and forestry services operators of wood resources).

The types of major training modules that can be developed and then dispensed to the professional associations are listed below.

- Developing a business plan;
- Computers and information technology, including web sites development, animation and communication skill;
- Development of strategic planning and action plans;
- Identification and formulation of programs, projects or micro-projects;
- Project management, monitoring and evaluation;
- Community based forest management (SFM and further processing of wood and trade in timber products, project fundraising for SMEs/SMIs);

- Mobilizing financing, management of monetary income and creation of local development funds;
- Reduced Impact Logging (RIL);
- Improved market knowledge, sales and marketing
- Modern techniques of production and processing of wood (briquettes, pellets);
- Conflict resolution and negotiating skills; and
- Finance and accounting skill.

A7.2 Delivery of support packages to pilot associations

The development training modules in pilot associations aimed to ensure capacity building of the timber industry and trade association to improve their governance, outreach performance, and quality service provided to their members. However, the inventory established at the A7.1 activity allowed to benefit trainings in seven organizations instead of two originally planned.

Training modules were selected which include, among others: i) inventory of the timber sector; ii) knowledge of the wood material and traceability of timber products; and iii) basics management and accounting. The training was delivered in two sessions in Cote d'Ivoire by two consultants hired for this purpose. The first session was held from 17 to 19 November 2015 and the second from 1 to 3 December 2015.

A7.3 Technical assistance to development of association services to members and advocacy (coaching)

This activity carried out through trainings aimed at supporting the association group to progress and finalize their processes in getting legal permits for their associations. The representatives of the associations were divided into the following groups:

- Group 1: those who have not begun the administrative process of getting the legal status or are looking for a legal form for their structure;
- Group 2: those who have reached the level of provisional deposit receipt; and
- Group 3: those with an association declaration receipt.

The training has enabled a significant improvement in knowledge level of the participants.

5 Assessment and analysis

During the implementation of the Stage 1, all planned targets were achieved. The successful implementation of the project' Stage 1 indicated good supports and responses from the ITTO African member countries. All of the project's outputs and outcomes will significantly form a robust platform for the implementation of the project's next phases and stages. During the course of the project implementation, government and industry sector representatives expressed their willingness to improve their trade and industry policies and were encouraged to have a common vision on trade and industry development among them.

The following are identified points that need to be followed up in the next stages of the project, namely:

- Need to engage more players of industry and non-government organizations stakeholders;
- Organization of more training activities to improve technical and managerial capacities in trade and industry;
- Expand the dissemination of Market Information Service (MIS/MNS) to capture wider audiences and motivate the development of new market niches; and
- At the beginning of Phase I [Stage 2], it would be wiser to hold a regional workshop for all key stakeholders of the countries involved in the project implementation to enable obtaining common vision and stronger commitment the project implementation.

6 Lessons learned

The main lessons learned can be summarized as follows:

Formulation of project document

- Ensure that issues to be addressed by the project correspond to the policy settings of countries involved, and the planned project's interventions, outputs and outcome targeted to tackle the countries' underlying problems in tropical timber trade and further processing;

Project implementation

- Involve, as far as possible, the regional economic communities and international technical partner in the implementation of relevant project activities;
- Set up within a country, a national coordination team to oversee the implementation of the project's activities in respective countries;
- The selection of national consultants/experts need to be carefully undertaken to meet the highly demands of the Project;
- The assignment of the ITTO Regional Officer as the project manager showed better management of the project implementation; and
- The project inception meeting with representatives of project host countries and involved countries must be well planned and organized to ensure all participating countries reach common understanding on project objectives, scope and targets.

Technical and scientific outputs

- All technical and scientific findings of the projects must be translated into practical and operative recommendations for policy decision makers at national, sub-regional and regional levels;
- Ensure effective dissemination of main results and achievements of the project to potential users and wider audiences; and
- Ensure that all project reports are presented in French and English.

7 Conclusions and Recommendations

7.1 Conclusions

Project identification

Phase 1 of the project should lead all necessary studies for the proper implementation of the Accra Action Plan 2009. Six years were identified as necessary for this implementation with a total budget of USD 6,274,545. For the Phase 1 [Stage 1] of the project implemented within one year period, the Government of Japan has provided almost USD 1.4 million approximately for the conduct of activities that contribute to the achievement of the specific activities of the project's Phase 1. These activities have been selected in a way that their implementation is not influenced by the non-starting of certain activities of the Action Plan. Clearly, it is activities that could be initiated and carried forward or partially unhindered. This approach helped to conduct all activities of the first stage without major difficulties. The organization of one regional workshop to share the results of studies and country experiences was a good opportunity for experts from several participating countries. Expectations are massive from countries regarding the implementation of other project, in particular on the expansion of beneficiary countries beyond the three pilot countries of the Stage 1.

Project design

Phase 1 [Stage 1] was designed to make a stock and conduct some necessary studies in some selected countries in order to share the results with others. Three pilot countries were selected (Cameroon, Côte d'Ivoire and Democratic Republic of Congo). This was a good starting point and the results shared during the regional workshop were very useful and acceptable.

Project implementation

For the easy implementation of project activities, a small but effective project team had been put in place and most of the activities were conducted by sub-contractors or consultants. Most of the activities were successfully implemented and the results had been presented during the regional workshop.

Organization

The light project team had done well and able to substitute some failed consultant in the implementation of their duties. At the end of the Phase 1 [Stage 1] implementation, it is important to note that most of the stakeholders involved in the implementation of project's activities and participants of the regional workshop were unanimous to say that this an important step for African timber to be well processed and to reach some important markets in order to benefit from good prices.

7.2 Recommendations

- The data, information and recommendations provided by ITTO should be formulated and /or addressed so as to influence political decision-making. Therefore, the project's outputs must be expressed as far as possible into economic value and disseminate to the parliamentarians;
- Market-related studies and timber flows among African countries or between these countries should be allowed to continue on longer cycles for better reliability of information;

- That the regeneration of timber resources (planting) can be developed/increased in different African countries, in light of the changing international context of the exploitation of natural forests, challenges of the further processing of wood products in Africa, and wooden products and growing needs of tropical timber and timber products across the world; and
- African countries must address comprehensively to support their demands for training, for both zones ECOWAS and ECCAS, with the aim to have a common visions and actions to strengthen intra-African tropical timber trade and improving further processing of quality of wood products.

Annex 1 Financial Report

Commitments Based Expenditure Table			
	Budget Components	Budget	Committed Amount
10.	Project personnel	\$252,000.00	\$166,500.00
20.	Sub-contracts	\$578,000.00	\$576,200.00
30.	Duty travel	\$58,600.00	\$44,977.41
40.	Capital items	\$61,000.00	\$12,950.13
50.	Consumable items	\$12,000.00	\$12,000.00
60.	Miscellaneous	\$244,000.00	\$113,550.58
	Subtotal 1	\$1,205,600.00	
80.	ITTO Monitor. Evaluation. Costs		
81.	Monitoring and Review Costs (effective estimation)	\$23,328.00	\$23,328.00
82.	Evaluation Costs (effective estimation)	\$10,000.00	\$2,059.78
	Subtotal 2	\$33,328.00	
83.	Program Support Costs (13% of Subtotals 1 and 2)	\$161,061.00	\$161,061.00
84.	Donor Monitoring Costs	\$ -	
90.	Refund of Pre-Project Costs	\$ -	
	ITTO TOTAL	\$1,399,989.00	\$1,112,626.90
		Balance	\$287,362.10