

# INTERNATIONAL TROPICAL TIMBER ORGANIZATION

## ITTO

### PROJECT DOCUMENT

<b>TITLE:</b>	STRENGTHENING FOREST MONITORING AND EXTENDING THE COVERAGE OF THE TRACEABILITY SYSTEM IN PANAMA
<b>SERIAL NUMBER:</b>	PD 913/20 <b>Rev.4</b> (M)
<b>COMMITTEE:</b>	ECONOMICS, STATISTICS AND MARKETS
<b>SUBMITTED BY:</b>	GOVERNMENT OF PANAMA
<b>ORIGINAL LANGUAGE:</b>	SPANISH

#### SUMMARY:

The aim of this project proposal is to follow up on one of the outputs achieved by ITTO-funded project **TFL-PD 044/13 Rev.2 (M) “Strengthening the management capacity of the Ministry of Environment (formerly ANAM) to reduce illegal logging and trade in the Eastern Region of Panama (Bayano and Darién) through monitoring and control mechanisms”**, which involved the design and validation of a **Forest Traceability and Monitoring System (STCF)**, later adopted through a regulation of the Ministry of the Environment of Panama (MiAmbiente) as a tool to strengthen the responsible management of timber flows from the forest along the various links in the production chain, with a view to its gradual implementation throughout the country.

*Thus, the main purpose of this proposal is to stop forest degradation from illegal logging and trade by extending the coverage of the Forest Traceability and Monitoring System to the entire national territory.*

Outcomes expected to be achieved at the macro level through the implementation of the proposed project are:

- ✓ *A robust, nationwide Forest Traceability and Monitoring System applied along all the links of the timber production and marketing chain,*
- ✓ *A new Scheme of Simplified Management Plans, implemented for small forest areas, including evaluation protocols,*
- ✓ *A Tracking and Monitoring Program in place to ensure compliance with forest management plans, including a Forest Information Subsystem articulated with the Forest Traceability and Monitoring System,*
- ✓ *A strengthened Legal Timber Network, acting as a mechanism to raise awareness about sustainable forest management and responsible trade and business.*

The success of this project will depend to a great extent on its implementation strategy, which is based on the active participation of all stakeholders in the production chain, as well as the establishment of partnerships with communication media, in order to ensure that everyone contributes to the achievement of results, including raising awareness among a greater number of stakeholders at the national level regarding the importance of forest management and traceability in the development of responsible businesses, which will contribute to the control of forest illegality and to forest conservation

Panama’s Ministry of the Environment (MiAmbiente) is proposed as the executing agency of this project, mostly because of the experience it has already gained during the development and implementation of the Forest Traceability and Monitoring System under the previous project. In addition, by being the executing agency, MiAmbiente will be in a favourable position to readily adopt the tools developed by the project, while at the same time strengthening its internal capacities.

**EXECUTING AGENCY:** MINISTRY OF THE ENVIRONMENT (MiAmbiente)

**DURATION:** **30** MONTHS

#### BUDGET AND PROPOSED SOURCES OF FINANCE

Source	Contribution in US\$
ITTO	730,088
MiAmbiente	747,860
<b>TOTAL</b>	<b>1,477,948</b>

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## ACRONYMS

<b>ANAM</b>	Autoridad Nacional del Ambiente ( <i>National Environmental Authority</i> )
<b>ANARAP</b>	Asociación Nacional de Reforestadores de Panamá ( <i>National Reforestation Association of Panama</i> )
<b>APAMEX</b>	Asociación Nacional de Agro-exportadores ( <i>National Association of Agro-Exporters</i> )
<b>CFP</b>	Cámara Forestal de Panamá ( <i>Forestry Chamber of Panama</i> )
<b>CIFP</b>	Colegio de Ingenieros Forestales de Panama ( <i>Panamanian Society of Forest Engineers</i> )
<b>CONAGEFOR</b>	Comité Nacional de Gestión Forestal ( <i>National Forest Management Committee</i> )
<b>DFID</b>	Department for International Development
<b>DIFOR</b>	Dirección Nacional Forestal ( <i>National Forest Directorate</i> )
<b>EC</b>	European Commission
<b>FAO</b>	Food and Agriculture Organization of the United Nations
<b>FMU</b>	Forest Management Unit
<b>ITTO</b>	International Tropical Timber Organization
<b>MEF</b>	Ministerio de Economía y Finanzas ( <i>Ministry of Economics and Finance</i> )
<b>MiAmbiente</b>	Ministerio de Ambiente ( <i>Ministry of the Environment</i> )
<b>MICI</b>	Ministerio de Industria y Comercio ( <i>Ministry of Industry and Trade</i> )
<b>NGO</b>	Non-government organization
<b>PPP</b>	Plan Puebla Panamá ( <i>Puebla-Panama Plan</i> )
<b>PSC</b>	Project Steering Committee
<b>RFMT</b>	Responsible Forest Management and Trade
<b>SENACYT</b>	Secretaria Nacional de Ciencia, Tecnología e Innovación ( <i>National Secretariat for Science, Technology and Innovation</i> )
<b>SFM</b>	Sustainable Forest Management
<b>STCF</b>	Sistema de Trazabilidad y Control Forestal ( <i>Forest Traceability and Monitoring System</i> )
<b>USAID</b>	US Agency for International Development
<b>WWF</b>	World Wildlife Fund

## PART 1. PROJECT CONTEXT

### 1.1 ORIGIN

As stated in the Final Report of Project TFL-PD 044/13 Rev.2 (M) “Strengthening the management capacity of the Ministry of Environment (formerly ANAM) to reduce illegal logging and forest trade in the Eastern Region of Panama (Bayano and Darien)”, implemented by WWF, Panama in recent years has experienced a positive change in its forest management model, as demonstrated by the most important outputs of this project, which included the establishment of the National Forest Directorate (DIFOR) and capacity building in DIFOR's technical team, both in the headquarters and in the region directly benefited by the project in the Panamanian section of the Choco Darién Eco-regional Complex, in addition to the Forest Traceability and Monitoring System (STCF) and the Forest Stewardship Program (*Programa de Veeduría Forestal*).

However, because it is still necessary to develop actions to strengthen the instruments of the management model, and in order to achieve greater impact on the control of illegal logging and trade and halt the degradation of forests in the rest of the country, this new proposal is hereby submitted to achieve synergies with the efforts of the new authorities of the Ministry of Environment, with a view to integrating and articulating the rest of the operational regions of the country into a management model, which has already shown a positive impact on the region benefited by the completed project.

The aforementioned report states that the actions implemented under project TFL-PD 044/13 Rev.2 (M) have resulted in a 90%<sup>1</sup> reduction in illegal timber trafficking for the Panamanian section of the Choco Darién Ecoregional Complex; in other words, it has been possible to reduce illegal logging and trade to a rate of less than 10%, taking as a reference a rate of illegality of between 33% and 51% reported by Argüelles (2010)<sup>2</sup> for the whole of the country, and used as a baseline for the formulation of project TFL-PD 044/13 Rev.2 (M); however, this has not impacted the rest of Panama.

DIFOR approved the STCF at the national level through Resolution No. DM-0068-2018, dated 27 February 2018, but recognizes that the national efforts to implement the system require additional support, especially to ensure a more robust traceability system with national coverage. As has been identified in the reviews of the current system, it is necessary to ensure coverage of all links along the timber production and marketing chain.<sup>3</sup> The aim is to be able to achieve effective control of the movement of illegal forest logging and trade towards regions of the country that are not yet covered by the system adopted for the Panamanian section of the Choco Darién Ecoregional Complex.

### 1.2 RELEVANCE

#### 1.2.1 Conformity with ITTO's objectives and priorities

This proposal is related to the following objectives set out in the International Tropical Timber Agreement, 2006:

*To promote the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests, and to promote the sustainable management of tropical timber producing forests by:*

- a. Strengthening the capacity of members for the collection, processing and dissemination of statistics on their trade in timber and information on the sustainable management of their tropical forests;*
- b. Encouraging members to develop national policies aimed at sustainable utilization and conservation of timber producing forests, and maintaining ecological balance, in the context of the tropical timber trade;*

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<sup>1</sup> Victor F. Cadavid, National Forestry Director (MiAmbiente), interviewed via Zoom by journalist Adelita Coriat of the El Polígrafo program which is screened by ECOTV and published in the La Estrella newspaper of Panama on 20 July 2020. Consulted on 6 August 2020 in <https://www.laestrella.com.pa/nacional/poligrafo/200724/200728-madera-cuenta-chip-miambiente-legal>

<sup>2</sup> ARGÜELLES, A. (2010). Institutional Strategy for the Prevention and control of illegal logging in the Forests of Darien, Panama. Panama. WWF-Panama. 57 Pages.

<sup>3</sup> The STCF developed and implemented includes a traceability system that extends from the forest to the timber yards of primary processing mills, but it does not include the secondary processing industries or forest products sale outlets. Neither does it include plantation timber products, nor timber exports. This new project is expected to extend coverage to these areas.

- c. *Strengthening the capacity of members to improve forest law enforcement and governance, and address illegal logging and related trade in tropical timber;*

The actions to be implemented within the framework of the proposed project are consistent with these objectives as they will promote the strengthening of capacities of MiAmbiente as the agency responsible for forest management and administration in Panama. In addition, the project will work jointly with member organizations and institutions of the Legal Timber Network so as to raise awareness on sustainable forest management and responsible trade.

The proposal is related to the following priority strategies and actions set out in the ITTO Strategic Action Plan 2013-2018:

- Strategic priority #1: Promote good governance and enabling policy frameworks for strengthening SFM and related trade, and enhancing SFM financing and investment, through the implementation of adequate policies for timber monitoring and traceability in Panama.
- Strategic priority #5: Improve the quality and availability of information on tropical forests, forest product markets and trade through the production of reliable information on timber traceability and legal supply in Panama, as well as the design and implementation of a national campaign on responsible purchasing of legal timber.
- Strategic priority #6: Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests through capacity building in public institutions and the use of new monitoring and traceability tools.

### **1.2.2 Relevance to Panamanian forest sector policies**

This project proposal is directly related to ITTO guidelines and to national standards, particularly regarding the targets defined in the National Environmental Strategy and Sustainable Forest Model of Panama. In addition, the proposal is administratively and institutionally consistent with the following legal provisions:

#### **❖ National Forest Policy and Legislation**

Article 1 of Act No. 8 of 25 March 2015 establishes that the Ministry of the Environment is the governing body of the State with regard to the protection, conservation, preservation and restoration of the environment and the sustainable use of natural resources for compliance with and enforcement of laws, regulations and the National Environmental Policy.

Furthermore, Article 1 of Act No. 1 of 3 February 1994 outlines the forest legislation of the Republic of Panama, stating that its aim is the protection, conservation, improvement, enhancement, education, research, management and rational use of the Republic's forest resources.

Article 1 of Executive Decree No. 2 of 17 January 2003, approving the Basic Principles and Guidelines of Panama's Forest Policy, states that it is the duty of the State to introduce instruments and mechanisms to strengthen the technical and administrative capacity of the forest administration, and to promote and support forest protection. Furthermore, the strategic objectives include the promotion of sustainable forest management and harvesting through the following strategic actions:

- Design and implement a monitoring and evaluation system for forest management in the country;
- Strengthen the institution responsible for forest administration in order to ensure effective and efficient compliance with the commitment to achieve sustainable forest management through established procedures.

In accordance with the aforementioned regulations, Executive Decree No. 20 of 28 March 2019 was issued, approving the National Forestry Strategy 2018-2020, which defines the goals of the forest sector up to 2050.

In addition, Resolution No. DM-0068-2018 of 27 February 2018, in its Title III on the monitoring of forest production, Chapter 1, Article 81, establishes the Forest Traceability and Monitoring System as a system that will gradually be set up throughout the country for the responsible management of forests and forest plantations, with the aim of monitoring the flow of timber from forests and forest plantations to timber yards, processing mills and marketing companies.

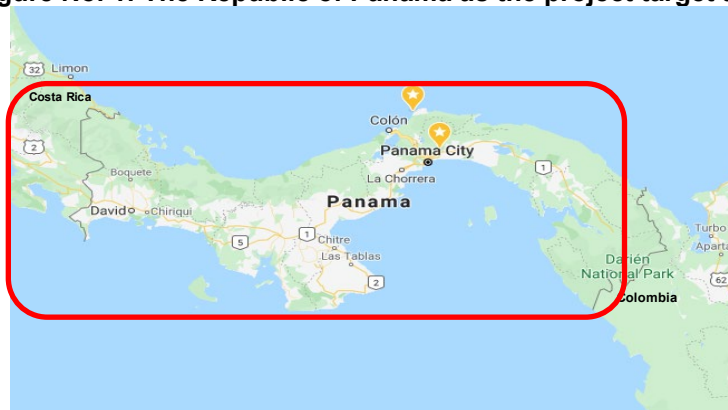
In brief, the proposal "**Strengthening enabling conditions for responsible forest management and trade by expanding the scope of the Forest Traceability and Monitoring System in Panama**" is fully consistent with the objectives of the country's strategy and with ITTO's Action Plan.

## 1.3 TARGET AREA

### 1.3.1 Geographic location

The project will be located in the territory of the Republic of Panama (see **Figure No. 1**), which is made up of 14 operational regions of the Ministry of the Environment (MiAmbiente)

**Figure No. 1: The Republic of Panama as the project target area**



Source: <https://www.google.com/maps/@8.3768031,-82.3504484,7z>

### 1.3.2 Natural, environmental, social and economic aspects and trends

- **Natural and environmental factors**

Panama is historically known for its land bridge status. The Isthmus is as rich in plant and animal species from North and South America as it is in endemic species<sup>4</sup>. According to Panama's IV National Report to the Convention on Biological Diversity<sup>5</sup>, some 10,444 plant species have been identified in the country, which accounts for 3.63% of all plant species identified in the whole world. This rich biological diversity is threatened by increasing deforestation due to land-use changes for agricultural activities<sup>6</sup> and the degradation of forests by illegal logging, a situation that threatens the potential for the development of a sustainable forest industry and impacts the provision of other ecosystem services from the country's forests. According to the GEO Panama Report, as quoted by Alfaro and Hidalgo (2005), there are about 1,222 endemic species and 1,302 threatened plant species in Panama.

Although in most cases deforestation is caused by factors that are not under the control of the forest sector, forest degradation, particularly in regions such as Alto Bayano, Darién, Donoso, Santa Fe and Bocas del Toro, is the result of the unsustainable exploitation of forest resources, which has focused on the irresponsible trade of a limited number of species, pushing their populations to the threshold of local extinction. This is the case of species such as mahogany, Hawthorn cedar, and currently mountain almond and balsam tree.

The execution of this project will have a positive impact on the conservation of forest ecosystems that are currently threatened by the over-exploitation of a small number of species. The implementation of a robust Forest Traceability and Monitoring System (*Sistema de Trazabilidad y Control Forestal – STCF*) and an integrated monitoring subsystem, as well as an outreach campaign to raise awareness about sustainable forest management and responsible trade through a strengthened Legal Timber Network, will also encourage the establishment of more responsible businesses.

- **Social and economic aspects and trends**

The economic activities of many community groups, small timber producers, transport operators and cabinetmakers in Panama are based on the logging and trade of timber for local industries and over the last

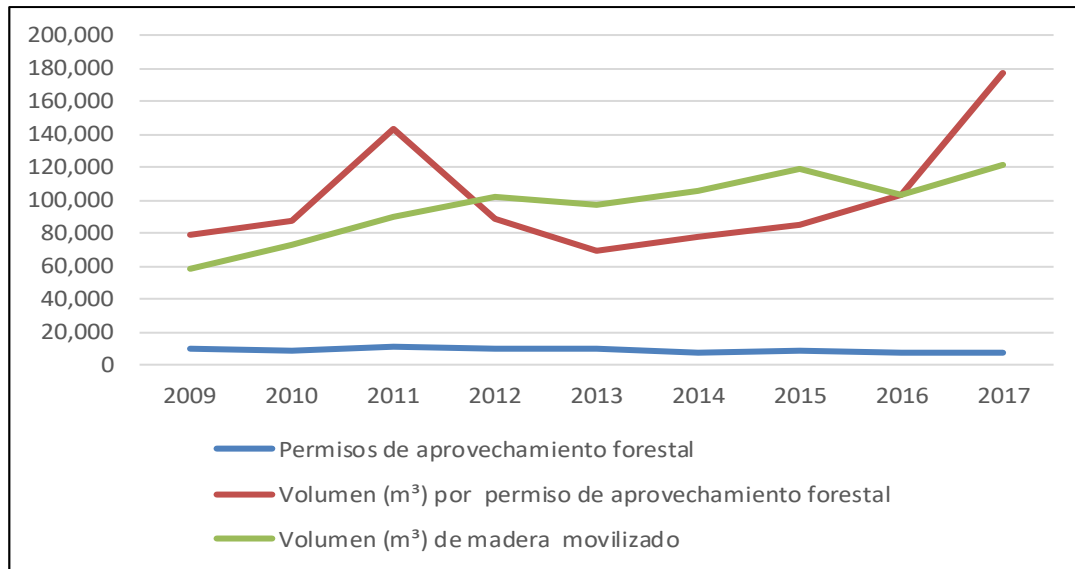
<sup>4</sup> Issue No.5 of a series published in the newspaper *La Prensa* by the Smithsonian Tropical Research Institute. 26 August 1994.

<sup>5</sup> ANAM, 2010.

<sup>6</sup> MiAmbiente's latest report (January 2020) shows an annual deforestation rate of 8,050 for the 2012 - 2019 period.

10 years, on the export of logs to Asian markets (mainly balsam tree and mountain almond species). As shown in Figure No. 2 and Table No. 1, historical data reflects sustained growth since 2013, taking four (4) years to bounce back to the 2011 volume and six (6) years to reach and exceed the peak forest harvesting permit volume of 143,498 m<sup>3</sup> reported in 2017. The average volume (m<sup>3</sup>) per permit increased by 69%, with an increase in the number of permits in regions not covered by the current STCF<sup>7</sup>, where 40.8% of Panama's natural forest timber is harvested (see Table No. 2).

**Figure No. 2: Timber flows and number of permits issued in 2009-2017**



Source: Prepared by Espinosa Peña and Quirós, 2019, using MiAmbiente information.<sup>8</sup>

<sup>7</sup> The current STCF only covers the regions of Darién and Eastern Panama.

<sup>8</sup> Report on timber flows in Panama. Document being prepared for FAO/WWF.

**Table No. 1. Permits issued and timber harvesting volumes for 2009- 2017**

Year	Forest harvesting permits	Volume (m <sup>3</sup> ) under harvesting permits	Volume (m <sup>3</sup> ) of mobilized timber	Average volume (m <sup>3</sup> ) per permit
2009	9,747	79,098	58,200	7.2
2010	8,267	87,961	72,363	10.6
2011	10,756	143,408	90,088	13.3
2012	9,951	88,943	101,626	8.9
2013	9,944	69,378	97,715	7.0
2014	7,719	77,815	105,996	10.1
2015	8,310	84,711	119,307	10.2
2016	7,539	103,629	103,009	13.7
2017	7,587	176,622	120,924	23.3

Source: Prepared by Espinosa Peña and Quirós, 2019, using MiAmbiente information

With reference to the volume of mobilized timber, it is important to point out that the system used for recording timber flows<sup>9</sup> outside the regions covered by the current STCF has flaws in terms of integrity, coherence and accuracy of data, resulting in recording errors (units of measurement and other), duplication of records, inability to trace the fractioning of loads and other weaknesses, which generate data of low reliability, thus calling into question the data reported. This is one of the reasons that has motivated different groups to highlight the need for a change in the system of issuing and monitoring of forest harvesting permits and that at the beginning of the current administration led the Ministry of the Environment (MiAmbiente) to impose a harvesting ban so as to introduce improvements in the systems<sup>10</sup>.

Most of the volume of mobilized timber (42%) is from plantations under harvesting and thinning cycles operations, coinciding with the timber volume authorized under permits. The second largest volume mobilized corresponds to subsistence permits (24%) followed by community mobilization permits (21%), plantations (10%) and necessary logging (2%). The sum of the remaining mobilized timber volumes, including wood for household use, natural regeneration, seized timber and other uses, accounts for less than 1%. It is important to note that subsistence permits have been identified as one of the main sources of forest illegality and consequent forest degradation. This type of permit does not require a management plan, which is why this project is proposing a new scheme of simplified management plans to be implemented for small forest areas, including evaluation protocols, to be integrated into the STCF.

<sup>9</sup> In Panama, the Forest Traceability and Monitoring System, developed under the Initiative for Strengthening Forest Governance, came into effect in March 2018. This system is working in its initial phase in the regions of Darien and East Panama and is solving many problems related to timber registration, but it must be gradually implemented in the rest of the country.



**Table No. 2. Total number of permits issued and authorized/mobilized timber volumes in 2009- 2017, by region**

Region	Permits issued, authorized timber volumes (m <sup>3</sup> ) for forest harvesting and volume of mobilized timber (m <sup>3</sup> )				
	No. of permits	Bill No.	Authorized volume of timber (m <sup>3</sup> )	Volume of mobilized timber (m <sup>3</sup> )	Average volume (m <sup>3</sup> ) per permit
Darién	130		53,886	33,576	414.51
Eastern Panama	107		46,741	46,509	436.83
Western Panama	195		20,650	1,505	105.90
Chiriquí	1,506		16,763	11,767	11.13
Coclé	921		12,394	1,257	13.46
Veraguas	1,486		9,626	5,709	6.48
Bocas del Toro	1,106		5,529	3,860	5.00
Los Santos	529		3,511	1,414	6.64
Herrera	760		3,192	1,321	4.20
Colón	229		2,541	4,944	11.10
Ngäbe Buglé Comarca	551		1,389	237	2.52
Panama Metro	67		401	8,824	5.98
Kuna Yala Comarca	-		-	-	
<b>Total</b>	<b>7,587</b>		<b>176,622</b>	<b>120,924</b>	<b>23.28</b>

Source: Prepared by Espinosa Peña and Quirós, 2019, using MiAmbiente information

**Table No.3. Types of permits issued and authorized/mobilized timber volumes in 2009- 2017, by region**

Type	Permits issued, authorized timber volume (m <sup>3</sup> ) for forest harvesting and volume of mobilized timber (m <sup>3</sup> )			
	No. of permits	Authorized timber volume (m <sup>3</sup> )	Volume of mobilized timber (m <sup>3</sup> )	Average volume (m <sup>3</sup> ) per permit
Community			25,395.63	
Private farm				
Submerged timber				
Plantation and thinning	137	73,453.72	51,087.09	372.90
Planted	2,669	26,999.28	11,860.82	4.44
Subsistence	496	55,465.31	28,928.66	58.32
Household use	858	7,021.96	206.55	0.24
Natural regeneration	15	1,205.47	466.46	31.10
Sale of seized timber			121.36	
(1) Simplified plan permit				
Necessary logging	2,742	11,495.89	2,830.73	1.03
Pruning	581	149.94		
Not specified	89	830.36	26.47	
<b>Totales</b>	<b>7,587</b>	<b>176,621.92</b>	<b>120,924</b>	<b>23.28</b>

Source: Prepared by Espinosa Peña and Quirós, 2019, using MiAmbiente information

#### **1.4 EXPECTED OUTCOMES AT PROJECT COMPLETION**

- a. The Legal Timber Network strengthened and acting as a mechanism to promote knowledge about sustainable forest management and responsible trade.
- b. A communication and outreach campaign on the importance of forest management and traceability in the framework of responsible trade implemented with the participation of major media outlets and production and marketing chain associations.
- c. A new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, designed validated and adopted.
- d. A training program on the new scheme of simplified management plans for small forest areas implemented.
- e. A robust Forest Traceability and Monitoring System with national coverage integrating all the links along the timber production and marketing chain implemented.
- f. A training program aimed at achieving the integration of all the links in the timber production and marketing chain into the Forest Traceability and Monitoring System implemented.
- g. A follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network implemented

## PART 2. PROJECT RATIONALE AND OBJECTIVES

### 2.1 RATIONALE

Panama's policy instruments for sustainable development identify the need to achieve sustainable forest management and harvesting. The General Environmental Law, the Forestry Law, the Forest Policy and the National Forest Strategy 2018-2050 contain clear elements towards the achievement of this objective and to this end, they all refer *inter alia* to the need to strengthen the management capacity of the institution responsible for the administration of the State's Forest Heritage.

Del Gatto, F. (2004) and Argüelles, A. (2010) concluded in several studies that weak institutional capacity is one of the causes contributing to forest degradation in Panama and to the increasing illegality trend in forest harvesting and trade. Various factors were identified within the framework of the Institutional Strategy for Illegal Logging Prevention and Control formulated for the region of Darien by WWF-Panama with the support of ITTO in March 2010, and despite the progress made through project **TFL-PD 044/13 Rev.2 (M) "Strengthening the management capacity of the Ministry of Environment (formerly ANAM) to reduce illegal logging and trade in the Eastern Region of Panama (Bayano and Darién) through monitoring and control mechanisms"**, those factors are still prevailing in the rest of the country. This is quite likely due to the fact that the Forest Traceability and Monitoring System (STCF), developed under the ITTO-funded project, currently covers only its two target regions, leaving 12 of the 14 operational regions of MiAmbiente without coverage and exposed to illegal activities.

#### 2.1.1 Institutional set-up and organizational issues

The Legal Timber Network is another outcome of recent actions aimed at strengthening forest governance in Panama, which have been supported by ITTO. However, like the STCF, the Network has not been national in scope, leaving a large number of stakeholders in each link of the forest production chain unconnected.

Compared to neighbouring countries, Panama's forest sector has had limited success in the development of stakeholder partnerships. The Legal Timber Network could be the driving force behind a partnership culture that would address the continued weakness of forest governance in the country. The Network was created by a group of public institutions, NGOs and representatives of micro and medium forest enterprises interested in strengthening the forest sector.

#### 2.1.2 Stakeholder analysis

The main stakeholders of Panama's forest chain have been identified as key stakeholders in the implementation of this project. A description of their significance is given below:

**MiAmbiente:** Agency responsible for promoting policies and developing regulatory instruments to encourage sustainable management and responsible forest trade in the country; it is in charge of issuing harvesting permits and processing information to support management efforts.

**Legal Timber Network:** The Network was created by a group of public institutions, NGOs and representatives of micro and medium forest enterprises interested in strengthening the forest sector.

**Regional Association of Small Forest Producers:** Regional associations that integrate various local stakeholders in the production and marketing chain.

**Carpentry and cabinet-making workshops:** As a rule, they source their timber from timber outlets. However, they also buy timber from timber transport agents and sometimes directly from small timber producers. In those cases where their workshops are located in Darien, they normally buy their timber directly from micro timber loggers using the same mechanisms as the local timber merchants.

**CIFP:** The Society of Forest Engineers of Panama (*Colegio de Ingenieros Forestales de Panama – CIFP*) is an umbrella association of forest professionals. It will provide its support for the review and improvement of forest management instruments.

**ANTEFOR:** Association of Forest Technicians of Panama (*Gremio de Técnicos Forestales de Panamá*), is an organization of forestry professionals that will support the review and improvement of forest management instruments.

**Indigenous peoples:** Represented by their traditional authorities, they are forest owners and forest producers who supply the local industry under a system of sustainable management and responsible forest trade.

**CONSUMERS:** Consumers are increasingly demanding forest products from responsibly managed forests and industries that apply responsible purchasing policies which will promote investments in forest management. The communication strategy will serve as an instrument for stakeholder awareness-raising along the production and marketing chain.

**INDUSTRY:** Represented by groups of sawmill owners and building companies. The constantly increasing demand for log export threatens the security of their supply.

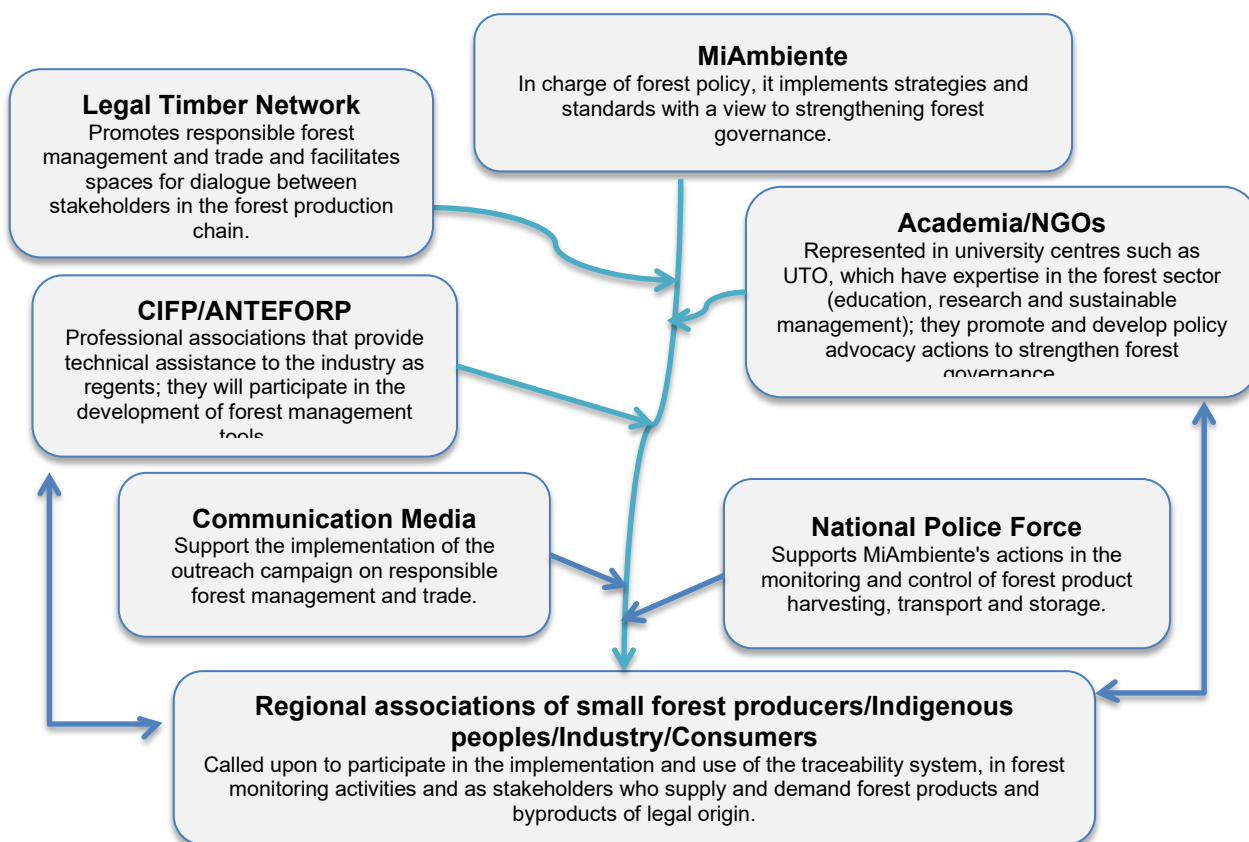
**COMMUNICATION MEDIA:** They will support MiAmbiente in the implementation of an outreach campaign on sustainable forest management and responsible trade.

**POLICE FORCE:** The National Police and other institutions in charge of national security will support the forest administration by participating in the monitoring and control of forest product transport and storage.

**NGOs:** Environmental organizations with an interest in the conservation of forest ecosystems.

**ACADEMIA:** Represented in university centers such as the UTP, which have expertise in the forest sector (education, research and sustainable management).

**Figure No.3. Stakeholder interaction model /roles and responsibilities to strengthen forest governance**



**Table No.4. Relevant (primary, secondary and tertiary) stakeholders**

Stakeholder Group	Characteristics	Problems, needs, interests	Potential	Involvement in project
MiAmbiente	Institutional mandate for the conservation and management of national natural resources.	Limited operational and technical capacity Lack of technical tools for forest monitoring and traceability Increased illegal logging and low revenue levels from taxes	A national forest strategy Responsible for the implementation of forest rules and regulations Strategic partnerships with international organizations with technical expertise	<b>Primary institutional stakeholder</b> in accordance with its institutional and legal mandate. The implementation of this project will strengthen its monitoring and control capacity.
Regional association of small timber producers	It groups various stakeholders involved in the forest production and marketing chain to ensure the flow of forest harvesting permits.	Interested in streamlining the issue of timber harvesting and transport permits It has no specialized technical assistance It is seen as a party responsible for unsustainable resource harvesting and illegal trade	Given that it groups a large number of key stakeholders in the production and marketing chain, it has great potential to introduce improvements in support of responsible forest management and trade	<b>Key primary stakeholder</b> in the implementation of forest management instruments
Associations of forest engineers and technicians (CIFP /ANTEFORP)	Bodies responsible for grouping forest sector professionals	A lack of participation in the technical and legal aspects of forest management	Joint responsibility in forest harvesting and management activities	<b>Secondary stakeholder</b> because of its role in the design and adoption of forest management instruments
Indigenous peoples	Traditional governments of indigenous territories with the country's largest forest cover	Low contribution of forest activities to the economy of the rural communities High level of illegal timber trafficking in their territories	A traditional government of chiefs and sahilas with their own legislation and large forest areas in their territories with production potential	<b>Key primary stakeholder</b> in the implementation of forest management instruments
Legal Timber Network	Implementation and assessment of National Forest Strategy targets	Representative of Panama's forest sector, interested in achieving the targets of the National Forest Strategy and in actively participating in the forest sector	Political and institutional involvement at the public and private sector levels	<b>Secondary stakeholder</b> with a high level of institutional and private sector influence given its role in increasing forest sector visibility.
Consumers	Increasing interest in products originating from low environmental impact and high social impact production systems	They require information on the origin of products and on the environmental and/or social impact of their production. Limited local supply of products from sustainable management and responsible forest trade systems	Well-informed consumers have a strong influence on the demand for specific products. This will be used in this project to develop the demand for products originating from managed forests and responsible forest trade	<b>Key secondary stakeholder</b> given their influence on production and demand models

Stakeholder Group	Characteristics	Problems, needs, interests	Potential	Involvement in project
Timber industries	They have sawmilling infrastructure and some harvesting equipment	A lack of awareness and responsibility regarding forest degradation.  A lack of timber from sustainable and secure sources	Experience in timber harvesting and primary and secondary processing. Can strengthen and promote sustainable forest management through responsible purchasing policies. Knowledge of market trends	<b>Key primary project stakeholders.</b> Can help create demand for responsible forest production. At present, many are directly involved in illegal trade and encourage illegal logging through their demand for products. They will have to implement new forest production monitoring and control tools
Communication media	They have an active network and communication means at the national and regional levels	They continuously voice their concerns about the degradation of natural resources but lack additional resources	Timely and effective communication of institutional decisions for the prevention and control of illegal logging	<b>Key secondary project stakeholders</b> in promoting forest management and responsible forest trade.
Police	Responsible for law and order and the legal transport of natural products	They do not have a direct mandate to verify the origin and legality of forest products being transported	They have the infrastructure and the required elements and mandate for land and sea control activities	<b>Tertiary stakeholder</b> involved in the monitoring of timber product transport checkpoints
NGOs	Environmental organizations concerned about the effective conservation of forest ecosystems	Interested in supporting the goals of the National Forest Strategy	Experience in community forest management processes, strengthening of forest governance and policy advocacy actions	<b>Primary stakeholder</b> as an independent, internationally recognized organization that provides technical assistance and facilitates dialogue spaces. It will also manage project resources.
Academia	Represented in university centers such as the UTP, which have expertise in the forest sector (education, research and sustainable management).	Interested in supporting the goals of the National Forest Strategy	Experience in community forest management processes, forest governance strengthening, policy advocacy, research and knowledge development	<b>Primary stakeholder</b> as an independent, internationally recognized organization that provides technical assistance and facilitates dialogue spaces

### 2.1.3 Problem analysis

The problem to be addressed through the implementation of this project is the reduction and/or control of illegal timber logging and trade which is depleting Panama's forest ecosystems and threatening their potential to provide goods and environmental services that contribute to improving the quality of life of local communities.

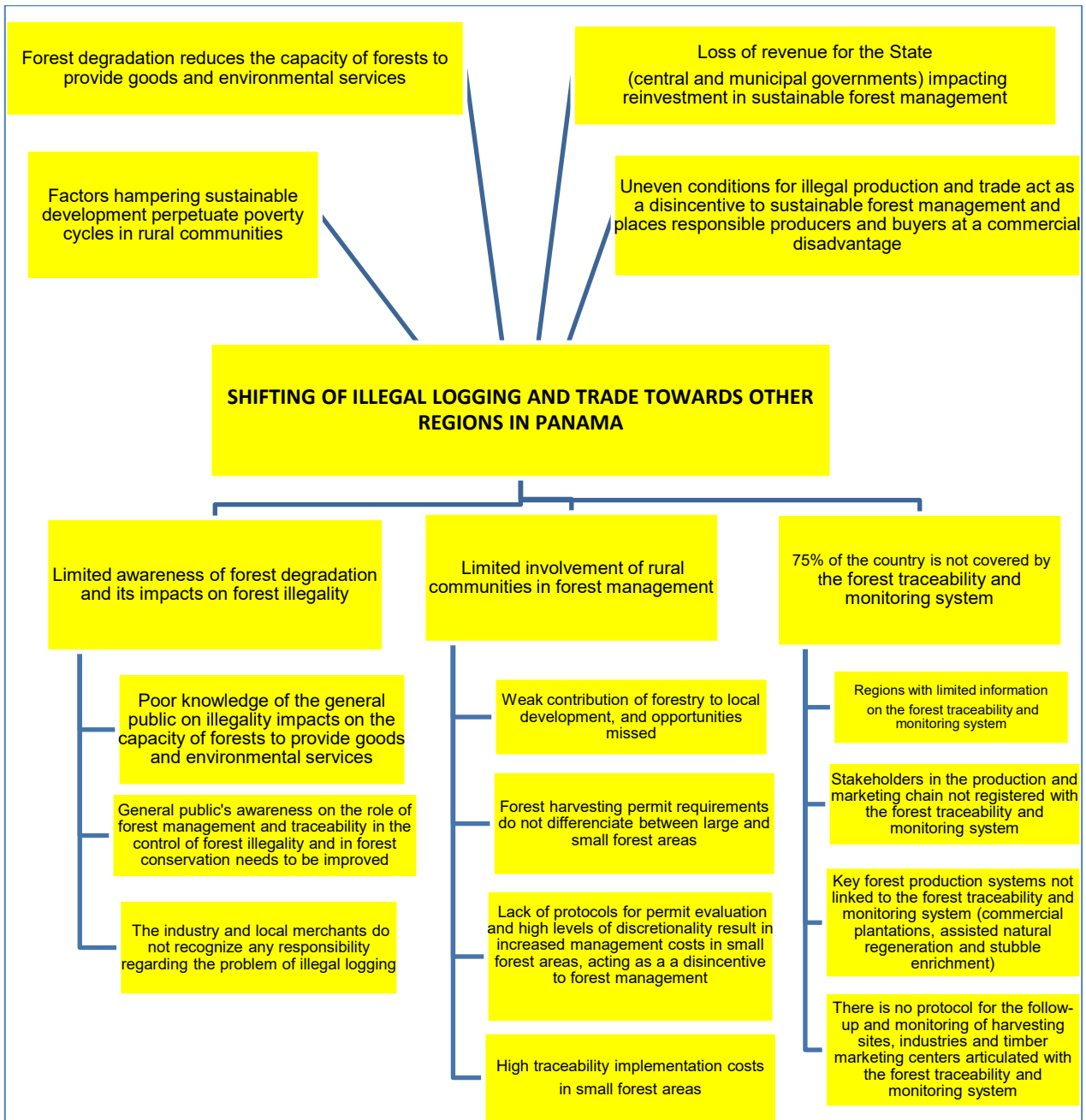
Studies indicate that the rates of forest illegality affect several regions of the country, accounting for 33%-51% of the timber traded nationally (Del Gatto 2004 and Argüelles, 2010). Due to the increase in monitoring and control actions in the regions of Darien and Eastern Panama, the problem has been displaced to the regions without STCF coverage that are also not included in the monitoring programs currently in place for these two regions.

Despite the fact that in the regions of Darien and Eastern Panama illegal logging has been reduced to less than 50% from the 2010 baseline,<sup>11</sup> the problem of illegality in Panama's forest sector still persists in the rest of the country, where about 40.8% of the timber that is annually harvested and mobilized is sourced. This has been an issue of concern in Panamanian society, and has pressured the current MiAmbiente administration to implement a partial logging ban in the country and the National Assembly to create a Special Investigation Commission to address the problem. Figure No. 4 illustrates the main causes and consequences of the problem related to illegal logging in Panama.

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<sup>11</sup> ARGÜELLES, A. (2010). *Estrategia Institucional para la Prevención y Control de la Tala Ilegal en los Bosques del Darién, en Panamá*. WWF-Panamá. 57 pp.

**Figure No. 4. Problem tree related to illegal logging in Panama**





## 2.1.4 Logical Framework Matrix

INTERVENTION STRATEGY	IMPACT GOALS	INDICATORS	MEANS OF VERIFICATION	KEY ASSUMPTIONS
<p><b>Development objective</b>  <b>Consolidate a forest management model at the national level as a way of halting forest degradation from illegal logging and trade.</b></p>	<p>By the end of the project, Panama's forest sector has become more efficient by improving its management system, increasing its competitiveness through a minimum 50% drop in illegal activities compared to 2019, and covering 100% of MiAmbiente's operational regions under the forest traceability and monitoring system. In addition, Panamanian civil society recognizes the importance of responsible forest management and trade as tools for the effective conservation of Panama's forests.</p>	<p>Number of complaints and volume of illegal timber seized  Number of operational regions incorporated into the forest traceability and monitoring system  Number of people and companies operating within the forest traceability and monitoring system per region</p>	<p>Environmental Statistics Yearbook and Annual Report of the National Forestry Directorate.</p>	<p>There are no technical, social, political or financial barriers to the implementation of the Forest Traceability and Monitoring System throughout the national territory.</p>
<p><b>Specific objective 1:</b>  <b>Extend the coverage of the forest production and trade traceability, monitoring and control system with the participation of all stakeholders in the production chain.</b></p>	<p>By the end of the project, at least 3 partnerships have been established with communication media, and at least 50 communicators have participated in outreach and communication seminars on responsible forest management and trade; in addition, the Legal Timber Network has been strengthened, with its membership increasing three-fold from the 2019 baseline.</p>	<p>Number of partnerships with communication media  Number of communicators trained  Number of companies and institutions that have joined the Legal Timber Network</p>	<p>Signed partnership documents.  List of seminar participants  Legal Timber Network membership documents</p>	<p>There is political will and interest at the interinstitutional level and among key stakeholders along the forest production and marketing chain and Panamanian society to prevent and control illegal logging and related trade</p>
<p>Output 1.1 Legal Timber Network strengthened and acting as a mechanism to raise awareness about sustainable forest management and responsible trade</p>	<p>By the end of the first year of project implementation, the Legal Timber Network has been re-launched, and a useful information website has been established for members to promote their products and to disseminate information on national developments in responsible forest management and trade.  By the end of the third year, the membership of the Legal Timber Network has increased three-fold in relation to the 2018 baseline, implementing at least two Forest Business Rounds in Panama (2023 and 2024) with the participation of responsible buyers and producers.</p>	<p>Domain acquired for the Legal Timber Network website.  Number of companies and institutions that have signed up to the Legal Timber Network.  Number of registered participants to take part in Forest Business Roundtables.  Number of businesses facilitated in the Forest Business Roundtables.  Amount negotiated in the Forest Business Roundtables.</p>	<p>Report on the launch of the Legal Timber Network website.  Membership documents of the Legal Timber Network.  Report on the results of Forest Business Roundtables.</p>	<p>The Legal Timber Network serves as the driving force of responsible forest management and trade.</p>
<p>Output 1.2 Outreach campaign on the importance of forest management and traceability within the framework of responsible trade implemented with the participation of major media and trade associations of the production and marketing chain</p>	<p>By the end of the second year, an outreach campaign is being implemented (videos, radio spots, banners, etc.), on the importance of forest management and traceability within the framework of responsible trade, with the participation of at least 3 national media; and 50 communicators have participated in outreach workshops implemented as part of the campaign.</p>	<p>Number of campaign materials (videos, radio spots, banners, etc.) on the importance of forest management and traceability within the framework of responsible trade.  Number of partnerships established with the media.  Number of trained communicators.</p>	<p>Outreach campaign design document, including campaign materials (videos, radio spots, banners, etc.).  Report on signed partnerships with a copy of the agreements with the media.</p>	<p>Communication media respond favourably and take up the outreach campaign in support of responsible forest management and trade.</p>

Output 2.1 New scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, designed, validated and adopted	By the end of the first year, a new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, has been validated in four pilot trials, and by the end of the second year it has been adopted through a MiAmbiente resolution enforced at the national level.	Number of pilot trials per region for validation of the new simplified management plan scheme for small forest areas. MiAmbiente resolution regulating the new scheme of simplified management plans for small forest areas	Validation report of the new simplified management plan scheme for small forest areas. Copy of the resolution published in the Official Gazette.	The new scheme of simplified management plans for small forest areas is user friendly.
Output 2.2 Training program on the new scheme of simplified management plans for small forest areas implemented	By the end of the third year of project implementation, 350 small forest landowners and 50 officials from all MiAmbiente operational regions have been trained on the new scheme of simplified management plans	Number of small forest landowners per region Number of officials per region.	Training workshop report with the list of participants by region	The new scheme of simplified management plans for small forest areas is user friendly and is adopted by various stakeholders.
Output 3.1 A robust forest traceability and monitoring system extended, with national coverage and incorporation of all links in the timber production and marketing chain	By the end of the second year of project implementation, a robust forest traceability and monitoring system is in place, incorporating all links in the timber production and marketing chain. By the end of the third year, the forest traceability and monitoring system has been extended to include national coverage, and operational capacities have been strengthened with a National Network of Checkpoints (at least 10 checkpoints established at the national level).	Number of pilot trials per region for validation of the new forest traceability and monitoring system. MiAmbiente resolution regulating the new forest traceability and monitoring system.	Validation report of the new forest traceability and monitoring system. Copy of the resolution published in the Official Gazette. Report on the implementation of the new forest traceability and monitoring system, including the number of registered users per region (by type of user)	The Forest Traceability and Monitoring System is user friendly and is adopted by stakeholders. In addition, there is political and institutional will to implement the Network of Checkpoints.
Output 3.2 Training program aimed at all links in the timber production and marketing chain to ensure their integration into the forest traceability and monitoring system	By the end of the third year of project implementation, 350 people representing all types of users (forest landowners, reforestation operators, regents, sawmill owners, cabinetmakers, shop owners) and 50 officials from all MiAmbiente's operational regions have been trained on the new forest traceability and monitoring system.	Number of stakeholders in the production and marketing chain (forest landowners, reforestation operators, regents, sawmill owners, cabinetmakers, shop owners) per region. Number of officials per region.	Training workshop report with list of participants by region	The scheme of simplified management plans for small forest areas is user friendly and is adopted by stakeholders.

<p>Output 3.3 Follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network</p>	<p>By the end of the second year of project implementation, there is a follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network.</p>	<p>Number of pilot trials per region for validation of the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network. MiAmbiente resolution regulating the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network.</p>	<p>Validation report of follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network. Copy of the resolution published in the Official Gazette.</p>	<p>There is political and institutional will to implement the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network.</p>
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## **2.2 OBJECTIVES**

### **2.2.1 Development objective**

Consolidate a forest management model at the national level as a way of halting forest degradation from illegal logging and trade.

Impact indicators:

- a. By the end of the project, Panama's forest sector has become more efficient by improving its management system, increasing its competitiveness through a minimum 50% drop in illegal activities compared to 2019.
- b. Coverage extended to 100% of MiAmbiente's operational regions under the forest traceability and monitoring system.
- c. Panamanian civil society recognizes the importance of responsible forest management and trade as tools for the effective conservation of Panama's forests.

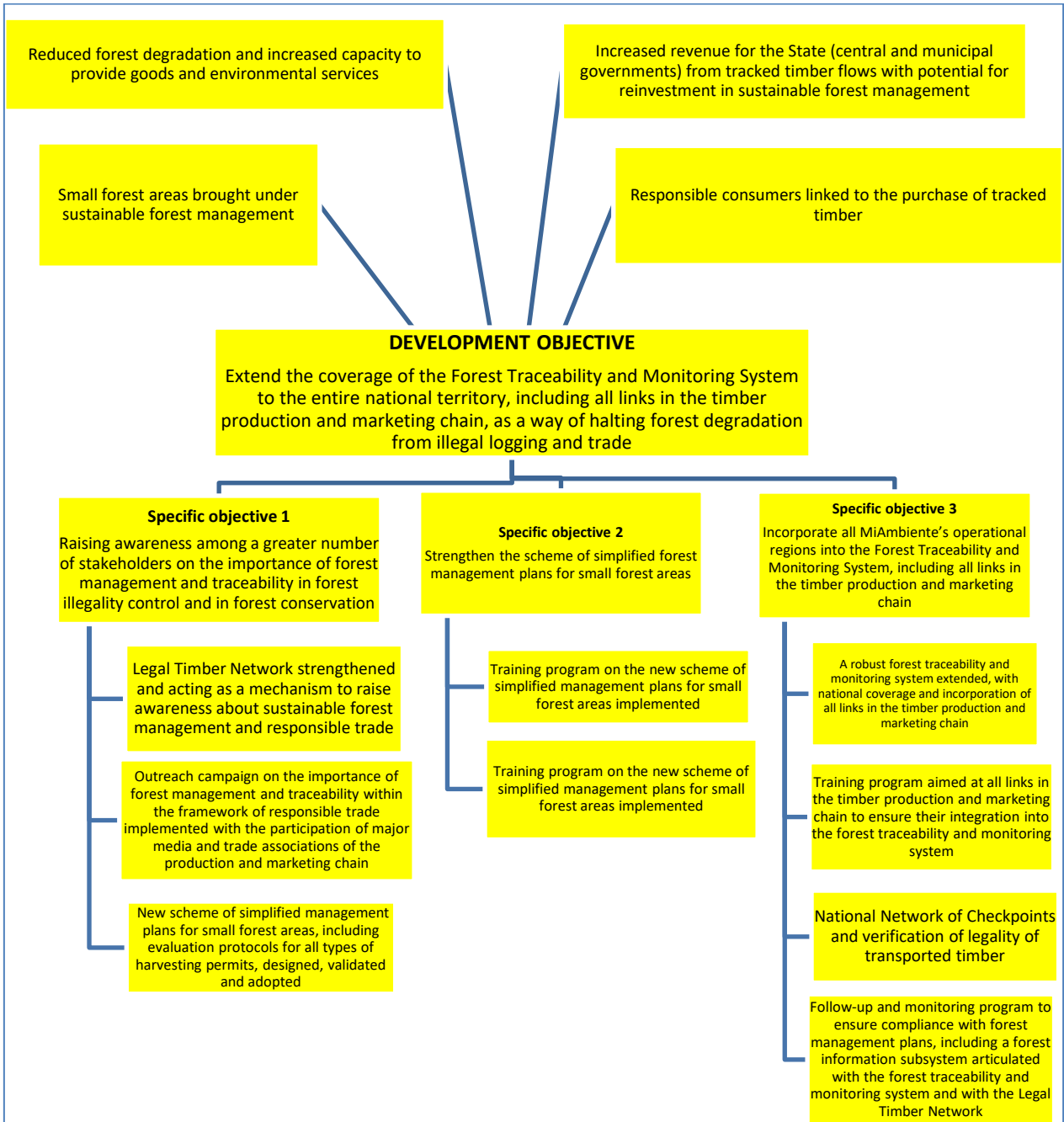
### **2.2.2 Specific objectives**

Extend the coverage of the forest production and trade traceability, monitoring and control system with the participation of all stakeholders in the production chain.

Indicators at project completion:

- a. The Legal Timber Network has been strengthened, with its membership increasing three-fold from the 2019 baseline.
- b. At least 3 partnerships have been established with communication media, which are involved in the outreach and communication campaign on responsible forest management and trade.
- c. The new scheme of simplified management plans for small forest areas approved by MiAmbiente has been implemented over at least 1000 hectares.
- d. There is a robust Forest Traceability and Monitoring System with national coverage, which includes all the links in the timber production and marketing chain.
- e. A follow-up and monitoring program to ensure compliance with forest management plans is under implementation, including a forest information sub-system articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.

**Figure No. 5. Objectives tree**



## PART 3. DESCRIPTION OF PROJECT INTERVENTIONS

### 3.1 OUTPUTS AND ACTIVITIES

**Output 1.1** Legal Timber Network strengthened and acting as a mechanism to raise awareness about sustainable forest management and responsible trade.

1.1.1 Strengthening of the Legal Timber Network for its operationalization: development and implementation of the Legal Timber Network website and management of new memberships in the Legal Timber Network.

1.1.2 Development of at least two Forest Business Roundtables in Panama (2023 and 2024).

**Output 1.2** Outreach campaign on the importance of forest management and traceability within the framework of responsible trade implemented with the participation of major media and trade associations of the production and marketing chain.

1.2.1 Design and implementation of an outreach campaign (videos, radio spots, banners, etc.) on the importance of forest management and traceability within the framework of responsible trade as a strategy for forest conservation.

1.2.2 Development of training program aimed at training 50 communicators from various communication media so as to improve their understanding of the importance of forest management and traceability within the framework of responsible trade as a strategy for forest conservation.

**Output 2.1** New scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, designed, validated and adopted.

2.1.1 Development of a new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits.

2.1.2 Development of validation pilot trials for the new scheme of simplified management plans for small forest areas over 1000 hectares, including evaluation protocols for all types of harvesting permits – Pilot trials in Chiriqui and Bocas del Toro, Central Provinces and Azuero, Colon, Metropolitan Region.

2.1.3 Formal adoption of the new simplified management plan scheme for small forest areas.

**Output 2.2** Training program on the new scheme of simplified management plans for small forest areas implemented.

2.2.1 Development of a training program on the new scheme of simplified management plans for small forest areas addressed to MiAmbiente technicians.

2.2.2 Workshops for users of the new simplified management plan scheme for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region.

**Output 3.1** A robust forest traceability and monitoring system extended, with national coverage and incorporation of all links in the timber production and marketing chain

3.1.1 Evaluation of the functionality of and introduction of improvements to the Forest Traceability and Monitoring System to include all the links in the timber production and marketing chain (secondary processing industries and marketing centers), as well as key forest production systems not yet incorporated to the system (commercial plantations, assisted natural regeneration and stubble enrichment).

3.1.2 Assessment of equipment needs to incorporate MiAmbiente's operational regions to the Forest Traceability and Monitoring System.

3.1.3 Strengthening of a National Network of Checkpoints (at least 10 checkpoints nationwide).

3.1.4 Launch of the Forest Traceability and Monitoring System in MiAmbiente's operational regions.

3.1.5 Demonstration/pilot implementation of stable isotope analysis to trace the origin of harvested timber

**Output 3.2** Training program aimed at all links in the timber production and marketing chain to ensure their integration into the forest traceability and monitoring system.

3.2.1 Development and implementation of a training programme on the Forest Traceability and Monitoring System aimed at all links in the timber production and marketing chain.

3.2.2 Training workshops for technicians from MiAmbiente's operational regions

**Output 3.3** Follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network.

3.3.1 Development and implementation of a follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.

3.3.2 Development of follow-up and monitoring validation pilot trials to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuero, Colón, Metropolitan Region.

3.3.3 Formal adoption of the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.

3.3.4 Training workshops for technicians from MiAmbiente's operational regions.

## **3.2 IMPLEMENTATION APPROACHES AND METHODS**

The project will seek to integrate different stakeholders of the forest production chain and of Panamanian society to encourage their participation in the activities to be implemented. The following general actions will ensure the implementation of the project strategy:

**Participatory workshops:** Aimed at identifying the main weaknesses in the STCF and of the current monitoring procedures implemented by MiAmbiente, as well as the current timber harvesting system for small forest areas. These workshops will promote the participation of direct stakeholders related to these issues, forest managers, forest landowners, owners of processing centers, transport operators and traders.

**Review, update and field validation activities on forest management tools to be improved:** The primary objective of this activity will be to ensure that outputs respond to user needs, without losing sight of the core objective of the project. It will involve highlighting the main actions needed to implement improvements in order to reduce and control illegal logging and trade, and thus establish proposals for amendments.

**Communication system on the impacts of illegal logging and trade to promote responsible forest management and trade:** One of the main pillars of the project will be the development and implementation of a strategic outreach campaign on the role of responsible forest management and trade in the effective conservation of forest ecosystems.

### 3.3 WORK PLAN FOR THE PROJECT IMPLEMENTATION PERIOD

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
OUTPUTS	DESCRIPTION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
OUTPUT 1	Output 1.1 Legal Timber Network strengthened and acting as a mechanism to raise awareness about sustainable forest management and responsible trade.																											
	O1-1	1.1.1 Strengthening of the Legal Timber Network for its operationalization: development and implementation of the Legal Timber Network website and management of new memberships in the Legal Timber Network.																										
O1-1 - CONSULTANT	Responsible trade consultant																											
O1-1 - CONTRACT	Contract /Development of website																											
O1-1 - WORKSHOP	Workshop on assessment of Legal Timber Network's requirements																											
O1-2	1.1.2 Development of at least two Forest Business Roundtables in Panama (2023 and 2024).																											
	O1-2 - CONSULTANT	Responsible trade consultant																										
O1-2 - WORKSHOP	Workshop on responsible business (Business Roundtables))																											



		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
OUTPUTS	DESCRIPTION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	
<b>OUTPUT 2</b>	<b>Output 1.2 Outreach campaign on the importance of forest management and traceability within the framework of responsible trade implemented with the participation of major media and trade associations of the production and marketing chain.</b>																												
O2-1	1.2.1 Design and implementation of an outreach campaign (videos, radio spots, banners, etc.) on the importance of forest management and traceability within the framework of responsible trade as a strategy for forest conservation.																												
O2-1 - CONSULTANT	Outreach strategy consultant																												
O2-1 - CONTRACT	Contract /Outreach campaign (design and production of materials)																												
O2-2	1.2.2 Development of training program aimed at training 50 communicators from various communication media so as to improve their understanding of the importance of forest management and traceability within the framework of responsible trade as a strategy for forest conservation.																												
O2-2 - CONSULTANT	Outreach strategy consultant																												

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
OUTPUTS	DESCRIPTION	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Jul -23	Aug -23	Sep -23	Oct -23	Nov -23	Dec -23	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Jul -24	Aug -24	Sep -24	Oct -24	Nov -24	Dec -24	Jan-25	Feb-25	Mar-25	
O2-2 - WORKSHOP	Workshop to raise awareness on the importance of forest management and traceability within the framework of responsible trade as a forest conservation strategy, addressed to communicators																												
OUTPUT 3	Output 2.1 New scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, designed, validated and adopted.																												
O3-1	2.1.1 Development of a new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits.																												
O3-1 - CONSULTANT	Forestry consultant																												
O3-1 - WORKSHOP	Workshop to assess requirements to adjust management plans to small forest areas																												
O3-2	2.1.2 Development of validation pilot trials for the new scheme of simplified management plans for small forest areas over 1000 hectares, including evaluation protocols for all types of harvesting permits – Pilot trials in Chiriqui and Bocas del Toro, Central Provinces and Azuero, Colon, Metropolitan Region.																												
O3-2 CONSULTANT	Forestry consultant																												

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
OUTPUTS	DESCRIPTION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	
O3-2 WORKSHOP	Workshop to validate the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits																												
O3-3	2.1.3 Formal adoption of the new simplified management plan scheme for small forest areas.																												
O3-3 - CONSULTANT	Forestry consultant																												
OUTPUT 4	Output 2.2 Training program on the new scheme of simplified management plans for small forest areas implemented.																												
O4-1	2.2.1 Development of a training program on the new scheme of simplified management plans for small forest areas addressed to MiAmbiente technicians.																												
O4-1 - CONSULTANT	Forestry consultant																												
O4-1 - WORKSHOP	Workshops for MiAmbiente technicians on the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits																												
O4-2	2.2.2 Workshops for users of the new simplified management plan scheme for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region.																												
O4-2 - CONSULTANT	Forestry consultant																												

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
OUTPUTS	DESCRIPTION	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Jul -23	Aug -23	Sep -23	Oct -23	Nov -23	Dec -23	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Jul -24	Aug -24	Sep -24	Oct -24	Nov -24	Dec -24	Jan-25	Feb-25	Mar-25
O4-2 - WORKSHOP	Workshops for users of the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region																											
OUTPUT 5	<b>Output 3.1 A robust forest traceability and monitoring system extended, with national coverage and incorporation of all links in the timber production and marketing chain.</b>																											
O5-1	<b>3.1.1 Evaluation of the functionality of and introduction of improvements to the Forest Traceability and Monitoring System to include all the links in the timber production and marketing chain (secondary processing industries and marketing centers), as well as key forest production systems not yet incorporated to the system (commercial plantations, assisted natural regeneration and stubble enrichment).</b>																											
O5-1 - CONSULTANT	Forestry consultant																											
O5-1 - CONSULTANT	IT consultant																											
O5-1 - WORKSHOP	Workshop with the participation of users to evaluate the functionality of and need for improvements to the Forest Traceability and Monitoring System (3 workshops, Darien/E. Panama, Panama, Central Provinces /Azuego, Chiriqui/Bocas del Toro)																											

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
OUTPUTS	DESCRIPTION	Jan -23	Feb -23	Mar -23	Apr -23	May -23	Jun -23	Jul -23	Aug -23	Sep -23	Oct -23	Nov -23	Dec -23	Jan -24	Feb -24	Mar -24	Apr -24	May -24	Jun -24	Jul -24	Aug -24	Sep -24	Oct -24	Nov -24	Dec -24	Jan-25	Feb-25	Mar-25	
O5-2	<b>3.1.2 Assessment of equipment needs to incorporate MiAmbiente's operational regions to the Forest Traceability and Monitoring System.</b>																												
O5-2 - CONSULTANT	Forestry consultant																												
O5-2 - CONSULTANT	IT consultant																												
O5-3	<b>3.1.3 Strengthening of a National Network of Checkpoints (at least 10 checkpoints nationwide).</b>																												
O5-3 - CONSULTANT	Forestry consultant																												
O5-3 - CONSULTANT	IT consultant																												
O5-4	<b>3.1.4 Launch of the Forest Traceability and Monitoring System in MiAmbiente's operational regions.</b>																												
	This activity is based on activities 3.1.1, 3.1.2 and 3.1.3, which are progressive actions for the evaluation, equipping, checkpoint strengthening and ultimately installation and launching of the traceability system in each region. The budget for activity 3.1.4. is based on the implementation of the above activities.																												
O5-5	<b>3.1.5 Demonstration/ pilot implementation of stable isotope analysis to trace the origin of harvested timber.</b>																												
O5-5 - CONSULTANCY	<b>FFPRI Consultancy</b>																												

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
OUTPUTS	DESCRIPTION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	
<b>OUTPUT 6</b>	<b>Output 3.2</b> Training program aimed at all links in the timber production and marketing chain to ensure their integration into the forest traceability and monitoring system.																												
<b>O6-1</b>	<b>3.2.1 Development and implementation of a training programme on the Forest Traceability and Monitoring System aimed at all links in the timber production and marketing chain.</b>																												
O6-1 - CONSULTANT	Forestry consultant																												
O6-1 - CONSULTANT	IT consultant																												
<b>O6-2</b>	<b>3.2.2 Training workshops for technicians from MiAmbiente's operational regions.</b>																												
O6-2 - CONSULTANT	Forestry consultant																												
O6-2 - CONSULTANT	IT consultant																												
O6-2 - WORKSHOP	Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System, in each operational region of MiAmbienteoperativa de MiAmbiente																												

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
OUTPUTS	DESCRIPTION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
OUTPUT 7	Output 3.3 Follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network.																											
O7-1	3.3.1 Development and implementation of a follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.																											
O7-1 - CONSULTANT	Forestry consultant																											
O7-1 - CONSULTANT	IT consultant																											
O7-2	3.3.2 Development of follow-up and monitoring validation pilot trials to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuero, Colón, Metropolitan Region.																											
O7-2 - CONSULTANT	Forestry consultant																											
O7-2 - CONSULTANT	IT consultant																											

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	
OUTPUTS	DESCRIPTION	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	
07-2 - WORKSHOP	Workshop to validate the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuero, Metropolitan Region, Darien and Eastern Panama																												
07-3	<b>3.3.3 Formal adoption of the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.</b>																												
07-3 - CONSULTANT	Forestry consultant																												
07-3 - CONSULTANT	IT consultant																												
07-4	<b>3.3.4 Training workshops for technicians from MiAmbiente's operational regions.</b>																												
07-4 - CONSULTANT	Forestry consultant																												
07-4 - CONSULTANT	IT consultant																												
07-4 - WORKSHOP	Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System, in each operational region of MiAmbiente																												



### 3.4 BUDGET

#### 3.4.1 Budget by activity

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
<b>Output 1.1 Legal Timber Network strengthened and acting as a mechanism to raise awareness about sustainable forest management and responsible trade</b>											
<b>1.1.1 Strengthening of the Legal Timber Network for its operationalization: development and implementation of the Legal Timber Network website and management of new memberships in the Legal Timber Network.</b>						<b><u>23,288</u></b>	<b><u>23,288</u></b>				
Responsible trade consultant	10	<u>121</u>	<u>6</u>		m/m	2,000	<u>12,000</u>	<u>12,000</u>			ITTO
Contract /Development of website	20	<u>214</u>	1		Strategy	4,000	4,000	4,000			ITTO
Workshop on assessment of Legal Timber Network's requirements	20	<u>201</u>	1		Workshop	<u>2,618</u>	<u>2,618</u>	<u>2,618</u>			ITTO
DSA – Project activities	30	<u>301</u>	1		DSA/month/	1,000	1,000	1,000			ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	1		DSA/month/	600	600	600			MiAmbiente
National transport costs	30	<u>303</u>	1		month	500	500	500			ITTO
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1		month	500	500	500			MiAmbiente
Raw materials	50	<u>501</u>	1		month	300	300	300			MiAmbiente
Services/fuel	50	<u>503</u>	1		month	1,000	1,000	1,000			ITTO
Office supplies	50	<u>504</u>	1		month	300	300	300			MiAmbiente
Spares /project activities	50	<u>502</u>	1		month	200	200	200			MiAmbiente
Sundry	60	<u>601</u>	1		month	<u>120</u>	120	120			ITTO
Contingencies	60	<u>603</u>	1		month	<u>150</u>	150	150			ITTO
<b>1.1.2 Development of at least two Forest Business Roundtables in Panama (2023 and 2024).</b>						<b><u>33,600</u></b>	<b><u>33,600</u></b>				
Responsible trade consultant	10	<u>121</u>	<u>6</u>		m/m	2,000	<u>12,000</u>	<u>12,000</u>			ITTO
Workshop on responsible business (Business Roundtables)	20	<u>202</u>	<u>2</u>		Workshop	<u>6,500</u>	<u>13,000</u>	<u>13,000</u>			ITTO
DSA – Project activities	30	<u>301</u>	<u>2</u>		month	<u>700</u>	1,400	<u>1,400</u>			ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	<u>2</u>		month	600	1,200	<u>1,200</u>			MiAmbiente
National transport costs	30	<u>303</u>	<u>2</u>		month	<u>500</u>	1,000	<u>1,000</u>			ITTO

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>2</u>		month	500	1,000	<u>1,000</u>			MiAmbiente
Raw materials	50	<u>501</u>	<u>2</u>		Unit	300	600	<u>600</u>			ITTO
Services/fuel	50	<u>503</u>	<u>2</u>		month	1,000	2,000	<u>2,000</u>			ITTO
Office supplies	50	<u>504</u>	<u>2</u>		month	300	600	<u>600</u>			MiAmbiente
Spares /project activities	50	<u>502</u>	<u>2</u>		month	200	400	<u>400</u>			ITTO
Sundry	60	<u>601</u>	<u>2</u>		month	<u>100</u>	200	<u>200</u>			ITTO
Contingencies	60	<u>603</u>	<u>2</u>		month	<u>100</u>	200	<u>200</u>			ITTO
<b>Output 1.2 Outreach campaign on the importance of forest management and traceability within the framework of responsible trade implemented with the participation of major media and trade associations of the production and marketing chain</b>											
<b>1.2.1 Design and implementation of an outreach campaign (videos, radio spots, banners, etc.) on the importance of forest management and traceability within the framework of responsible trade as a strategy for forest conservation.</b>											
							<b><u>24,800</u></b>	<b><u>24,800</u></b>			
Outreach strategy consultant	10	<u>122</u>	6		m/m	<u>1,500</u>	<u>9,000</u>	<u>9,000</u>			ITTO
Contract /Outreach campaign (design and production of materials)	20	<u>215</u>	1		Strategy	10,000	10,000	10,000			ITTO
DSA – Project activities	30	<u>301</u>	2		month	<u>750</u>	1,500	1,500			ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	2		month	600	1,200	1,200			MiAmbiente
National transport costs	30	<u>303</u>	1		month	500	500	500			ITTO
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1		month	500	500	500			MiAmbiente
Raw materials	50	<u>501</u>	1		Unit	300	300	300			MiAmbiente
Services/fuel	50	<u>503</u>	1		month	1,000	1,000	1,000			ITTO
Office supplies	50	<u>504</u>	1		month	200	200	200			MiAmbiente
Spares /project activities	50	<u>502</u>	1		month	300	300	300			ITTO
Sundry	60	<u>601</u>	1		month	<u>150</u>	150	150			ITTO
Contingencies	60	<u>603</u>	1		month	<u>150</u>	150	150			ITTO

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
<b>1.2.2 Development of training program aimed at training 50 communicators from various communication media so as to improve their understanding of the importance of forest management and traceability within the framework of responsible trade as a strategy for forest conservation.</b>						<b><u>16,200</u></b>	<b><u>16,200</u></b>				
Outreach strategy consultant	10	<u>122</u>	<u>6</u>		month/h	<u>1,500</u>	<u>9,000</u>	<u>9,000</u>			ITTO
Workshop to raise awareness on the importance of forest management and traceability within the framework of responsible trade as a forest conservation strategy, addressed to communicators	20	<u>203</u>	1		workshop	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>			ITTO
DSA – Project activities	30	<u>301</u>	1		month	1,000	1,000	1,000			ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	1		month	600	600	600			MiAmbiente
National transport costs	30	<u>303</u>	1		month	500	500	500			ITTO
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1		month	500	500	500			MiAmbiente
Raw materials	50	<u>501</u>	1		Unit	300	300	300			MiAmbiente
Services/fuel	50	<u>503</u>	1		month	1,000	1,000	1,000			ITTO
Spares /project activities	50	<u>502</u>	1		month	200	200	200			MiAmbiente
Office supplies	50	<u>504</u>	1		month	300	300	300			ITTO
Sundry	60	<u>601</u>	1		month	<u>150</u>	150	150			ITTO
Contingencies	60	<u>603</u>	1		month	<u>150</u>	150	150			ITTO
<b>Output 2.1 New scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, designed, validated and adopted</b>											
<b>2.1.1 Development of a new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits.</b>						<b><u>11,200</u></b>	<b><u>11,200</u></b>				
Forestry consultant	10	<u>123</u>	2		m/m	2,000	4,000	4,000			ITTO
Workshop to assess requirements to adjust management plans to small forest areas	20	<u>204</u>	1		workshop	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>			ITTO
DSA – Project activities	30	<u>301</u>	1		month	1,000	1,000	1,000			ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	1		month	600	600	600			MiAmbiente
National transport costs	30	<u>303</u>	1		month	500	500	500			ITTO

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1		month	500	500	500		MiAmbiente	
Raw materials	50	<u>501</u>	1		Unit	300	300	300		MiAmbiente	
Services/fuel	50	<u>503</u>	1		month	1,000	1,000	1,000		ITTO	
Spares /project activities	50	<u>502</u>	1		month	200	200	200		MiAmbiente	
Office supplies	50	<u>504</u>	1		month	300	300	300		ITTO	
Sundry	60	<u>601</u>	1		month	<u>150</u>	150	150		ITTO	
Contingencies	60	<u>603</u>	1		month	<u>150</u>	150	150		ITTO	
<b>2.1.2 Development of validation pilot trials for the new scheme of simplified management plans for small forest areas over 1000 hectares, including evaluation protocols for all types of harvesting permits – Pilot trials in Chiriqui and Bocas del Toro, Central Provinces and Azuero, Colon, Metropolitan Region.</b>							<b><u>17,100</u></b>	<b><u>10,900</u></b>	<b><u>6,200</u></b>		
Forestry consultant	10	<u>123</u>	2	<u>1</u>	m/m	2,000	<u>6,000</u>	4,000	<u>2,000</u>	ITTO	
Workshop to validate the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits	20	<u>205</u>	1		Workshop	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>		ITTO	
DSA – Project activities	30	<u>301</u>	1	1	month	<u>750</u>	1,500	750	750	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	1	1	month	600	1,200	600	600	MiAmbiente	
National transport costs	30	<u>303</u>	1	1	month	500	1,000	500	500	ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1	1	month	500	1,000	500	500	MiAmbiente	
Raw materials	50	<u>501</u>	1	1	Unit	300	600	300	300	MiAmbiente	
Services/fuel	50	<u>503</u>	1	1	month	1,000	2,000	1,000	1,000	ITTO	
Spares /project activities	50	<u>502</u>	1		month	200	200	200		MiAmbiente	
Office supplies	50	<u>504</u>	1	1	month	300	600	300	300	ITTO	
Sundry	60	<u>601</u>	1	1	month	<u>150</u>	300	150	150	ITTO	
Contingencies	60	<u>603</u>	1	1	month	<u>100</u>	200	100	100	ITTO	

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
<b>2.1.3 Formal adoption of the new simplified management plan scheme for small forest areas.</b>						<b>6,700</b>		<b>6,700</b>			
Forestry consultant	10	<u>123</u>	1	m/m	2,000	2,000		2,000		ITTO	
DSA – Project activities	30	<u>301</u>	1	month	1,000	1,000		1,000		ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	1	month	600	600		600		MiAmbiente	
National transport costs	30	<u>303</u>	1	month	500	500		500		ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1	month	500	500		500		MiAmbiente	
Raw materials	50	<u>501</u>	1	Unit	300	300		300		MiAmbiente	
Services/fuel	50	<u>503</u>	1	month	1,000	1,000		1,000		MiAmbiente	
Spares /project activities	50	<u>502</u>	1	month	200	200		200		MiAmbiente	
Office supplies	50	<u>504</u>	1	month	300	300		300		ITTO	
Sundry	60	<u>601</u>	1	month	<u>150</u>	150		150		ITTO	
Contingencies	60	<u>603</u>	1	month	<u>150</u>	150		150		ITTO	
<b>Output 2.2 Training program on the new scheme of simplified management plans for small forest areas implemented</b>											
<b>2.2.1 Development of a training program on the new scheme of simplified management plans for small forest areas addressed to MiAmbiente technicians.</b>						<b><u>19,350</u></b>	<b><u>7,150</u></b>	<b><u>12,200</u></b>		ITTO	
Forestry consultant	10	<u>123</u>	<u>1</u>	1	m/m	2,000	<u>4,000</u>	2,000	<u>2,000</u>	ITTO	
Workshops for MiAmbiente technicians on the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits	20	<u>206</u>	<u>1</u>	<u>2</u>	Workshop	<u>2,416.67</u>	<u>7,250</u>	<u>2,416.67</u>	<u>4,833.33</u>	ITTO	
DSA – Project activities	30	<u>301</u>	<u>1</u>	<u>2</u>	month	<u>666.67</u>	2,000	<u>666.67</u>	<u>1,333.33</u>	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	<u>1</u>	<u>2</u>	month	600	1,800	600	1,200	MiAmbiente	
National transport costs	30	<u>303</u>	<u>1</u>	<u>2</u>	m/m	<u>333.33</u>	1,000	<u>333.33</u>	<u>666.67</u>	ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>1</u>	<u>2</u>	month	500	1,500	500	1,000	MiAmbiente	
Raw materials	50	<u>501</u>	<u>1</u>	<u>2</u>	Unit	300	900	300	600	MiAmbiente	
Spares /project activities	50	<u>502</u>	<u>1</u>	1	month	<u>100</u>	200	<u>100</u>	<u>100</u>	MiAmbiente	
Sundry	60	<u>601</u>	<u>1</u>	<u>2</u>	month	<u>133.33</u>	400	<u>133.33</u>	<u>266.67</u>	ITTO	
Contingencies	60	<u>603</u>	<u>1</u>	<u>2</u>	month	<u>100</u>	300	100	200	ITTO	

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
<b>2.2.2 Workshops for users of the new simplified management plan scheme for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region.</b>						<b><u>35,550</u></b>	<b><u>13,567.86</u></b>	<b><u>21,982.14</u></b>			
Forestry consultant	10	<u>123</u>	<u>1</u>	1	m/m	2,000	<u>4,000</u>	<u>2,000</u>	2,000	ITTO	
Workshops for users of the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region	20	<u>207</u>	<u>5</u>	<u>9</u>	Workshop	<u>1,428.57</u>	20,000	<u>7,142.86</u>	<u>12,857.14</u>	9,500 ITTO 10,500 MiAmbiente 20,000	
DSA – Project activities	30	<u>301</u>	<u>1</u>	<u>3</u>	month	<u>750</u>	3,000	<u>750</u>	<u>2,250</u>	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	<u>1</u>	<u>3</u>	month	600	2,400	<u>600</u>	<u>1,800</u>	MiAmbiente	
National transport costs	30	<u>303</u>	<u>1</u>	1	month	500	1,000	<u>500</u>	500	ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>1</u>	1	month	500	1,000	<u>500</u>	500	MiAmbiente	
Raw materials	50	<u>501</u>	<u>1</u>	1	Unit	300	600	<u>300</u>	300	ITTO	
Services/fuel	50	<u>503</u>	<u>1</u>	1	month	1,000	2,000	<u>1,000</u>	1,000	MiAmbiente	
Office supplies	50	<u>504</u>	<u>1</u>	1	month	300	600	<u>300</u>	300	ITTO	
Spares /project activities	50	<u>502</u>	<u>1</u>	1	month	200	400	<u>200</u>	200	MiAmbiente	
Sundry	60	<u>601</u>	<u>1</u>	1	month	<u>175</u>	350	<u>175</u>	<u>175</u>	ITTO	
Contingencies	60	<u>603</u>	<u>1</u>	1	month	<u>100</u>	200	<u>100</u>	100	ITTO	
<b>Output 3.1 A robust forest traceability and monitoring system extended, with national coverage and incorporation of all links in the timber production and marketing chain</b>											
<b>3.1.1 Evaluation of the functionality of and introduction of improvements to the Forest Traceability and Monitoring System to include all the links in the timber production and marketing chain (secondary processing industries and marketing centers), as well as key forest production systems not yet incorporated to the system (commercial plantations, assisted natural regeneration and stubble enrichment).</b>						<b><u>97,412</u></b>	<b><u>68,156</u></b>	<b><u>29,256</u></b>			
Forestry consultant	10	<u>123</u>	3	<u>1</u>	m/m	2,000	<u>8,000</u>	6,000	<u>2,000</u>	ITTO	
IT consultant	10	<u>124</u>	<u>7</u>	<u>3.64</u>	m/m	2,500	<u>26,600</u>	<u>17,500</u>	<u>9,100</u>	ITTO	

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
Workshop with the participation of users to evaluate the functionality of and need for improvements to the Forest Traceability and Monitoring System (3 workshops, Darien/E. Panama, Panama, Central Provinces /Azuero, Chiriqui/Bocas del Toro)	20	<u>208</u>	1	2	workshop	<u>2,500</u>	<u>7,500</u>	<u>2,500</u>	<u>5,000</u>		ITTO
DSA – Project activities	30	<u>301</u>	1	1	month	<u>750</u>	1,500	<u>750</u>	<u>750</u>		ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	1	1	month	600	1,200	600	600		MiAmbiente
National transport costs	30	<u>303</u>	1	1	month	500	1,000	500	500		ITTO
Capital items (4x4 vehicle)	40	<u>401</u>	1		vehicle	<u>29,000</u>	<u>29,000</u>	<u>29,000</u>			ITTO
<b>Vehicle rental</b>	<b>50</b>	<b><u>505</u></b>	<b><u>1</u></b>	<b><u>1</u></b>	<b>vehicle</b>	<b><u>10,191</u></b>	<b><u>20,382</u></b>	<b><u>10,191</u></b>	<b><u>10,191</u></b>		<b>ITTO</b>
Spares /project activities	50	<u>502</u>	1	1	Unit	200	400	200	200		MiAmbiente
Office supplies	50	<u>504</u>	1	1	month	300	600	300	300		ITTO
Sundry	60	<u>601</u>	1	1	month	<u>190</u>	380	<u>190</u>	<u>190</u>		ITTO
Raw materials	50	<u>501</u>	1	1	Unit	300	600	300	300		ITTO
Contingencies	60	<u>603</u>	1	1	month	<u>125</u>	250	<u>125</u>	<u>125</u>		MiAmbiente
<b>3.1.2 Assessment of equipment needs to incorporate MiAmbiente's operational regions to the Forest Traceability and Monitoring System.</b>							<b><u>14,450</u></b>	<b>12,050</b>	<b><u>2,400</u></b>		
Forestry consultant	10	<u>123</u>	1		m/m	2,000	2,000	2,000			ITTO
IT consultant	10	<u>124</u>	<u>1.96</u>	<u>0.96</u>	m/m	2,500	<u>7,300</u>	4,900	<u>2,400</u>		ITTO
DSA – Project activities	30	<u>301</u>	2		month	1,000	2,000	2,000			ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	2		month	600	1,200	1,200			MiAmbiente
National transport costs	30	<u>303</u>	2		month	<u>300</u>	600	600			ITTO
Spares /project activities	50	<u>502</u>	2		Unit	200	400	400			ITTO
Office supplies	50	<u>504</u>	1		month	300	300	300			ITTO
Sundry	60	<u>601</u>	1		month	200	200	200			ITTO
Raw materials	50	<u>501</u>	1		Unit	300	300	300			ITTO
Contingencies	60	<u>603</u>	1		month	<u>150</u>	150	150			MiAmbiente
<b>3.1.3 Strengthening of a National Network of Checkpoints (at least 10 checkpoints nationwide).</b>							<b><u>450,073</u></b>	<b><u>443,073</u></b>	<b><u>7,000</u></b>		
Forestry consultant	10	<u>123</u>	2	<u>1</u>	m/m	2,000	<u>6,000</u>	4,000	<u>2,000</u>		ITTO
IT consultant	10	<u>124</u>	<u>1.96</u>	<u>0.96</u>	month	2,500	<u>7,300</u>	4,900	<u>2,400</u>		ITTO
DSA – Project activities	30	<u>301</u>	1	1	month	1,000	2,000	1,000	1,000		ITTO
DSA – MiAmbiente personnel	30	<u>302</u>	1	1	month	<u>300</u>	600	<u>300</u>	<u>300</u>		MiAmbiente

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
National transport costs	30	<u>303</u>	1	1	month	<u>400</u>	800	400	400	ITTO	
Capital equipment for checkpoints (improved connectivity, computers, printers, NFC cell phones, forestry equipment)	40	<u>402</u>	1		equipment	5,000	5,000	5,000		ITTO	
Capital equipment for checkpoints (improved connectivity, computers, printers, NFC cell phones, forestry equipment)	40	<u>402</u>	1		equipment	426,573	426,573	426,573	-	MiAmbiente	
Spares /project activities	50	<u>502</u>	1	1	unit	200	400	200	200	MiAmbiente	
Office supplies	50	<u>504</u>	1	1	month	300	600	300	300	ITTO	
Sundry	60	<u>601</u>			month					ITTO	
Raw materials	50	<u>501</u>	1	1	month	300	600	300	300	ITTO	
Contingencies	60	<u>603</u>	1	1	month	<u>100</u>	200	100	100	MiAmbiente	

### 3.1.4 Launch of the Forest Traceability and Monitoring System in MiAmbiente's operational regions.

This activity is based on activities 3.1.1, 3.1.2 and 3.1.3, which are progressive actions for the evaluation, equipping, checkpoint strengthening and ultimately installation and launching of the traceability system in each region. The budget for activity 3.1.4. is based on the implementation of the above activities.

<b>3.1.5 Demonstration/pilot implementation of stable isotope analysis to trace the origin of harvested timber</b>						<b>30,000</b>	<b><u>30,000</u></b>			
FFPRI <b>Consultancy</b>	20	<u>211</u>	<u>1</u>		<b>Consultancy</b>	30,000	30,000	<b><u>30,000</u></b>		ITTO

### Output 3.2 Training program aimed at all links in the timber production and marketing chain to ensure their integration into the forest traceability and monitoring system

<b>3.2.1 Development and implementation of a training programme on the Forest Traceability and Monitoring System aimed at all links in the timber production and marketing chain.</b>						<b><u>9,150</u></b>		<b><u>9,150</u></b>		
Forestry consultant	10	<u>123</u>		1	m/m	2,000	2,000	2,000		ITTO
IT consultant	10	<u>124</u>		1	m/m	2,500	<b><u>2,500</u></b>	<b><u>2,500</u></b>		ITTO
DSA – Project activities	30	<u>301</u>		1	month	1,000	1,000	1,000		ITTO
DSA – MiAmbiente personnel	30	<u>302</u>		1	month	600	600	600		MiAmbiente
National transport costs	30	<u>303</u>		1	month	<u>400</u>	400	400		ITTO
Local transport costs – MiAmbiente personnel	30	<u>304</u>		1	month	500	500	500		MiAmbiente
Raw materials	50	<u>501</u>		1	month	300	300	300		ITTO



DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
Spares /project activities	50	<u>502</u>	1		unit	200	200	200		MiAmbiente	
Services/fuel	50	<u>503</u>	1		month	1,000	1,000	1,000		ITTO	
Office supplies	50	<u>504</u>	1		month	300	300	300		MiAmbiente	
Sundry	60	<u>601</u>	1		month	200	200	200		MiAmbiente	
Contingencies	60	<u>603</u>	1		month	<u>150</u>	150	150		ITTO	
<b>3.2.2 Training workshops for technicians from MiAmbiente's operational regions.</b>						<b><u>44,100</u></b>		<b><u>30,323.81</u></b>	<b><u>13,776.19</u></b>		
Forestry consultant	10	<u>123</u>	1		m/m	2,000	2,000	2,000		ITTO	
IT consultant	10	<u>124</u>	<u>1.08</u>		m/m	2,500	2,700	2,700		ITTO	
Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System, in each operational region of MiAmbiente	20	<u>209</u>	<u>9</u>	<u>5</u>	Workshop	<u>1,928.57</u>	<u>27,000</u>	<u>17,357.14</u>	<u>9,642.86</u>	ITTO	
DSA – Project activities	30	<u>301</u>	<u>2</u>	<u>1</u>	month	<u>700</u>	2,100	<u>1,400</u>	<u>700</u>	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	<u>2</u>	<u>1</u>	month	600	1,800	<u>1,200</u>	<u>600</u>	MiAmbiente	
National transport costs	30	<u>303</u>	<u>2</u>	<u>1</u>	month	<u>233.33</u>	700	<u>466.67</u>	<u>233.33</u>	ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>2</u>	<u>1</u>	month	500	1,500	<u>1,000</u>	<u>500</u>	MiAmbiente	
Raw materials	50	<u>501</u>	<u>2</u>	<u>1</u>	month	300	900	<u>600</u>	<u>300</u>	ITTO	
Spares /project activities	50	<u>502</u>	<u>2</u>	<u>1</u>	unit	200	600	<u>400</u>	<u>200</u>	ITTO	
Services/fuel	50	<u>503</u>	<u>2</u>	<u>1</u>	month	1,000	3,000	<u>2,000</u>	<u>1,000</u>	ITTO	
Office supplies	50	<u>504</u>	<u>2</u>	<u>1</u>	month	300	900	<u>600</u>	<u>300</u>	MiAmbiente	
Sundry	60	<u>601</u>	<u>2</u>	<u>1</u>	month	200	600	<u>400</u>	<u>200</u>	MiAmbiente	
Contingencies	60	<u>603</u>	<u>2</u>	<u>1</u>	month	<u>100</u>	300	<u>200</u>	<u>100</u>	ITTO	
<b>Output 3.3 Follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the forest traceability and monitoring system and with the Legal Timber Network</b>											
<b>3.3.1 Development and implementation of a follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.</b>						<b><u>18,400</u></b>		<b><u>13,800</u></b>	<b><u>4,600</u></b>		
Forestry consultant	10	<u>123</u>	<u>1.5</u>	<u>0.5</u>	m/m	2,000	4,000	<u>3,000</u>	<u>1,000</u>	ITTO	
IT consultant	10	<u>124</u>	<u>1.62</u>	<u>0.54</u>	m/m	2,500	5,400	<u>4,050</u>	<u>1,350</u>	ITTO	

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
DSA – Project activities	30	<u>301</u>	<u>1.5</u>	<u>0.5</u>	month	1,000	2,000	<u>1,500</u>	<u>500</u>	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	<u>1.5</u>	<u>0.5</u>	month	600	1,200	<u>900</u>	<u>300</u>	MiAmbiente	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>1.5</u>	<u>0.5</u>	month	500	1,000	<u>750</u>	<u>250</u>	MiAmbiente	
Raw materials	50	<u>501</u>	<u>1.5</u>	<u>0.5</u>	month	300	600	<u>450</u>	<u>150</u>	ITTO	
Spares /project activities	50	<u>502</u>	<u>1.5</u>	<u>0.5</u>	unit	200	400	<u>300</u>	<u>100</u>	ITTO	
Services /fuel	50	<u>503</u>	<u>1.5</u>	<u>0.5</u>	month	1,000	2,000	<u>1,500</u>	<u>500</u>	ITTO	
Office supplies	50	<u>504</u>	<u>1.5</u>	<u>0.5</u>	month	300	600	<u>450</u>	<u>150</u>	MiAmbiente	
Sundry	60	<u>601</u>	<u>1.5</u>	<u>0.5</u>	month	<u>400</u>	<u>800</u>	<u>600</u>	<u>200</u>	MiAmbiente	
Contingencies	60	<u>603</u>	<u>1.5</u>	<u>0.5</u>	month	200	400	<u>300</u>	<u>100</u>	ITTO	
<b>3.3.2 Development of follow-up and monitoring validation pilot trials to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuero, Colón, Metropolitan Region.</b>							<b><u>29,350</u></b>	<b><u>19,683.33</u></b>	<b><u>9,666.67</u></b>		
Forestry consultant	10	<u>123</u>	<u>1.5</u>	<u>0.5</u>	m/m	2,000	<u>4,000</u>	<u>3,000</u>	<u>1,000</u>	ITTO	
IT consultant	10	<u>124</u>	<u>1.12</u>	<u>1</u>	m/m	2,500	<u>5,300</u>	<u>2,800</u>	<u>2,500</u>	ITTO	
Workshop to validate the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuero, Metropolitan Region, Darien and Eastern Panama	20	<u>210</u>	<u>3</u>	<u>1</u>	workshop	<u>1,550</u>	<u>6,200</u>	<u>4,650</u>	<u>1,550</u>	ITTO	
DSA – Project activities	30	<u>301</u>	<u>2</u>	<u>1</u>	month	1,000	3,000	2,000	<u>1,000</u>	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	<u>2</u>	<u>1</u>	month	600	1,800	1,200	<u>600</u>	MiAmbiente	
National transport costs	30	<u>303</u>	<u>2</u>	<u>1</u>	m/m	<u>333.33</u>	1,000	<u>666.67</u>	<u>333.33</u>	ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>2</u>	<u>1</u>	month	500	1,500	1,000	<u>500</u>	MiAmbiente	
Raw materials	50	<u>501</u>	<u>2</u>	<u>1</u>	month	300	900	600	<u>300</u>	ITTO	
Spares /project activities	50	<u>502</u>	<u>2</u>	<u>1</u>	unit	200	600	400	<u>200</u>	ITTO	
Services/fuel	50	<u>503</u>	<u>2</u>	<u>1</u>	month	1,000	3,000	2,000	<u>1,000</u>	ITTO	
Office supplies	50	<u>504</u>	<u>2</u>	<u>1</u>	month	300	900	600	<u>300</u>	MiAmbiente	
Sundry	60	<u>601</u>	<u>2</u>	<u>1</u>	month	200	600	400	<u>200</u>	MiAmbiente	
Contingencies	60	<u>603</u>	<u>2</u>	<u>1</u>	month	<u>183.33</u>	550	<u>366.67</u>	<u>183.33</u>	ITTO	

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source
		Year 1	Year 2	Year 3				US\$	US\$	US\$	
<b>3.3.3</b>	<b>Formal adoption of the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network</b>						<b>9,500</b>		<b>9,500</b>		
Forestry consultant	10	<u>123</u>	1		m/m	2,000	2,000	2,000		ITTO	
IT consultant	10	<u>124</u>	<u>1.08</u>		m/m	2,500	2,700	2,700		ITTO	
DSA – Project activities	30	<u>301</u>	1		month	1,000	1,000	1,000		ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	1		month	600	600	600		MiAmbiente	
National transport costs	30	<u>303</u>	1		m/m	500	500	500		ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	1		month	500	500	500		MiAmbiente	
Raw materials	50	<u>501</u>	1		month	300	300	300		ITTO	
Spares /project activities	50	<u>502</u>	1		unit	200	200	200		ITTO	
Services/fuel	50	<u>503</u>	1		month	1,000	1,000	1,000		ITTO	
Office supplies	50	<u>504</u>	1		month	300	300	300		MiAmbiente	
Sundry	60	<u>601</u>	1		month	200	200	200		MiAmbiente	
Contingencies	60	<u>603</u>	1		month	200	200	200		ITTO	
<b>3.3.4</b>	<b>Training workshops for technicians from MiAmbiente's operational regions</b>						<b>47,200</b>		<b>31,366.67</b>	<b>15,833.33</b>	
Forestry consultant	10	<u>123</u>	<u>1.5</u>	<u>0.5</u>	m/m	2,000	<u>4,000</u>	<u>3,000</u>	<u>1,000</u>	ITTO	
IT consultant	10	<u>124</u>	<u>2.08</u>	<u>1</u>	m/m	2,500	<u>7,700</u>	<u>5,200</u>	<u>2,500</u>	ITTO	
Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System, in each operational region of MiAmbiente	20	<u>213</u>	<u>9</u>	<u>5</u>	Workshop	1,500	21,000	<u>13,500</u>	<u>7,500</u>	10,500 ITTO 10,500 MiAmbiente	
										21,000	
DSA – Project activities	30	<u>301</u>	<u>2</u>	<u>1</u>	month	1,000	3,000	<u>2,000</u>	<u>1,000</u>	ITTO	
DSA – MiAmbiente personnel	30	<u>302</u>	<u>2</u>	<u>1</u>	month	600	1,800	<u>1,200</u>	<u>600</u>	MiAmbiente	
National transport costs	30	<u>303</u>	<u>2</u>	<u>1</u>	month	<u>333.33</u>	1,000	<u>666.67</u>	<u>333.33</u>	ITTO	
Local transport costs – MiAmbiente personnel	30	<u>304</u>	<u>2</u>	<u>1</u>	month	500	1,500	<u>1,000</u>	<u>500</u>	MiAmbiente	
Raw materials	50	<u>501</u>	<u>2</u>	<u>1</u>	month	300	900	<u>600</u>	<u>300</u>	ITTO	
Spares /project activities	50	<u>502</u>	<u>2</u>	<u>1</u>	unit	200	600	<u>400</u>	<u>200</u>	ITTO	
Services /fuel	50	<u>503</u>	<u>2</u>	<u>1</u>	month	1,000	3,000	<u>2,000</u>	<u>1,000</u>	ITTO	
Office supplies	50	<u>504</u>	<u>2</u>	<u>1</u>	month	300	900	<u>600</u>	<u>300</u>	MiAmbiente	

DESCRIPTION	Component	Quantity			UNIT	UNIT COST US\$	TOTAL COST US\$	Year 1	Year 2	Year 3	Source	
		Year 1	Year 2	Year 3				US\$	US\$	US\$		
Contingencies	60	<u>603</u>	<u>2</u>	<u>1</u>	month	200	600		<u>400</u>	<u>200</u>	ITTO	
Sundry	60	<u>601</u>	<u>2</u>	<u>1</u>	month	200	600		<u>400</u>	<u>200</u>	MiAmbiente	
Contingencies	60	<u>603</u>	<u>2</u>	<u>1</u>	month	200	600		<u>400</u>	<u>200</u>	ITTO	
<b>TOTAL – ACTIVITY BASED COSTS</b>							<b><u>937,423</u></b>	<b><u>693,984.86</u></b>	<b><u>199,561.95</u></b>	<b><u>43,876.19</u></b>		
Project Director (Forest engineer with experience in traceability, monitoring and project management in accordance with ITTO regulations)	10	111	12	12	<u>3</u>	m/m	3,000	<u>81,000</u>	36,000	36,000	<u>9,000</u>	ITTO No finance officer /accountant
Forestry specialist - DIFOR	10	<u>112</u>	12	12	12	m/m	2,500	90,000	30,000	30,000	30,000	MiAmbiente
IT specialist – IT Off.	10	<u>113</u>	12	12	12	m/m	2,500	90,000	30,000	30,000	30,000	MiAmbiente
Office space – MiAmbiente	40	<u>404</u>	12	12	12	month	1,500	54,000	18,000	18,000	18,000	MiAmbiente
Capital equipment for Project Operational Unit (computers, printers, etc.)	40	<u>403</u>	1			equipment	<u>8,127</u>	<u>8,127</u>	<u>8,127</u>			ITTO
Capital equipment for Project Operational Unit (computers, printers, etc.)	40	<u>403</u>	1			equipment	9,187	9,187	9,187			MiAmbiente
Communication services	60	<u>604</u>	6	6	6	month	300	5,400	1,800	1,800	1,800	ITTO
Communication services	60	<u>604</u>	6	6	6	month	300	5,400	1,800	1,800	1,800	MiAmbiente
Funds management subcontract to Fundación PANAMÁ	<u>20</u>	<u>212</u>	<u>0.42</u>	<u>0.34</u>	<u>0.24</u>	<u>Management</u>	<u>59,187</u>	59,187	25,000	20,000	14,187	ITTO
Annual audits	60	<u>602</u>	1	1	1	Audit	5,000	15,000	5,000	5,000	5,000	ITTO
ITTO monitoring and review	80	<u>801</u>	1	1	1	unit	10,000	30,000	10,000	10,000	10,000	ITTO
ITTO ex-post evaluation	80	<u>802</u>			1	unit	15,000	15,000			15,000	ITTO
Programme support – 12% of total ITTO budget	80	<u>803</u>	<u>1</u>			unit	<u>78,224</u>	78,224	78,224			ITTO
<b>Overall costs</b>							<b><u>540,525</u></b>	<b><u>253,138</u></b>	<b><u>152,600</u></b>	<b><u>134,787</u></b>		
<b>GRAND TOTAL – Overall costs + Activity-based costs</b>							<b><u>1,477,948</u></b>					

### 3.4.2 Consolidated budget by year and by source

Item	Budget component	Unit	UNIT COST	Year 1	Year 2	Year 3	TOTAL \$
<b>10</b>	<b>Project Personnel</b>						
	<b>11. National Experts</b>						
	<b>111</b> Project Director (Forest engineer)	month	3,000	36,000	36,000	<b>9,000</b>	<b>81,000</b>
	<b>112</b> Specialist - DIFOR	month	2,500	30,000	30,000	30,000	90,000
	<b>113</b> IT specialist – IT Off.	month	2,500	30,000	30,000	30,000	90,000
	<b>12. National Consultants</b>	month					
	<b>121</b> Responsible trade consultant	month	2,000	<b>24,000</b>			<b>24,000</b>
	<b>122</b> Outreach and communication strategy consultant	month	<b>1,500</b>	<b>18,000</b>			<b>18,000</b>
	<b>123</b> Forestry consultant	month	2,000	<b>24,000</b>	<b>27,000</b>	<b>3,000</b>	<b>54,000</b>
	<b>124</b> IT consultant	month	2,500	<b>27,300</b>	<b>33,850</b>	<b>6,350</b>	<b>67,500</b>
	<b>10. Component Total</b>			<b>189,300</b>	<b>156,850</b>	<b>78,350</b>	<b>424,500</b>
<b>20</b>	<b>Sub-contracts</b>						
	<b>201</b> Workshop on assessment of Legal Timber Network's requirements	wkshop	<b>2,618</b>	<b>2,618</b>			<b>2,618</b>
	<b>202</b> Workshop on responsible business	wkshop	<b>6,500</b>	<b>13,000</b>			<b>13,000</b>
	<b>203</b> Workshop to raise awareness on the importance of forest management and traceability within the framework of responsible trade as a forest conservation strategy, addressed to communicators	wkshop	<b>2,500</b>	<b>2,500</b>			<b>2,500</b>
	<b>204</b> Workshop to assess requirements to adjust management plans to small forest areas	wkshop	<b>2,500</b>	<b>2,500</b>			<b>2,500</b>
	<b>205</b> Workshop to validate the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits	wkshop	<b>2,500</b>	<b>2,500</b>			<b>2,500</b>

Item	Budget component	Unit	UNIT COST	Year 1	Year 2	Year 3	TOTAL \$
	<b>206</b> Workshops for MiAmbiente technicians on the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits (3 workshops)	wkshop	<u>2,416.67</u>	<u>2,416.67</u>	<u>4,833.33</u>		<u>7,250</u>
	<b>207</b> Workshops for users of the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region (14 workshops /one per MiAmbiente operational region)	wkshop	<u>1,428.57</u>	<u>4,000</u> (ITTO)  <u>4,500</u> (MiAmbiente)	<u>5,500</u> (ITTO)  <u>6,000</u> (MiAmbiente)		9,500 (ITTO)  10,500 (MiAmbiente)
	<b>208</b> Workshop with the participation of users to evaluate the functionality of and need for improvements to the Forest Traceability and Monitoring System (3), Darien/E. Panama, Panama, Central Provinces /Azuero, Chiriqui/Bocas del Toro)	wkshop	<u>2,500</u>	<u>2,500</u>	<u>5,000</u>		<u>7,500</u>
	<b>209</b> Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System in each operational region of MiAmbiente	wkshop	<u>1,928.57</u>		<u>17,357.14</u>	<u>9,642.86</u>	<u>27,000</u>

Item	Budget component	Unit	UNIT COST	Year 1	Year 2	Year 3	TOTAL \$
	<b>210</b> Workshop to validate the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuero, Metropolitan Region	wkshop	<u>1,550</u>		<u>4,650</u>	<u>1,550</u>	<u>6,200</u>
	<b>211</b> Sub-contract to Japan's Forestry and Forest Products Research Institute (FFPRI)	<u>Consultancy</u>	<u>30,000</u>	<u>30,000</u>			30,000
	<b>212</b> Funds management subcontract to Fundación PANAMÁ	<u>Management</u>	<u>59,187</u>	25,000	20,000	14,187	59,187
	<b>213</b> Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System, in each operational region of MiAmbiente	wkshop	1,500	<u>4,500</u> (ITTO)	<u>6,000</u> (ITTO)		10,500 (ITTO)
				<u>4,500</u> (MiAmbiente)	<u>6,000</u> (MiAmbiente)		10,500 (MiAmbiente)
	<b>214</b> Contract /Development of the Legal Timber Network website	strategy	4,000	4,000			4,000
	<b>215</b> Contract /Outreach campaign (design and production of materials)	strategy	10,000	10,000			10,000
	<b>20. Component Total</b>			<u>114,534.67</u>	<u>75,340.47</u>	<u>25,379.86</u>	<u>215,255</u>
<b>30</b>	<b>Duty travel</b>						
	<b>301</b> DSA – Project activities	DSA/month	1,000	<u>11,816.67</u>	<u>15,983.33</u>	<u>3,200</u>	31,000
	<b>302</b> DSA – MiAmbiente personnel	DSA/month	600	<u>4,500</u>	<u>7,250</u>	<u>1,750</u>	<u>13,500</u>
	<b>303</b> National transport costs	month	500	<u>5,833.33</u>	<u>5,766.67</u>	<u>900</u>	12,500
	<b>304</b> Local transport costs – MiAmbiente personnel	month	500	<u>8,100</u>	<u>10,800</u>	<u>2,100</u>	<u>21,000</u>
	<b>30. Component Total</b>			<u>30,250</u>	<u>39,800</u>	<u>7,950</u>	<u>78,000</u>

Item	Budget component	UNIT COST	Unit	Year 1	Year 2	Year 3	TOTAL \$
<b>40</b>	<b>Capital items</b>						
	<b>401</b> Capital equipment (4x4 vehicle)	vehicle	<b><u>29,000</u></b>	<b><u>29,000</u></b>			<b><u>29,000</u></b>
	<b>402</b> Capital equipment for checkpoints (improved connectivity, computers, printers, NFC cell phones, forestry equipment)	equipment	431,573	431,573			431,573
	<b>403</b> Capital equipment for Project Operational Unit (computers, printers, etc.)	equipment	<b><u>17,314</u></b>	<b><u>17,314</u></b>			<b><u>17,314</u></b>
	<b>404</b> Office space – MiAmbiente	month	1,500	18,000	18,000	18,000	54,000
	<b>40. Component Total</b>			<b><u>495,887</u></b>	<b><u>18,000</u></b>	<b><u>18,000</u></b>	<b><u>531,887</u></b>
<b>50</b>	<b>Consumable items</b>						
	<b>501</b> Raw materials	month	300	<b><u>3,600</u></b>	<b><u>4,950</u></b>	<b><u>1,050</u></b>	9,600
	<b>502</b> Spares /project activities	month	200	<b><u>2,500</u></b>	<b><u>2,800</u></b>	<b><u>700</u></b>	6,000
	<b>503</b> Services/fuel	month	1,000	<b><u>8,000</u></b>	<b><u>12,500</u></b>	<b><u>3,500</u></b>	24,000
	<b>504</b> Office supplies	month	300	<b><u>3,300</u></b>	<b><u>4,350</u></b>	1,050	8,700
	<b>505</b> <b>Vehicle rental</b>	<b>vehicle</b>	<b><u>10,191</u></b>	<b><u>10,191</u></b>	<b><u>10,191</u></b>		<b><u>20,382</u></b>
	<b>50. Component Total</b>			<b><u>27,591</u></b>	<b><u>34,791</u></b>	<b><u>6,300</u></b>	<b><u>68,682</u></b>
<b>60</b>	<b>Miscellaneous</b>						
	<b>601</b> Sundry	month	200	<b><u>1,618.33</u></b>	<b><u>3,131.67</u></b>	<b><u>800</u></b>	5,550
	<b>602</b> Annual audits	audit	5,000	5,000	5,000	5,000	15,000
	<b>603</b> Contingencies	month	200	<b><u>1,475</u></b>	<b><u>2,791.67</u></b>	<b><u>783.33</u></b>	<b><u>5,050</u></b>
	<b>604</b> Communication services	month	300	3,600	3,600	3,600	10,800
	<b>60. Component Total</b>			<b><u>11,693.33</u></b>	<b><u>14,523.34</u></b>	<b><u>10,183.33</u></b>	<b><u>36,400</u></b>
	<b>Sub-total 1</b>			<b><u>869,256</u></b>	<b><u>339,304.81</u></b>	<b><u>146,163.19</u></b>	<b><u>1,354,724</u></b>
<b>80</b>	<b>ITTO administration, monitoring and evaluation</b>						
	<b>801</b> ITTO monitoring and review			<b><u>10,000</u></b>	<b><u>10,000</u></b>	<b><u>10,000</u></b>	30,000
	<b>802</b> ITTO ex-post evaluation			-	-	<b><u>15,000</u></b>	15,000
	<b>803</b> Programme support - 12% of total ITTO budget			<b><u>78,224</u></b>	-		78,224
	<b>80. Component Total</b>						<b><u>123,224</u></b>
<b>100</b>	<b>GRAND TOTAL (US\$)</b>						<b><u>1,477,948</u></b>



### 3.4.3 ITTO budget by component and by year

Item	Budget component	Year 1	Year 2	Year 3	TOTAL US\$
		ITTO	ITTO	ITTO	Project
<b>10</b>	<b>Project Personnel</b>				
	<b>11. National Experts</b>				
	<b>111</b> Project Director (Forest engineer)	36,000	36,000	<u>9,000</u>	<u>81,000</u>
	<b>12. National Consultants</b>				
	<b>121</b> Responsible trade consultant	<u>24,000</u>			<u>24,000</u>
	<b>122</b> Outreach and communication strategy consultant	<u>18,000</u>			<u>18,000</u>
	<b>123</b> Forestry consultant	<u>24,000</u>	<u>27,000</u>	<u>3,000</u>	<u>54,000</u>
	<b>124</b> IT consultant	<u>27,300</u>	<u>33,850</u>	<u>6,350</u>	<u>67,500</u>
	<b>10. Component Total</b>	<u>129,300</u>	<u>96,850</u>	<u>18,350</u>	<u>244,500</u>
<b>20</b>	<b>Sub-contracts</b>				
	<b>201</b> Workshop on assessment of Legal Timber Network's requirements	<u>2,618</u>			<u>2,618</u>
	<b>202</b> Workshop on responsible business	<u>13,000</u>			<u>13,000</u>
	<b>203</b> Workshop to raise awareness on the importance of forest management and traceability within the framework of responsible trade as a forest conservation strategy, addressed to communicators	<u>2,500</u>			<u>2,500</u>
	<b>204</b> Workshop to assess requirements to adjust management plans to small forest areas	<u>2,500</u>			<u>2,500</u>
	<b>205</b> Workshop to validate the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits	<u>2,500</u>			<u>2,500</u>
	<b>206</b> Workshops for MiAmbiente technicians on the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits (3 workshops)	<u>2,416.67</u>	<u>4,833.33</u>		<u>7,250</u>
	<b>207</b> Workshops for users of the new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, in each MiAmbiente operational region (14 workshops /one per MiAmbiente operational region)	<u>4,000</u>	<u>5,500</u>		9,500

Item	Budget component	Year 1	Year 2	Year 3	TOTAL US\$
		ITTO	ITTO	ITTO	Project
	<b>208</b> Workshop with the participation of users to evaluate the functionality of and need for improvements to the Forest Traceability and Monitoring System (3), Darien/E. Panama, Panama, Central Provinces /Azuerro, Chiriqui/Bocas del Toro)	<u>2,500</u>	<u>5,000</u>		<u>7,500</u>
	<b>209</b> Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System in each operational region of MiAmbiente		<u>17,357.14</u>	<u>9,642.86</u>	<u>27,000</u>
	<b>210</b> Workshop to validate the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network – Pilot trials in Chiriquí Bocas del Toro, Central Provinces and Azuerro, Metropolitan Region		<u>4,650</u>	<u>1,550</u>	<u>6,200</u>
	<b>211</b> Sub-contract to Japan's Forestry and Forest Products Research Institute (FFPRI)	<u>30,000</u>			30,000
	<b>212</b> Funds management subcontract to Fundación PANAMÁ	25,000	20,000	14,187	59,187
	<b>213</b> Training workshop aimed at all links in the timber production and marketing chain to achieve their articulation with the Forest Traceability and Monitoring System, in each operational region of MiAmbiente		4,500	6,000	10,500
	<b>214</b> Contract /Development of the Legal Timber Network website	4,000			4,000
	<b>215</b> Contract /Outreach campaign (design and production of materials)	10,000			10,000
	<b>20. Component Total</b>	<b><u>101,034.67</u></b>	<b><u>61,840.47</u></b>	<b><u>31,379.86</u></b>	<b><u>194,255</u></b>
<b>30</b>	<b>Duty travel</b>				
	<b>301</b> DSA – Project activities	<u>11,816.67</u>	<u>15,983.33</u>	<u>3,200</u>	31,000
	<b>302</b> National transport costs	<u>5,833.33</u>	<u>5,766.67</u>	<u>900</u>	12,500
	<b>30. Component Total</b>	<b><u>17,650</u></b>	<b><u>21,750</u></b>	<b><u>4,100</u></b>	<b>43,500</b>
<b>40</b>	<b>Capital items</b>				
	<b>401</b> Capital equipment (4x4 vehicle)	<u>29,000</u>			<u>29,000</u>
	<b>402</b> Capital equipment for checkpoints	5,000			5,000
	<b>403</b> Capital equipment for Project Operational Unit	<u>8,127</u>			<u>8,127</u>
	<b>40. Component Total</b>	<b><u>42,127</u></b>			<b><u>42,127</u></b>

Item	Budget component	Year 1	Year 2	Year 3	TOTAL US\$
		ITTO	ITTO	ITTO	Project
<b>50</b>	<b>Consumable items</b>				
	<b>501</b> Raw materials	<u>1,800</u>	<u>3,750</u>	<u>1,050</u>	6,600
	<b>502</b> Spares /project activities	<u>800</u>	<u>1,700</u>	<u>700</u>	3,200
	<b>503</b> Services/fuel	<u>7,000</u>	<u>10,500</u>	<u>3,500</u>	21,000
	<b>504</b> Office supplies	<u>2,400</u>	<u>1,500</u>		3,900
	<b>505</b> <b>Vehicle rental</b>	<u>10,191</u>	<u>10,191</u>		<u>20,382</u>
	<b>50. Component Total</b>	<u>22,191</u>	<u>27,641</u>	<u>5,250</u>	<u>55,082</u>
<b>60</b>	<b>Miscellaneous</b>				
	<b>601</b> Sundry	<u>1,618.33</u>	<u>931.67</u>		<u>2,550</u>
	<b>602</b> Annual audits (total of 3)	5,000	5,000	5,000	15,000
	<b>603</b> Contingencies	<u>1,100</u>	<u>2,566.67</u>	<u>783.33</u>	<u>4,450</u>
	<b>604</b> Communication services	1,800	1,800	1,800	5,400
	<b>60. Component Total</b>	<u>9,518.33</u>	<u>10,298.34</u>	<u>7,583.33</u>	<u>27,400</u>
	<b>Sub-total 1</b>	<u>321,821</u>	<u>218,379.81</u>	<u>66,663.19</u>	<u>606,864</u>
<b>80</b>	<b>ITTO administration, monitoring and evaluation</b>				
	<b>801</b> ITTO monitoring and review (\$10,000/year)	10,000	10,000	10,000	30,000
	<b>802</b> ITTO ex-post evaluation			15,000	15,000
	<b>803</b> Programme support - 12% of total ITTO budget	<u>78,224</u>			78,224
	<b>80. Component Total</b>				<u>123,224</u>
<b>100</b>	<b>GRAND TOTAL (US\$)</b>				<u>730,088</u>

#### 3.4.4 MIAMBIENTE budget by component and by year

Budget component	YEAR 1	YEAR 2	YEAR 3	TOTAL US \$
	MiAmbiente	MiAmbiente	MiAmbiente	Project
10. Project personnel	60,000	60,000	60,000	180,000
20. Sub-contracts	<u>4,500</u>	<u>10,500</u>	<u>6,000</u>	21,000
30. Duty travel	<u>12,600</u>	<u>18,050</u>	<u>3,850</u>	34,500
40. Capital items	453,760	18,000	18,000	489,760
50. Consumable items	<u>5,400</u>	<u>7,150</u>	<u>1,050</u>	13,600
60. Miscellaneous	<u>2,175</u>	<u>4,225</u>	<u>2,600</u>	9,000
<b>Sub-total US \$</b>	<u>538,435</u>	<u>117,925</u>	<u>91,500</u>	<u>747,860</u>

### 3.5 ASSUMPTIONS, RISKS AND SUSTAINABILITY

#### 3.5.1 Assumptions and risks

No.	Assumptions	Potential risks	Mitigation measures
1.	There is a multi-stakeholder and multi-level agreement that allows for the implementation of an institutional strengthening process aimed at improving the management capacity of MiAmbiente through the adoption of new and improved management tools	MiAmbiente does not recognize its weaknesses in developing effective and efficient forest management strategies	Implement an institutional capacity strengthening process in MiAmbiente to develop an effective and efficient forest management strategy, with the participation of other stakeholders
2.	There is agreement among key forest sector stakeholders to implement an integrated system for monitoring the	Key stakeholders do not support MiAmbiente's initiative	Implement a comprehensive communication process at the beginning of the project

No.	Assumptions	Potential risks	Mitigation measures
	harvesting, production and marketing of forest products		
3.	Illegal loggers and other stakeholders are incorporated into the initiatives of the above strategy	A sector of the production chain does not comply with the provisions of the strategy	Implement an active and ongoing process of communication and information
4.	Tangible support from public law-enforcement agencies to implement the strategy	Weak participation of law enforcement agencies	An institutional and concerted communication process is developed
5.	Progress in the management of forest lands under sustainable forest management plans	The National Forest Strategy targets are not met	Sustainable forest management is expanded with the support of international cooperation
6.	Public and/or private institutions are willing to join the Legal Timber Network	Lack of political will to implement change	Implementation of public events to meet the institutional commitments of the State
7.	There is a commitment and social willingness to verify harvesting permits and fight illegal timber trafficking	Stakeholders are not willing to monitor and control the illegal trafficking of timber and timber products	A strategic outreach campaign is developed to promote the scope of the Strategy
8.	The number of end-consumers who are informed and aware of the consequences of illegal forest logging and trade increases	The key stakeholders identified do not have the commitment or willingness to reduce and control illegal logging and trade.	The strategic outreach campaign has a high instrumental value in raising awareness among all community stakeholders, including end-consumers who can demand responsible production and marketing practices in support of sustainable forest management

### **3.5.2 Sustainability**

The economic, environmental and social sustainability of forest management will depend, to a great extent, on the ability to strengthen forest governance in the country. In order to achieve this type of sustainability, enabling economic, political and social conditions should be established to promote legality in the forest sector as well as the valuation of forests and their goods and services together with robust forest management instruments capable of halting forest degradation caused by illegal timber logging and trade. With a view to achieving this objective, the project will ensure the participation of all key stakeholders in the forest production chain, based on the premise that both production chain stakeholders and consumers are the driving forces of sustainability in forest management and responsible trade.

Since the completion of project TFL-PD 044/13 Rev.2 (M) the Ministry of the Environment continued the implementation of actions to consolidate and extend the coverage of management instruments, promoting and approving the National Forestry Strategy 2050, with the forest management model as one of its pillars. Due to the crisis generated by the COVID 19 pandemic, the newly elected government has had to deal with the needs derived from the health crisis and this has affected the availability of resources needed to comply with the plans to extend the coverage of the model, with the risk of experiencing setbacks. The project complements the efforts of the authorities of the Ministry of the Environment, through DIFOR, aimed at integrating and articulating the rest of the country's operational regions to the management model, which has already shown a positive impact on the target region of project TFL-PD 044/13 Rev.2 (M).

It has been recognised that the national efforts launched to implement the STCF will have a greater positive impact by implementing improvements to the traceability system. There is a need for a more robust STCF that operates with national coverage and, above all, that reaches all links of the timber production and marketing chain so as to achieve effective control of the shifting of illegal timber logging and trade towards regions of the country not yet covered by the system adopted for the Panamanian section of the Choco Darién Ecoregional Complex. This is what civil society expects and consumers are an important part of this process.

## PART 4. IMPLEMENTATION ARRANGEMENTS

### 4.1 ORGANIZATION STRUCTURE AND STAKEHOLDER INVOLVEMENT MECHANISMS

#### 4.1.1 Executing agency

Through its National Forest Directorate (*Dirección Nacional Forestal* – DIFOR), the Ministry of the Environment (MiAmbiente) will be in charge of the administration of project resources and the implementation of project activities, with the participation of key stakeholders of the forest production chain and Panamanian society such as academia (UTP) and NGOs. To this end, and as shown in the budget tables, MiAmbiente will make a substantial financial contribution to the implementation of the project, in particular by providing its expertise in the implementation of ITTO initiatives, which led to the design of the current STCF. In addition, MiAmbiente has proven experience in administrative issues and budget execution for the management of ITTO funds. As required by ITTO regulations, MiAmbiente will open a specific account for the administration of these funds.

MiAmbiente, through DIFOR, will set up a project implementation team that will work from its headquarters in Panama City, where project activities will be coordinated with the support of institutional teams in each operational region.

#### 4.1.2 Project management team

The project management team will be selected by MiAmbiente through open tendering procedures and will be subject to ITTO's no objection procedures. This team will be made up of the following professionals and external consultants:

**Project Director:** A forest professional with extensive knowledge of the country's forest sector and experience in traceability, forest monitoring, forest auditing procedures and dialogue processes to strengthen forest governance. In addition, the Project Director should have expertise in the policies and administrative guidelines related to the management of ITTO-funded projects. The Project Director will be responsible for developing project work plans and operational budgets, as well as promoting actions and guidelines for smooth project implementation, with direct responsibilities in the actual implementation of project activities.

**Administrative officer:** A full-time professional responsible for the management, control, procurement and distribution of the project's financial and material resources. The Administrative Officer will work under the supervision of the Project Director and will be in charge of preparing and submitting the project financial reports, stocktaking and accounting statements to the Project Director. The Administrative Officer will also be responsible for the conduction of annual audits as established in the project budget.

**MiAmbiente's technical staff:** A team of technicians from DIFOR, the IT Office and operational regions, who will be responsible for the implementation of tasks as required for the success of project implementation.

**Outsourcing or consultancies:** Specialized personnel will conduct short-term consultancies and will be responsible for the implementation of specialized actions and processes, particularly the development of STCF improvements, subsystem monitoring, the new scheme of simplified management plans for small forest areas and the strategic outreach campaign.

#### 4.1.3 Project decision-making and participatory mechanisms

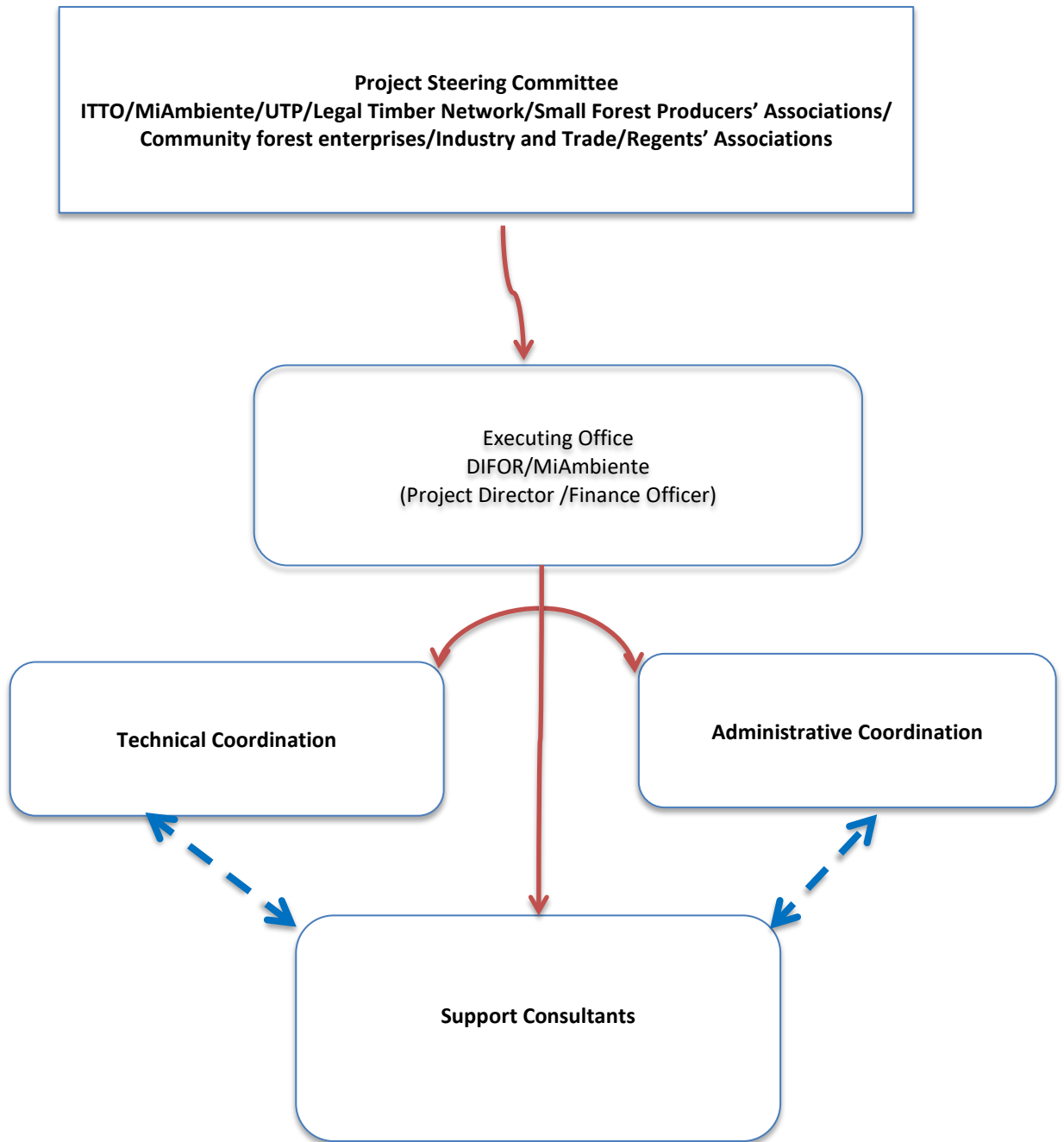
The project will have a Steering Committee to ensure compliance with ITTO policies and procedures and approval of budgets and work plans for project implementation, and to promote/facilitate implementation and provide for technical, operational and programming/logistic consistency by the project executing agency (MiAmbiente).

**A. Project Steering Committee (PSC):** This committee will be responsible for approving budgets and yearly plans of operation. In addition, it will monitor project actions to ensure their consistency with project objectives. The PSC will be made up of representatives of the following institutions:

- MiAmbiente: This agency is ITTO's contact point in Panama and will be the project executing agency. It is responsible for ensuring the sustainable and responsible management of natural resources in the country. In addition to the submission and negotiation of the project with ITTO, MiAmbiente will ensure its adequate implementation as it is in charge of guiding the national forest policy and adopting and implementing rules and strategies for the management of the forest sector.

- ITTO: The organization responsible for approving and ensuring the necessary financial resources for the implementation of the project. ITTO officials will participate in the Project Steering Committee meetings for the approval of plans and budgets as required.
  - UTP: A public institution at the university level, of high national and international reputation, which trains professionals in the forestry field; it will be invited to join the Project Steering Committee.
  - Legal Timber Network: Body that groups public institutions and civil society; it was created as a promoter of responsible forest management and trade.
  - Small Forest Producers' Association: This Association will be invited to appoint a representative to the Steering Committee.
  - Indigenous Peoples' Community Forest Enterprises: Among the different organizations, they will be invited to appoint a representative to the Steering Committee.
  - Forestry Industry and Trade: Among the different organizations, they will be invited to appoint a representative to the Steering Committee.
- B. Operational Unit:** This Unit will be responsible for the administration of resources, recruitment procedures, coordination arrangements and technical monitoring of all project activities. It will be made up of staff of DIFOR at MiAmbiente's headquarters and will be responsible for the technical and financial execution of the project, and for managing project resources and preparing technical and financial reports according to schedule. Additionally, this unit will be responsible for implementing annual audits of the project, and for keeping the Steering Committee informed on project progress.

Figure No. 6. Project organizational chart





#### **4.1.4 Reporting, review, monitoring and evaluation**

Project progress reports – Six-monthly progress reports will be prepared (four (4) in total) to report on project progress. Such reports will be submitted in the format stipulated by ITTO and according to the schedule of activities approved by the Steering Committee. These progress reports will be available at least 3 weeks before the date planned for the visit of ITTO officers.

Project completion report – This report will be submitted within 1 month of project completion. Both the six-monthly progress reports and the project completion report will be prepared by the Project Coordinator.

Project technical reports – In addition to the six-monthly reports, technical progress reports will be prepared on the implementation of activities and the gradual achievement of outputs. A special article will be prepared every 4 months for the ITTO newsletter *Tropical Forest Update*. The final project report will be based on the final technical report.

Steering Committee monitoring and review visits – The implementation of the Project will be subject to monitoring and evaluation by ITTO officials every six months; ITTO officials will receive progress reports at least 3 weeks before such visits.

Evaluation – Monitoring visits by ITTO officials are expected during the implementation of the project. The dates for these evaluations and supervision visits will be jointly determined by the Project Director and ITTO officials.

## **4.2 DISSEMINATION AND MAINSTREAMING OF PROJECT LEARNING**

### **4.2.1 Dissemination of project results**

The progress and achievement of project outcomes will be communicated and disseminated through the country's communication media, with special emphasis on the target audiences of the province of Darien. A communication and outreach strategy will be developed to disseminate the scope of the Illegal Logging Prevention and Control Strategy. Furthermore, regular (monthly) publications will be prepared for their dissemination through the web pages of MiAmbiente and the Legal Timber Network as well as ITTO's *Tropical Forest Update* (TFU).

### **4.2.2 Mainstreaming of project learning**

The mainstreaming of project learning will be targeted at two main audiences: a) the country's capital so as to share project outcomes in fora and conferences with the participation of public and private institutions. These fora will be convened by the Legal Timber Network and their objective will be to share project experiences, outcomes and impacts. These events are expected to be convened every 6 months; b) MiAmbiente's operational regions, so as to share information on project progress and innovative actions with direct stakeholders.

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## ANNEXES

### ANNEX 1 Profile of the executing agency and terms of reference of personnel

#### 1. PROFILE OF MiAmbiente

##### 1.1 Mission and priorities

Ensure compliance with and enforcement of laws, regulations and the National Environmental Policy regarding the protection, conservation, preservation, restoration, sustainability and rational use of natural resources.

##### 1.2 MiAmbiente Mission

**Mission:** Formulate the Environmental Policy as the State's governing body in charge of the protection, conservation, preservation and restoration of the environment and the sustainable and responsible use of natural resources, by promoting the best environmental practices in law enforcement to guarantee an optimal environment for future generations and to foster sustainable development in the country.

**Vision:** Formulate the Environmental Policy as the State's governing body in charge of the protection, conservation, preservation and restoration of the environment and the sustainable and responsible use of natural resources, by promoting the best environmental practices in law enforcement to guarantee an optimal environment for future generations and to foster sustainable development in the country.

##### 1.3 Contact person

National Forest Director: Ing. Victor Francisco Cadavid  
Telephone: 507 500-0855 ext. 6172 / 507 6584-3877/vcadavid@miambiente.gob.pa  
Address: Calle Diego Domínguez, Edif. 804 Albrook, Ancón, Panamá, Rep. de Panamá  
Web: www.miambiente.gob.pa

#### 2. PROFILE OF THE PROJECT DIRECTOR

##### Professional qualifications:

Forest engineer with at least 5 years of experience in similar positions; good oral and written communication skills; ability to write executive reports; leadership skills to promote team work; good organizational skills; capacity to contribute to institutional policies and strategies; and extensive knowledge of Panamanian forest sector issues, experience in Panama's Forest Traceability and Monitoring System, forest reGENCY, monitoring, forest governance, and ITTO administrative and executive policies and guidelines.

##### Duties:

- Coordinate and supervise the achievement of project outputs and outcomes.
- Provide support and guidance to the operational team and administrative staff.
- Ensure the rational use of project funds and the timely submission of project audits.
- Prepare and implement yearly plans of operation based on the overall project schedule of activities.
- Liaise with the ITTO Secretariat and project donors.
- Prepare regular progress reports as required by ITTO and the Steering Committee.
- Prepare terms of reference for the project team.
- Ensure the publication and dissemination of project outcomes and lessons learned.
- Disseminate the objectives and achievements of the Illegal Logging Prevention and Control Strategy among different sectors of the population.

DIFOR/MiAmbiente, as a leader organization in the promotion of responsible forest management and trade (RFMT) in the region of Darien, will be responsible for the technical implementation of the Strategy. To this end, it will follow the guidelines and technical directions provided by the Steering Committee in accordance with the project schedule and work plan. One of the main achievements to be accomplished by the Project Director will be the involvement of Panama's forest sector stakeholders to assume joint responsibility in the forest management and production process through the formulation and approval of policy instruments to improve forest monitoring systems, in addition to other project-related responsibilities.

### **3. PROFILE OF THE IT CONSULTANT**

Systems Engineer, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in developing traceability systems in production processes.

#### **Duties:**

- Carry out a comprehensive assessment on the reliability of the Forest Tracking and Monitoring System (STCF) in order to identify critical points, and develop the necessary improvements
- Develop an application to implement the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network
- Evaluate and advise on equipment needs for the operation of the STCF and strengthen the various operational units of MiAmbiente at the national level
- Develop training sessions for MiAmbiente partners and other STCF users
- Support the development of yearly plans of operation according to the overall project schedule,
- Prepare regular progress reports
- Develop terms of reference for the recruitment of the project team

### **4. PROFILE OF THE FORESTRY CONSULTANT**

Forest Engineer, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in Panama's Forest Traceability and Monitoring System, the formulation and monitoring of forest management plans, and forest reagency processes.

#### **Duties:**

- Support the comprehensive assessment of the functionality of the Forest Traceability and Monitoring System (STCF) in order to identify critical points, and propose the necessary improvements
- Formulate a proposal to implement a new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits
- Formulate a proposal to implement a follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network
- Support the design and implementation of a training program for the users of the new systems.
- Evaluate and advise on the equipment needs for the operation of the STCF and strengthen the various operational units of MiAmbiente at the national level
- Develop training sessions for STCF users and on simplified management plans for small forest areas
- Support the development of yearly plans of operation according to the overall project schedule,
- Prepare regular progress reports
- Develop terms of reference for the recruitment of the project team

## **5. PROFILE OF THE RESPONSIBLE TRADE CONSULTANT**

Trade engineer or specialist in a related field, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in fair trade and/or responsible trade and in the formulation and monitoring of business strategies.

### **Duties:**

- Formulate a strategy for the strengthening of the Legal Timber Network through participatory schemes.
- Provide technical support to the Coordination Committee of the Legal Timber Network to develop a policy process that guarantees the incorporation of criteria for responsible purchasing in the public procurement legislation.
- Follow up on the business groups identified as strategic in order to ensure their adhesion to the Network.
- Implement working sessions to facilitate the formulation of Action Plans for Network members.
- Develop the necessary tasks for the organization, convening and set-up of Responsible Forest Business Roundtables for Panama in 2022 and 2023 in coordination with the Network's Coordination Committee.
- Collaborate with the Communication and Outreach Consultant in the strategy of promoting responsible purchasing policies.
- Support the development of the yearly plans of operation according to the overall project schedule,
- Prepare regular progress reports
- Develop terms of reference for the recruitment of the project team

## **6. PROFILE OF THE COMMUNICATION AND OUTREACH STRATEGY CONSULTANT**

University degree in strategic communication or specialist in a related field, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in developing outreach and communication campaigns for policy and social support, and especially fair trade and/or responsible trade.

### **Duties:**

- Formulate a creative strategy, media plan and work plan to implement an outreach and communication strategy to raise public awareness on the importance of forest management and responsible trade to combat illegal forest logging and trade.
- Provide technical support to the Coordination Committee of the Legal Timber Network to develop a policy process that guarantees the incorporation of criteria for responsible purchasing in the public procurement legislation.
- Follow up on the business groups identified as strategic in order to ensure their adhesion to the Network.
- Support working sessions to facilitate the formulation of Action Plans for Network members.
- Support the organization, convening and set-up of Responsible Forest Business Roundtables for Panama in 2022 and 2023 in coordination with the Network's Coordination Committee.
- Collaborate with the Responsible Purchasing Consultant in the strategy of promoting responsible purchasing policies.
- Support the development of the yearly plans of operation according to the overall project schedule,
- Prepare regular progress reports
- Develop terms of reference for the recruitment of the project team

## **7. PROFILE OF THE FINANCE OFFICER**

University degree in accounting with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in ITTO's administrative procedures.

### **Duties:**

- Coordinate and undertake all administrative and accounting functions of the project executing office
- Prepare financial reports for ITTO and MiAmbiente, among others.
- Support the technical team with the timely provision of resources and administrative assistance for the successful performance of field activities.
- Prepare and record accounting information, as well as monthly cash-flows for project operations according to ITTO standards.
- Carry out banking transactions such as: deposits, cheque writing, balancing bank books, checking account statements and reconciling accounts on a monthly basis.
- Monitor daily bank account balances and ensure sufficient cash-flow for project operations.
- Prepare approved travel expense advances and review project staff travel expense reports.
- Coordinate the purchase of office supplies and equipment and ensure timely payment to suppliers.
- Organize and file in an orderly manner all receipts, invoices, bank reconciliations, account statements, cheque copies, spreadsheets, accounting reports, contract and consultant information and all other information required for internal monitoring and auditing
- Keep track of office software, equipment and furniture inventories
- Provide support in human resource management functions
- Support the organization and logistics of project activities
- Support activities related to the coordination and monitoring of the project
- Carry out any other duties as allocated by his/her supervisor

## ANNEX 2 Response to the recommendations of ITTO Expert Panel

Specific recommendations of ITTO Expert Panel	Amendment made	Page #
<p>1. In origin section, further elaborate the reasoning and necessity of this project: Why the achievements of previous ITTO project cannot be extended to the whole country by Panama?</p>	<p>1.1 Origin</p> <p>As stated in the Final Report of Project TFL-PD 044/13 Rev.2 (M) “Strengthening the management capacity of the Ministry of Environment (formerly ANAM) to reduce illegal logging and forest trade in the Eastern Region of Panama (Bayano and Darien)”, implemented by WWF, Panama in recent years has experienced a positive change in its forest management model, as demonstrated by the most important outputs of this project, which included the establishment of the National Forest Directorate (DIFOR) and capacity building in DIFOR’s technical team, both in the headquarters and in the region directly benefited by the project in the Panamanian section of the Choco Darién Eco-regional Complex, in addition to the Forest Traceability and Monitoring System (STCF) and the Forest Stewardship Program (<i>Programa de Veeduría Forestal</i>).</p> <p>However, because it is still necessary to develop actions to strengthen the instruments of the management model, and in order to achieve greater impact on the control of illegal logging and trade and halt the degradation of forests in the rest of the country, this new proposal is hereby submitted to achieve synergies with the efforts of the new authorities of the Ministry of Environment, with a view to integrating and articulating the rest of the operational regions of the country into a management model, which has already shown a positive impact on the region benefited by the completed project.</p> <p>The aforementioned report states that the actions implemented under project TFL-PD 044/13 Rev.2 (M) have resulted in a 90%<sup>12</sup> reduction in illegal timber trafficking for the Panamanian section of the Choco Darién Ecoregional Complex; in other words, it has been possible to reduce illegal logging and trade to a rate of less than 10%, taking as a reference a rate of illegality of between 33% and 51% reported by Argüelles (2010)<sup>13</sup> for the whole of the country, and used as a baseline for the formulation of project TFL-PD 044/13 Rev.2 (M); however, this has not impacted the rest of Panama.</p> <p>DIFOR approved the STCF at the national level through Resolution No. DM-0068-2018, dated 27 February 2018, but recognizes that the national efforts to implement the system require additional support, especially to ensure a more robust traceability system with national coverage. As has been identified in the reviews of the current system, it is necessary to ensure coverage of all links along the timber production and marketing chain.<sup>14</sup> The aim is to be able to achieve effective control of the movement of illegal forest logging and trade towards regions of the country that are not yet covered by the system adopted for the Panamanian section of the Choco Darién Ecoregional Complex.</p>	<p>1</p>

<sup>12</sup> Victor F. Cadavid, National Forestry Director (MiAmbiente), interviewed via Zoom by journalist Adelita Coriat of the El Polígrafo program which is screened by ECOTV and published in the La Estrella newspaper of Panama on 20 July 2020. Consulted on 6 August 2020 in <https://www.laestrella.com.pa/nacional/poligrafo/200724/200728-madera-cuenta-chip-miambiente-legal>

<sup>13</sup> ARGÜELLES, A. (2010). Institutional Strategy for the Prevention and control of illegal logging in the Forests of Darien, Panama. Panama. WWF-Panama. 57 Pages.

<sup>14</sup> The STCF developed and implemented includes a traceability system that extends from the forest to the timber yards of primary processing mills, but it does not include the secondary processing industries or forest products sale outlets. Neither does it include plantation timber products, nor timber exports. This new project is expected to extend coverage to these areas.



<p>2. Reference to the relevance to the TFLET thematic Programme can be deleted</p>	<p>1.2.1 Conformity with ITTO's objectives and priorities</p> <p>This proposal is related to the following objectives set out in the International Tropical Timber Agreement, 2006:</p> <p><i>To promote the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests, and to promote the sustainable management of tropical timber producing forests by:</i></p> <p><i>d. Strengthening the capacity of members for the collection, processing and dissemination of statistics on their trade in timber and information on the sustainable management of their tropical forests;</i></p> <p><i>e. Encouraging members to develop national policies aimed at sustainable utilization and conservation of timber producing forests, and maintaining ecological balance, in the context of the tropical timber trade;</i></p> <p><i>f. Strengthening the capacity of members to improve forest law enforcement and governance, and address illegal logging and related trade in tropical timber;</i></p> <p>The actions to be implemented within the framework of the proposed project are consistent with these objectives as they will promote the strengthening of capacities of MiAmbiente as the agency responsible for forest management and administration in Panama. In addition, the project will work jointly with member organizations and institutions of the Legal Timber Network so as to raise awareness on sustainable forest management and responsible trade.</p> <p>The proposal is related to the following priority strategies and actions set out in the ITTO Strategic Action Plan 2013-2018:</p> <ul style="list-style-type: none"> <li>• Strategic priority #1: Promote good governance and enabling policy frameworks for strengthening SFM and related trade, and enhancing SFM financing and investment, through the implementation of adequate policies for timber monitoring and traceability in Panama.</li> <li>• Strategic priority #5: Improve the quality and availability of information on tropical forests, forest product markets and trade through the production of reliable information on timber traceability and legal supply in Panama, as well as the design and implementation of a national campaign on responsible purchasing of legal timber.</li> <li>• Strategic priority #6: Build and develop human resource capacity to implement SFM and increase trade in forest goods and services from sustainably managed forests through capacity building in public institutions and the use of new monitoring and traceability tools.</li> </ul>	<p>1 - 2</p>
<p>3. Shorten the expected outcomes part and describe the main outputs at the completion</p>	<p>1.4 Expected outcomes at project completion</p> <p>a. The Legal Timber Network strengthened and acting as a mechanism to promote knowledge about sustainable forest management and responsible trade.</p> <p>b. A communication and outreach campaign on the importance of forest management and traceability in the framework of responsible trade implemented with the participation of major media outlets and production and marketing chain associations.</p> <p>c. A new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits, designed validated and adopted.</p> <p>d. A training program on the new scheme of simplified management plans for small forest areas implemented.</p> <p>e. A robust Forest Traceability and Monitoring System with national coverage integrating all the links along the timber production and marketing chain implemented.</p>	<p>7</p>

	<ul style="list-style-type: none"> <li>f. A training program aimed at achieving the integration of all the links in the timber production and marketing chain into the Forest Traceability and Monitoring System implemented.</li> <li>g. A follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network implemented</li> </ul>	
4. Integrate three specific objectives into a single one with associated outcome indicators, and refine related outputs /activities accordingly	<p>2.2 Objectives</p> <p>2.2.1 Development objective</p> <p>Consolidate a forest management model at the national level as a way of halting forest degradation from illegal logging and trade.</p> <p>Impact indicators:</p> <ul style="list-style-type: none"> <li>a. By the end of the project, Panama's forest sector has become more efficient by improving its management system, increasing its competitiveness through a minimum 50% drop in illegal activities compared to 2019.</li> <li>b. Coverage extended to 100% of MiAmbiente's operational regions under the forest traceability and monitoring system.</li> <li>c. Panamanian civil society recognizes the importance of responsible forest management and trade as tools for the effective conservation of Panama's forests.</li> </ul> <p>2.2.2 Specific objectives</p> <p>Extend the coverage of the forest production and trade traceability, monitoring and control system with the participation of all stakeholders in the production chain.</p> <p>Indicators at project completion:</p> <ul style="list-style-type: none"> <li>a. The Legal Timber Network has been strengthened, with its membership increasing three-fold from the 2019 baseline.</li> <li>b. At least 3 partnerships have been established with communication media, which are involved in the outreach and communication campaign on responsible forest management and trade.</li> <li>c. The new scheme of simplified management plans for small forest areas approved by MiAmbiente has been implemented over at least 1000 hectares.</li> <li>d. There is a robust Forest Traceability and Monitoring System with national coverage, which includes all the links in the timber production and marketing chain.</li> <li>e. A follow-up and monitoring program to ensure compliance with forest management plans is under implementation, including a forest information sub-system articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network.</li> </ul>	17
5. Elaborate project sustainability: If there is no political will of the country to enforce the system set up by ITTO project, how to ensure the future sustainability of the project?	<p>3.5.2 Sustainability</p> <p>The economic, environmental and social sustainability of forest management will depend, to a great extent, on the ability to strengthen forest governance in the country. In order to achieve this type of sustainability, enabling economic, political and social conditions should be established to promote legality in the forest sector as well as the valuation of forests and their goods and services together with robust forest management instruments capable of halting forest degradation caused by illegal timber logging and trade. With a view to achieving this objective, the project will ensure the participation of all key stakeholders in the forest production chain, based on the premise that both production chain stakeholders and consumers are the driving forces of sustainability in forest management and responsible trade.</p>	43

	<p>Since the completion of project TFL-PD 044/13 Rev.2 (M) the Ministry of the Environment continued the implementation of actions to consolidate and extend the coverage of management instruments, promoting and approving the National Forestry Strategy 2050, with the forest management model as one of its pillars. Due to the crisis generated by the COVID 19 pandemic, the newly elected government has had to deal with the needs derived from the health crisis and this has affected the availability of resources needed to comply with the plans to extend the coverage of the model, with the risk of experiencing setbacks. The project complements the efforts of the authorities of the Ministry of the Environment, through DIFOR, aimed at integrating and articulating the rest of the country's operational regions to the management model, which has already shown a positive impact on the target region of project TFL-PD 044/13 Rev.2 (M).</p> <p>It has been recognised that the national efforts launched to implement the STCF will have a greater positive impact by implementing improvements to the traceability system. There is a need for a more robust STCF that operates with national coverage and, above all, that reaches all links of the timber production and marketing chain so as to achieve effective control of the shifting of illegal timber logging and trade towards regions of the country not yet covered by the system adopted for the Panamanian section of the Choco Darién Ecoregional Complex. This is what civil society expects and consumers are an important part of this process.</p>	
<p>6. Reformulate the budget part by presenting 4 budget tables: 1. Master budget table by activities; 2. Consolidated yearly budget by component; 3. ITTO yearly budget by component; 4. Executing agency budget by component (yearly)</p> <p>Shorten the titles of budget sub-items of personnel and sub-contracts and move the detailed responsibility descriptions into the annex</p> <p>Delete the executing agency management costs (71) and the refund of pre-project costs (90)</p>		25-42
<p>7. Add in the annex the detailed information and duties/responsibilities (TOR) of key staff and consultants</p>	<p>2. PROFILE OF THE PROJECT DIRECTOR</p> <p>Professional qualifications:</p> <p>Forest engineer with at least 5 years of experience in similar positions; good oral and written communication skills; ability to write executive reports; leadership skills to promote team work; good organizational skills; capacity to contribute to institutional policies and strategies; and extensive knowledge of Panamanian forest sector issues, experience in Panama's Forest Traceability and Monitoring System, forest reGENCY, monitoring, forest governance, and ITTO administrative and executive policies and guidelines.</p> <p>Duties:</p> <ul style="list-style-type: none"> <li>• Coordinate and supervise the achievement of project outputs and outcomes.</li> <li>• Provide support and guidance to the operational team and administrative staff.</li> <li>• Ensure the rational use of project funds and the timely submission of project audits.</li> </ul>	50-53

	<ul style="list-style-type: none"> <li>• Prepare and implement yearly plans of operation based on the overall project schedule of activities.</li> <li>• Liaise with the ITTO Secretariat and project donors.</li> <li>• Prepare regular progress reports as required by ITTO and the Steering Committee.</li> <li>• Prepare terms of reference for the project team.</li> <li>• Ensure the publication and dissemination of project outcomes and lessons learned.</li> <li>• Disseminate the objectives and achievements of the Illegal Logging Prevention and Control Strategy among different sectors of the population.</li> </ul> <p>DIFOR/MiAmbiente, as a leader organization in the promotion of responsible forest management and trade (RFMT) in the region of Darien, will be responsible for the technical implementation of the Strategy. To this end, it will follow the guidelines and technical directions provided by the Steering Committee in accordance with the project schedule and work plan. One of the main achievements to be accomplished by the Project Director will be the involvement of Panama's forest sector stakeholders to assume joint responsibility in the forest management and production process through the formulation and approval of policy instruments to improve forest monitoring systems, in addition to other project-related responsibilities.</p> <p><b>3. PROFILE OF THE IT CONSULTANT</b></p> <p>Systems Engineer, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in developing traceability systems in production processes.</p> <p>Duties:</p> <ul style="list-style-type: none"> <li>• Carry out a comprehensive assessment on the reliability of the Forest Tracking and Monitoring System (STCF) in order to identify critical points, and develop the necessary improvements</li> <li>• Develop an application to implement the follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network</li> <li>• Evaluate and advise on equipment needs for the operation of the STCF and strengthen the various operational units of MiAmbiente at the national level</li> <li>• Develop training sessions for MiAmbiente partners and other STCF users</li> <li>• Support the development of yearly plans of operation according to the overall project schedule,</li> <li>• Prepare regular progress reports</li> <li>• Develop terms of reference for the recruitment of the project team</li> </ul> <p><b>4. PROFILE OF THE FORESTRY CONSULTANT</b></p> <p>Forest Engineer, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in Panama's Forest Traceability and Monitoring System, the formulation and monitoring of forest management plans, and forest regency processes.</p> <p>Duties:</p> <ul style="list-style-type: none"> <li>• Support the comprehensive assessment of the functionality of the Forest Traceability and Monitoring System (STCF) in order to identify critical points, and propose the necessary improvements</li> </ul>	
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	<ul style="list-style-type: none"> <li>• Formulate a proposal to implement a new scheme of simplified management plans for small forest areas, including evaluation protocols for all types of harvesting permits</li> <li>• Formulate a proposal to implement a follow-up and monitoring program to ensure compliance with forest management plans, including a forest information subsystem articulated with the Forest Traceability and Monitoring System and with the Legal Timber Network</li> <li>• Support the design and implementation of a training program for the users of the new systems.</li> <li>• Evaluate and advise on the equipment needs for the operation of the STCF and strengthen the various operational units of MiAmbiente at the national level</li> <li>• Develop training sessions for STCF users and on simplified management plans for small forest areas</li> <li>• Support the development of yearly plans of operation according to the overall project schedule,</li> <li>• Prepare regular progress reports</li> <li>• Develop terms of reference for the recruitment of the project team</li> </ul> <p>5. PROFILE OF THE RESPONSIBLE TRADE CONSULTANT</p> <p>Trade engineer or specialist in a related field, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in fair trade and/or responsible trade and in the formulation and monitoring of business strategies.</p> <p>Duties:</p> <ul style="list-style-type: none"> <li>• Formulate a strategy for the strengthening of the Legal Timber Network through participatory schemes.</li> <li>• Provide technical support to the Coordination Committee of the Legal Timber Network to develop a policy process that guarantees the incorporation of criteria for responsible purchasing in the public procurement legislation.</li> <li>• Follow up on the business groups identified as strategic in order to ensure their adhesion to the Network.</li> <li>• Implement working sessions to facilitate the formulation of Action Plans for Network members.</li> <li>• Develop the necessary tasks for the organization, convening and set-up of Responsible Forest Business Roundtables for Panama in 2022 and 2023 in coordination with the Network's Coordination Committee.</li> <li>• Collaborate with the Communication and Outreach Consultant in the strategy of promoting responsible purchasing policies.</li> <li>• Support the development of the yearly plans of operation according to the overall project schedule,</li> <li>• Prepare regular progress reports</li> <li>• Develop terms of reference for the recruitment of the project team</li> </ul> <p>6. PROFILE OF THE COMMUNICATION AND OUTREACH STRATEGY CONSULTANT</p> <p>University degree in strategic communication or specialist in a related field, with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in developing outreach and communication campaigns for policy and social support, and especially fair trade and/or responsible trade.</p> <p>Duties:</p> <ul style="list-style-type: none"> <li>• Formulate a creative strategy, media plan and work plan to implement an outreach and communication strategy to raise</li> </ul>	
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	<p>public awareness on the importance of forest management and responsible trade to combat illegal forest logging and trade.</p> <ul style="list-style-type: none"> <li>• Provide technical support to the Coordination Committee of the Legal Timber Network to develop a policy process that guarantees the incorporation of criteria for responsible purchasing in the public procurement legislation.</li> <li>• Follow up on the business groups identified as strategic in order to ensure their adhesion to the Network.</li> <li>• Support working sessions to facilitate the formulation of Action Plans for Network members.</li> <li>• Support the organization, convening and set-up of Responsible Forest Business Roundtables for Panama in 2022 and 2023 in coordination with the Network's Coordination Committee.</li> <li>• Collaborate with the Responsible Purchasing Consultant in the strategy of promoting responsible purchasing policies.</li> <li>• Support the development of the yearly plans of operation according to the overall project schedule,</li> <li>• Prepare regular progress reports</li> <li>• Develop terms of reference for the recruitment of the project team</li> </ul> <p><b>7. PROFILE OF THE FINANCE OFFICER</b></p> <p>University degree in accounting with a minimum of 5 years' experience in similar positions, oral and written expression skills, ability to draft executive reports, teamwork skills, organizational skills, ability to work under pressure, preferably with experience in ITTO's administrative procedures.</p> <p>Duties:</p> <ul style="list-style-type: none"> <li>• Coordinate and undertake all administrative and accounting functions of the project executing office</li> <li>• Prepare financial reports for ITTO and MiAmbiente, among others.</li> <li>• Support the technical team with the timely provision of resources and administrative assistance for the successful performance of field activities.</li> <li>• Prepare and record accounting information, as well as monthly cash-flows for project operations according to ITTO standards.</li> <li>• Carry out banking transactions such as: deposits, cheque writing, balancing bank books, checking account statements and reconciling accounts on a monthly basis.</li> <li>• Monitor daily bank account balances and ensure sufficient cash-flow for project operations.</li> <li>• Prepare approved travel expense advances and review project staff travel expense reports.</li> <li>• Coordinate the purchase of office supplies and equipment and ensure timely payment to suppliers.</li> <li>• Organize and file in an orderly manner all receipts, invoices, bank reconciliations, account statements, cheque copies, spreadsheets, accounting reports, contract and consultant information and all other information required for internal monitoring and auditing</li> <li>• Keep track of office software, equipment and furniture inventories</li> <li>• Provide support in human resource management functions</li> <li>• Support the organization and logistics of project activities</li> <li>• Support activities related to the coordination and monitoring of the project</li> <li>• Carry out any other duties as allocated by his/her supervisor</li> </ul>	
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<p>8. Include an Annex that shows the overall assessment and specific recommendations of the 55th Expert Panel and respective modifications in tabular form. Modifications should also be highlighted (bold and underline) in the text</p>	<p><u>ANNEX 2</u> Response to the recommendations of the ITTO Expert Panel</p>	<p>54-61</p>
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