ITTO-BMEL
Teak in the Tropics

Bi-monthly online

ITTO-BMEL Teak Newsletter

February 2025 - Volume 7(1)

Inside this issue

Teak Mekong Newsletter is now re-named as *ITTO-BMEL Teak Newsletter* to reflect changes in the start of 2nd phase of the project in November 2023 for 3 years for implementation in 6 countries of Asia Pacific and Togo in West Africa. The newsletter support and facilitates teak and other tropical species networking and information dissemination in the Asia Pacific and West Africa through ITTO member countries and partners, and support sharing lessons of the project through short news release, occasional papers, project related research and development information. The bi-monthly newsletter is released online through TEAKNET webpage www.teaknet.org and co-hosted by Kasetsart University, Thailand.

For more information,

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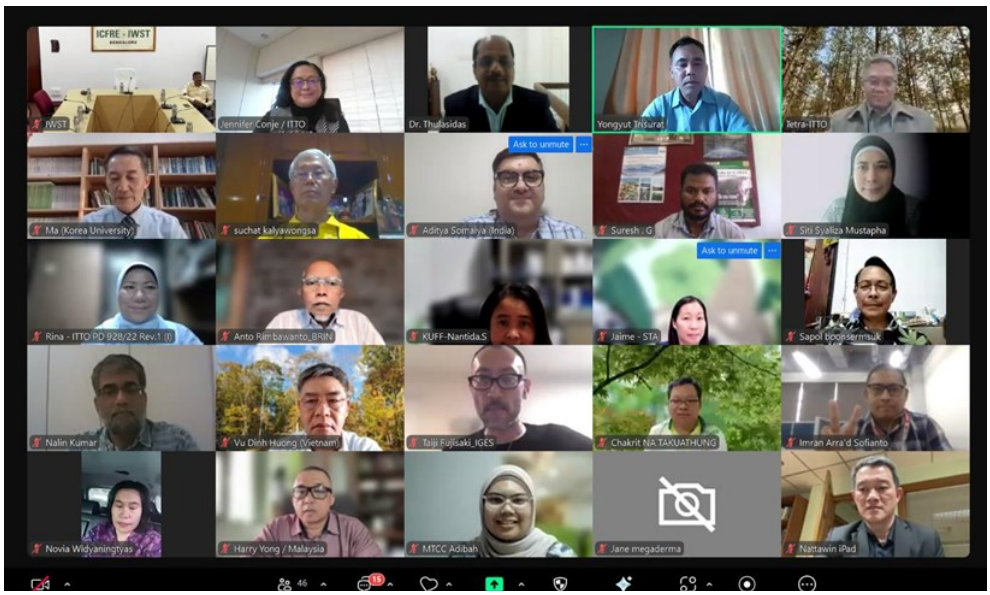
Federal Ministry of Food and Agriculture

1st Bimonthly Webinar Series on Teak Supply Chains and Market Demands

Date: 14 February 2025



Attendees of 1st Webinar series

The ITTO-BMEL Teak project team organised the 1st bimonthly webinar on **'Teak supply chains and market demands'** on 14th February 2025 as part of the 2nd phase of ITTO - BMEL Teak project *"Promoting Quality Timber Production in Smallholder and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)"* now under implementation in six countries in Asia Pacific and Togo in W. Africa.

Background

A series of 12 bimonthly webinar series are planned in collaboration with TEAKNET to leverage shared expertise, resources, and networks in teak and high-value timber species production. This bimonthly webinar series will provide a platform for stakeholders to exchange up-to-date knowledge and share successful case studies to address challenges in building legal and sustainable supply chains. Key topics include good quality material sourcing, quality timber production (covering silvicultural practices, pest and disease control, and fire management), certification, legality, and the role of carbon finance and incentives for sustainable plantation management of teak and other valuable species.

The project ***"Promoting Quality Timber Production in Smallholder and Community-based Teak and Other Valuable Species Plantations in the Tropics (PP-A/54-331A)"*** aims to support sustainable and productive management of teak and other high-value timber plantations in tropical regions. Aligned with the policies and strategic goals of participating countries, the project focuses on sustainable plantation management, enhancing value chains, and ensuring certification and legality of timber production. By fostering capacity building among smallholders and forest-dependent communities, the project seeks to promote sustainable livelihoods and a high-quality timber supply.

Webinar Objectives

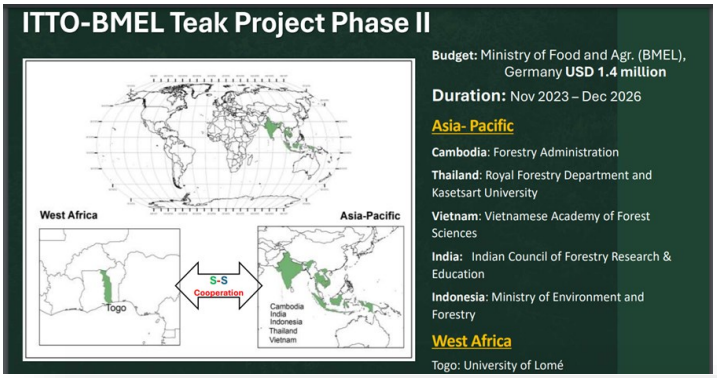
The webinars aim to create a collaborative learning platform for smallholders, forestry authorities, and academic partners to advance knowledge and innovation across the teak and valuable species supply chains. Specific objectives are to:

* Facilitate exchange of experiences in smallholder teak and timber supply and value chains
* Promote carbon financing and incentive mechanisms for smallholders
* Enhance the understanding and application of sustainable management practices for teak and other valuable timber species, empowering smallholders to increase productivity, and compliance with certification and legality standards.

The Programme Schedule of the 1st webinar conducted on 14 February 2025 is shown below.

Prof. Yongyut Trisurat, Regional Project Manager of the ITTO-BMEL Teak project, Kasetsart University, Bangkok, Thailand moderated the Webinar. Prof Yongyut briefly introduced the newly initiated 2nd phase of the ITTO-BMEL Teak project implementing in six countries in Asia – Pacific and Togo in W. Africa with the financial outlay of 1.4 million US dollars funded by the Federal Ministry of Food and Agriculture, Germany and executed by ITTO, Japan.

The major aim of the project is to promote the production of quality timber in smallholders and communities-based teak and other valuable species plantations to improve livelihoods and social and environmental outcomes as outlined in the 3 outputs shown below.



He then invited Ms. Jennifer Conje, Director, Forest Management Division of ITTO, Japan to deliver the Opening Remarks. Ms. Jennifer welcomed the two speakers and participants to the first webinar and highlighted the salient objectives of the ongoing 2nd phase of the ITTO-BMEL teak project and the anticipated outcomes. She appreciated Dr. Ma Hwan-ok for coordinating this webinar series as part of the 2nd phase of teak project and consolidation of the outcomes at the end of the project period.

Opening remarks by Ms. Jennifer Conje, ITTO, Japan

After her brief introduction and opening address, Prof. Yongyut invited Dr. Tetra Yanuariadi, ITTO Project Manager to make a presentation on the topic "***Legal and Sustainable Supply Chains: Respond to Market Requirements***".

Output 1 (3 activities)	**Supply chains of smallholders and community-based teak and other valuable species plantation and management systems strengthened with easy availability of high-quality planting stock and implementation of improved practices in silviculture, and timber processing and legality.**
	Conserve teak and other valuable species genetic variation, demonstration plots and field training, national timber legality
Output 2 (4 activities)	**Financing schemes for quality timber production in smallholders and community-based teak and other species plantations analyzed and improved**
	Feasibility on contract farming remunerative prices, micro-financing, access to voluntary carbon markets to increase revenues from longer rotation
Output 3 (4 activities)	**Regional and international collaboration, information sharing and knowledge management, networking strengthened.**
	Produce and disseminate outreach and training materials, teak networking, sharing lesson learns (regional workshops, IUFRO World Congress 2024 (Sweden) and in the 5th World Teak Conference 2025 (India)

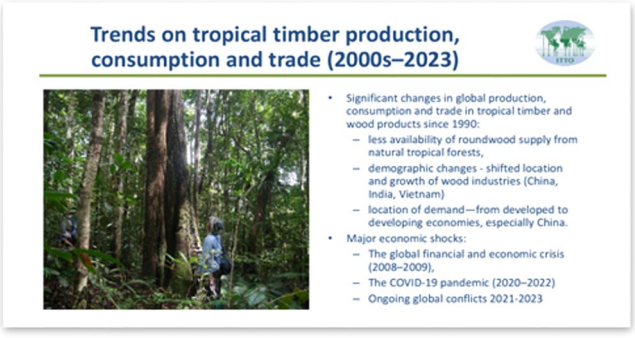
Prof. Yongyut inviting Dr. Tetra (right)

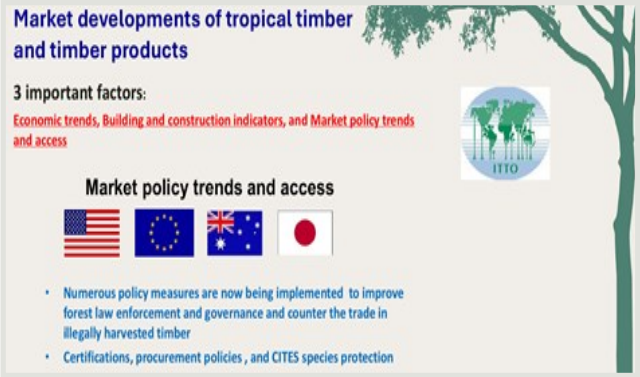
Dr. Tetra first talked about the tropical forests' contribution (45% of the all forests) critical to the sustainable management of forests, how 1.6 billion people depend on it for sustenance. When sustainably managed, tropical forests are healthy, productive and renewable ecosystems contributing to nature-based solutions.

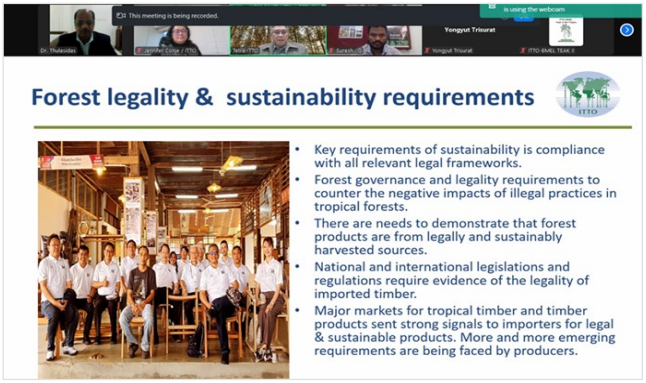
construction indicators and market policy trends and access.

There are needs to demonstrate that forest products are from legally and sustainably harvested sources and produce evidence of legality of imported timber.

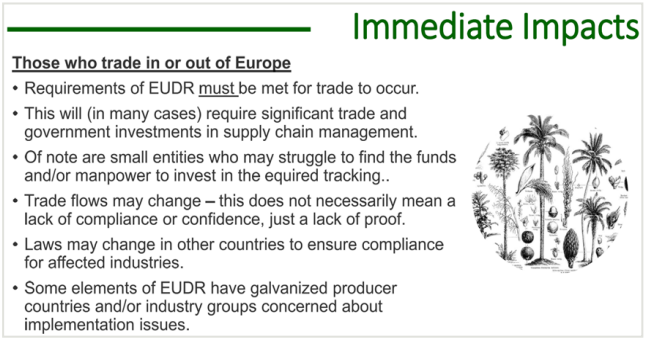
He then elaborated on the tropical timber production, consumption and trade during 2000-2023; touched upon the forest legality and sustainability issues; timber regulation of EUTR and EUDR; and the market developments of tropical timber and timber products. The important factors involved in it are: Economic trends, building and

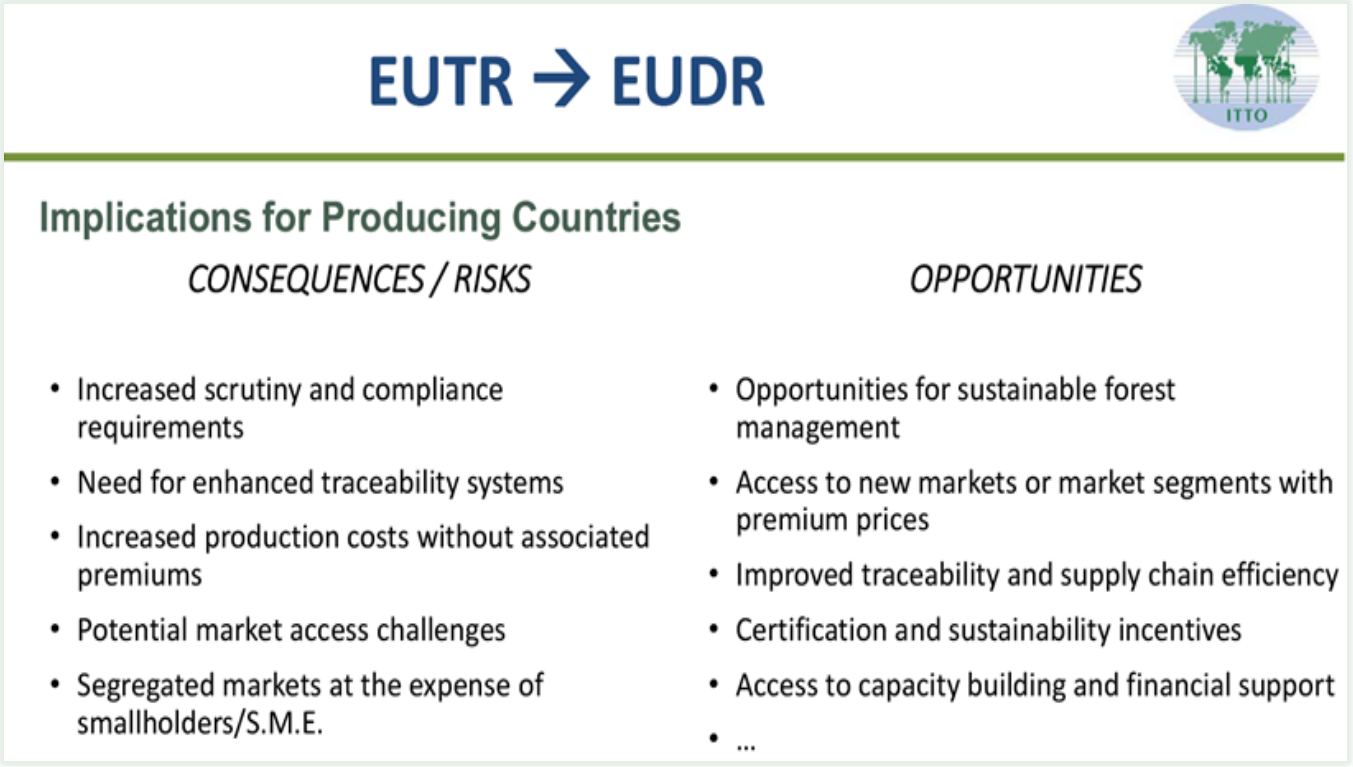






Important among the timber regulations are EU Timber Regulation (EUTR) and the newly introduced EU Deforestation and Regulation (EUDR) which was supposed to get implemented since December 2024 and its implementation was postponed for more constructive discussion and consensus among various stakeholders and delayed for another 1 year to take effects. Dr. Tetra elaborated its pros and cons and the new opportunities it provides.





In the ITTO supported Macao GLSTF 2024 conclave conducted last year in September, it was agreed for an Action Framework for Promoting Legal and Sustainable Timber Supply Chains in the eight major lines as outlined below.

Dr. Tetra continued to elaborate that forest plantations can ensure larger productivity and provide continuous supply of tropical timber with enhanced yield through the intervention of technology available to produce uniform industrial raw material.

He cited investment in Teak plantations as an example with knowledge of silvicultural management and adaptability of the species to varied climate and soils, have the capacity for enhanced yield and productivity. The sustaining teak forests in Asia pacific promote engagement of smallholders and communities for quality timber production.

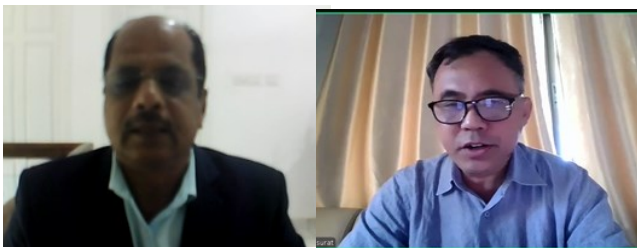
Sustaining Teak Forests in Mekong Basin

(ITTO-BMEL Regional Workshop, Yangon, Myanmar in September 2019)

- **Enhancing the *in-situ* and *ex-situ* conservation of teak genetic resources** through seed production areas and seed orchards to improve the genetic base of populations and avoid genetic erosion; **improving silvicultural aspects of teak plantations**, from the selection of suitable sites to thinning and harvesting techniques.
- **Promoting the engagement of smallholders and communities**, including young people and women, and motivated local restoration leaders
- **Promoting value chains for teak timber and timber products** through value-added product development, improved marketing and greater access to finance and long-term investment

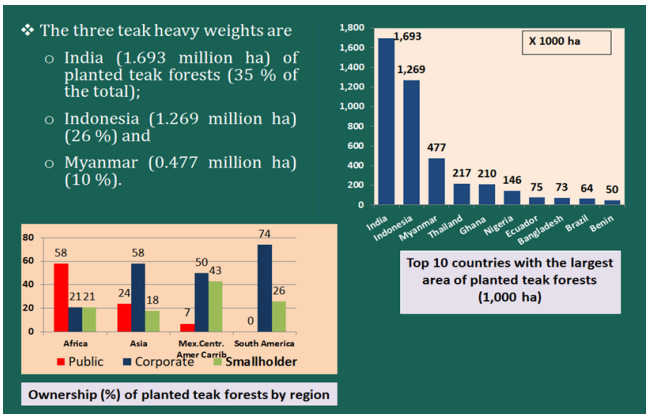
https://www.itto.int/news/workshop_explores_contributions_of_mekong_teak_forests_to_sdgs/

The 2nd presenter was Dr. P.K. Thulasidas, Former Principal Scientist of KFRI, Peechi and former TEAKNET Coordinator, India on the topic "*Smallholder Teak and other valuable species plantations towards market demands*".

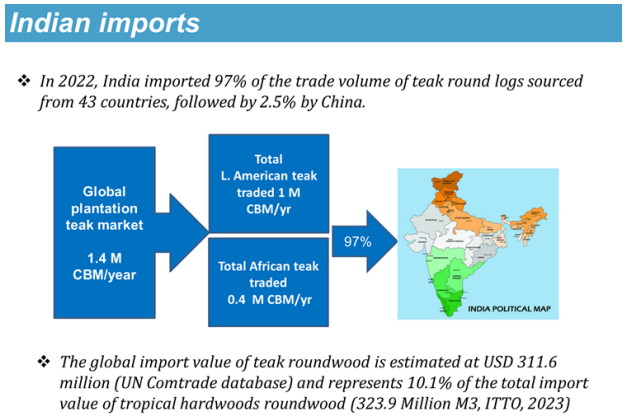


Dr. PK Thulasidas (left) being introduced by Prof. Yongyut Trisurat

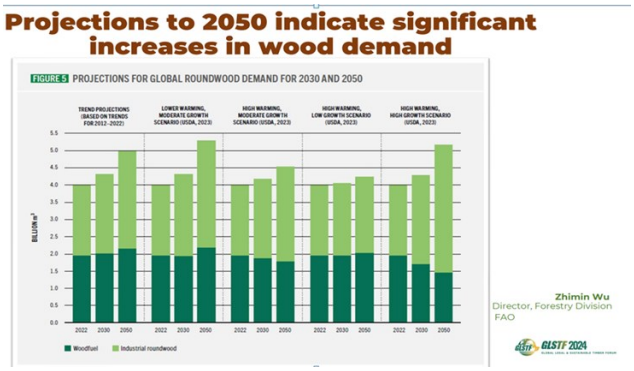
Dr. Thulasidas gave a global overview of planted teak forests in 80 tropical regions and the area increased as per the recent assessment of TRMA 2022. The three heavy weights of planted teak forests are India, Indonesia and Myanmar in the top 10 countries as shown below.



The trade of planted teak roundwood is less than 2% of total roundwood volume globally. India imports 1.4 million cubic meters traded In 2022, 97% percent of the trade volume of teak was directed towards India and less than 2.5% by China followed by Vietnam (0.5%) as shown below.



The projections of global roundwood demand to 2050 indicate substantial increase to 5.25 billion cubic meters as per FAO 2024 report.



Coming to smallholder teak farming systems in the tropics, Teak tree is also widely cultivated by smallholders in combination with other agricultural crops or alone as an alternative livelihood option and served as farmer's living saving bank to meet immediate financial requirements. Teak-based small-scale production systems enable farmers to diversify farm production, support food security, generate income and reduce financial risk.

However, the smallholders are facing multifaceted challenges for profitable tree farming in their marginal woodlots that ranges from less than 1 ha to more than 10 ha. These key challenges includes insecure land tenure often with high transaction costs involved in certification schemes which farmers cannot afford without the support of government; non-availability of good quality germplasm material; inadequate technical know-how and lack of training on silvicultural tree management; long gestation period of teak and lack of financial support to sustain the farmers' livelihood to keep the tree for long rotations; and involvement of middlemen reduces their bargaining power and ultimately sold the teak at low market prices. Most importantly, the smallholder tree growers are unorganized and do not have the financial resources to support for quality wood products due to lack advanced machineries available at their disposal.

In spite of all these challenges, they do have good opportunities as well. Dr. Thulasidas presented the case studies of Indonesia, Thailand and Cambodia to highlight the good practices followed by the teak smallholders to produce larger volume of quality timber products.

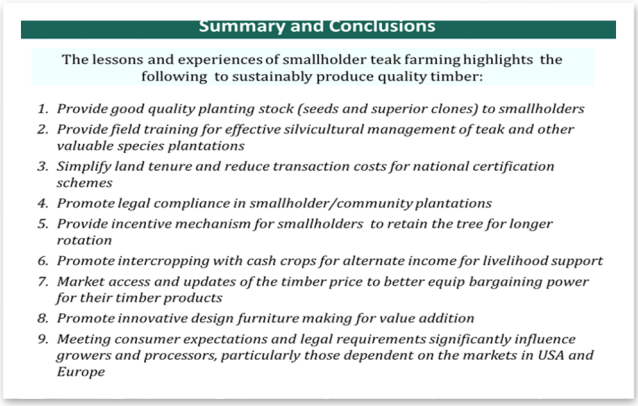
In Indonesia, over 1.5 million smallholder farmers holds around 80% of raw material used by small- to medium-sized teak furniture firms that utilizes short-rotation small diameter logs, the diameter less than or equals to 30 cm. They produce quality furniture products that are acceptable to the domestic market and SVLK certified furniture products are aimed at export market and the government offer support to smallholders on their efforts.

In the case of Cambodia, the Forestry Administration encourage Public– Private Partnership in providing tree cultivation in leased govt. land (ELC) and allow investments in tree farming by smallholders.

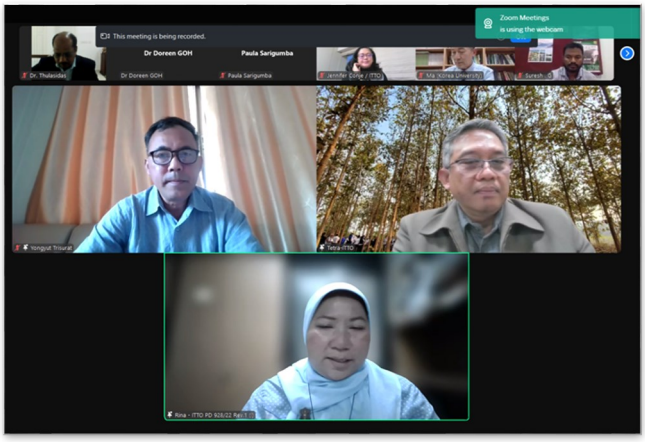
In Thailand's northern province of Phrae, the small and medium enterprise smallholders produce novel furniture products for domestic markets and engaged trained youths to manufacture new design products to attract foreign markets using sophisticated machineries. In Pua district, the integrated commercial teak plantation owners encourages the village farmers to cultivate agricultural crops like, pumpkin, upland rice and other cash crops of their choice intercropping with teak in their plantation and harvest the crops 100% free to take it to the market thereby farmers and the planter's are mutually benefitted as detailed in the low slides.

In fact, the ITTO-BMEL Teak project phase II encourage smallholders and forest dependent communities to plan sustainably manage forest resources and increase income by diversifying their product value chain.

Dr. Thulasidas summed up the presentation with the following key points for future consideration to sustainably manage smallholder teak and other valuable species production systems.



This was followed by Q & A in which the two presenters Dr. Thulasidas and Dr. Tetra answered the queries raised by the audience joined online.



Dr. Rina, Indonesia raising queries to ITTO

Over 70 participants attended the webinar.

Report by

PK Thulasidas & Yongyut Trisurat
ITTO-BMEL Teak project team

Hurry up !

The Abstract Submission deadline of 5th WTC coming up on 28 February !

https://worldteakconference2025.com/abstract/

* Join global experts, policymakers, and stakeholders to discuss sustainable teak management, trade, and innovations.
* Details & Registration: See the 2nd Announcement
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