



ITTC-32 HIGHLIGHTS: MONDAY, 13 MAY 2002

The thirty-second session of the International Tropical Timber Council (ITTC-32) commenced on Monday with opening statements from Manoel Sobrah Filho, Executive Director of the International Tropical Timber Organization (ITTO), Jürgen Blaser, Chair of the ITTC, Dewa Made Beratha, Governor of Bali, Ibu Megawati Soekarnoputri, President of Indonesia, and others. The Council addressed organizational matters and heard reports on the recent Informal Advisory Group meeting and ITTO International Workshop on Comparability and Equivalence of Forest Certification Schemes. Delegates also met in a joint Committee session and in sessions of the Committees on Forest Industry (CFI) and on Reforestation and Forest Management (CRF).

COUNCIL SESSION

OPENING STATEMENTS: Manoel Sobral Filho, ITTO Executive Director, welcomed delegates to ITTC-32. He noted progress toward achieving international trade in tropical timber from sustainably managed forests, particularly through policy reform in ITTO member countries, but stressed the need to improve forest management on the ground, and described ITTO efforts to train forest managers in sustainable forest management (SFM) practices. He highlighted ITTO's portfolio of projects to promote SFM, but stressed that the ITTO can and must do more. He said the ITTC-31 decision to combat illegal logging and illegal trade in timber is one of the most important ITTC decisions in terms of addressing impediments to SFM. Highlighting the lack of funds as the primary factor undermining SFM, he noted the failure of markets to remunerate the global services provided by natural forests, and called for a massive public education campaign to popularize the concept that these services need to be paid for by the international community.

Jürgen Blaser, ITTC Chair, noted that Objective 2000 has not yet been achieved, and stressed the need to ensure that forthcoming negotiations of the new agreement help create SFM and fair and transparent trade. Highlighting Indonesia's role in tackling the issue of forest law enforcement and illegal trade in forest products, he urged the ITTO to formulate concrete actions to implement its recent decision on this issue. He also expressed hope that ITTC-32 would critically review the draft Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests and adopt a decision and possibly a Bali Initiative to further promote the issue. He underscored the need for the ITTO to become the platform for stakeholder dialogue on SFM, citing an ITTO project in Africa on fostering a partnership as a promising development to this end.

Dewa Made Beratha, Governor of Bali, highlighted Bali's efforts to preserve its forests. He welcomed delegates to Bali and wished delegates success in their deliberations.

Ibu Megawati Soekarnoputri, President of Indonesia, outlined five priorities of the Indonesian Government, including: addressing illegal logging and trade; restructuring the forest industry; dealing with forest fires; decentralizing forest management; and developing industrial plantation forests. She highlighted

a moratorium on forest conversion, and called for greater international cooperation to curb illegal practices. She hoped the ITTO would assist in endeavors to implement SFM, particularly rehabilitation and conservation activities.

Muhammad Prakosa, Minister of Forestry of Indonesia, described the Indonesian forestry sector, underscoring the alarming rate of deforestation. He emphasized the gap between supply and demand of timber, highlighted efforts to restructure the forestry industry, and lamented the minimal success of reforestation programmes. He called for full commitment to combating illegal logging and trade, hoped the outcomes of the 2001 Forest Law Enforcement and Governance (FLEG) meeting held in Bali would result in concrete action, highlighted a memorandum of understanding with the UK on FLEG, and expressed hope that ITTC-32 would result in concrete progress on this issue.

Catherine Boka Agoussi Angele, Minister of Forests of Côte d'Ivoire, outlined her country's integrated forest policy, which focuses on sustainable management of forests based on management plans; includes the establishment of forest plantations, a ban on log exports, and reorganization of the rural sector; complements poverty reduction efforts; and seeks to maintain the environmental and socioeconomic functions of forests while providing for management of forest stands and agricultural activities in forest reserves. She highlighted concerns relating to certification, stressing the need to understand its impact on the purchase price of certified forest products, and said the ITTO and forest certification bodies should help producer countries overcome difficulties to achieve certification of tropical forests.

Kenichi Mizuno, Parliamentary Secretary for Foreign Affairs of Japan, emphasized the need for greater efforts to fulfill the ITTO Yokohama Action Plan on implementation of forest laws and SFM at the local level. Expressing Japan's determination to continue support for tackling illegal logging in the Asia-Pacific region and Latin America, he called on the ITTO and others to join the Asia Forest Partnership on promoting SFM. He stressed the need for the ITTO to participate in the WSSD, and called for concrete actions to assist African member countries, which should be acknowledged as a WSSD partnership.

Juan Mayr Maldonado, Minister of Environment of Colombia, stated that forest management and biodiversity are of the highest priority for Colombia. He stressed the need to respond to challenges to forest management posed by climate change, highlighted the mangrove workplan and the management of secondary forests as extremely important to countries with such ecosystems, and called for donor attention to these issues. He also emphasized the need to reconcile the reforestation and rehabilitation of forests with techniques for maintaining biodiversity.

David Kaimowitz, Director-General of the Center for International Forestry Research (CIFOR), highlighted the important role of the Collaborative Partnership on Forests (CPF) in strengthening formal and informal cooperation to serve the needs of countries more effectively. He underscored the continuing importance of forest research in order to critically analyze what has been done and to improve forest practices in the future.

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Wulf Killmann, Director of the UN Food and Agriculture Organization (FAO) Forest Products Division, highlighted benefits of the complementary relationship between the ITTO and FAO, and outlined several areas of collaboration related to, *inter alia*: forest fires, criteria and indicators for SFM, certification, forest and climate change issues, statistics, definitions, illegal logging, and reduced impact logging.

ORGANIZATIONAL MATTERS: Delegates ascertained the quorum, adopted the provisional agenda (ITTC(XXXII)/1) and organization of work, heard a report on membership of the ITTC, approved the distribution of votes for 2002 (ITTC(XXXII)/1 Annex), and admitted all observers (ITTC(XXXII)/Info.3).

INFORMAL ADVISORY GROUP REPORT: Chair Blaser introduced the report of the Tenth Meeting of the Informal Advisory Group (ITTC(XXXII)/2), and noted that a number of items in the report, including certification, enhancing cooperation with civil society, the draft Guidelines on Restoration, Management and Rehabilitation of Degraded and Secondary Forests, preparatory work for a new agreement and possible long-term strategic plan, ITTO's contribution to the WSSD, and the Congo Basin Initiative would be discussed further on Tuesday and Thursday.

CERTIFICATION: Markku Simula, Finland, outlined the findings of an overview paper on certification and the April 2002 ITTO International Workshop on Comparability and Equivalence of Forest Certification Schemes. The workshop concluded, *inter alia*, that: tropical producers are lagging behind in certification but are committed to SFM; certification can help control illegal logging and trade and reduce deforestation; there is no consensus on the need for mutual recognition, although an international framework could be useful; national certification schemes ensure local specificity but suffer from uncertainty about recognition; a phased approach could be a feasible solution for tropical producers to gain recognition in efforts to implement certification; and regional initiatives are useful for developing comparable standards and mobilizing support for tropical producers. The workshop formulated recommendations for ITTO action, including to: support capacity building; monitor progress in comparability and equivalence of certification systems and explore opportunities for promoting convergence; keep members informed on international frameworks of mutual recognition; facilitate discussion and provide support to explore the feasibility of a phased approach; recognize certification's contribution to controlling illegal logging and trade; and support regional certification initiatives.

JOINT COMMITTEE SESSION

A Joint Committee session was convened briefly to discuss the Report of the Expert Panel for Technical Appraisal of Project Proposals (CEM, CRF, CFI(XXX)/1). Regarding relevance to the ITTO and proposals related to non-timber forest products (NTFPs), CHINA stressed that development of NTFPs should be an ITTO priority area. SWITZERLAND said project proposals should address gender-related aspects, and said the manual for project formulation should address comparability between the ITTO and the GEF.

COMMITTEE ON FOREST INDUSTRY

Candy Green (US), Chair of the Committee on Forest Industry (CFI), opened the thirtieth session of the CFI. Delegates adopted the agenda and organization of work, and heard reports on a completed pre-project on human resources development for the improvement of the forest industry in Cambodia and a project on utilization, collection and trade of tropical NTFPs in the Philippines (CFI(XXX)/3). The Committee agreed to consider a project in the Philippines on utilization, collection and trade of tropical NTFPs as the candidate for ex-post evaluation. The Committee then recommended the approval of implementation and financing for projects on strengthening capacity building of the forest and forest products research base for SFM in Cambodia and on poverty alleviation through community participation in sustainable utilization of bamboo in Myanmar. The Committee suggested that a project on development of sustainable rattan production and utilization in Indonesia be revised. The Committee also recommended for implementation and financing a pre-project on the feasibility of introducing and developing non-destructive testing technologies and methods for assessment and monitoring of timber/wood struc-

tures in various structural and end-use applications in Ghana. The Committee then considered projects and pre-projects with implementation problems (CFI(XXX)/4), including projects to establish a wood workers and craftsmanship village in Ghana and to build capacity in planning and management of forest industries in ITTO producer countries.

COMMITTEE ON REFORESTATION AND FOREST MANAGEMENT

Angela Andrade Pérez (Colombia), Chair of the Committee on Reforestation and Forest Management (CRF), introduced the Report on completed projects and pre-projects (CRF(XXX)/3). She highlighted specific projects for which financial audits remain pending, and delegates commented on progress in this regard.

The Committee considered conclusions and recommendations of an Ex-post evaluation report on six ITTO projects in the field of SFM implemented in Latin America (CRF(XXX)/11), which focuses on strategic issues related to the projects. Conclusions addressed the appropriateness of design, efficiency and effectiveness, links with national forest policy processes, sustainability of interventions, economics of production, and contribution to the achievement of Objective 2000. Recommendations for future ITTO projects included, *inter alia*: stakeholder consultations; forest managers as key actors; clear links with national policy processes; production and market-oriented SFM projects verified through certification; partnerships with the private sector to consider the SFM production chain; partnerships with community development agents to create enabling local conditions for SFM; adequate validation and dissemination mechanisms; and a clearly defined monitoring system. The report also noted that documentation available at implementing agencies is inadequate, and thus project history is often lost.

On community forestry and community participation, an ex-post evaluation of a project in Ghana on women and tropical forest development noted high implementation efficiency and reforestation through training and awareness-building activities. Despite weaknesses in the project design, the successful empowerment and participation of women was recognized. Recommendations addressed, *inter alia*, promotion of tree seedling production, women's access to land, and a strengthened monitoring and evaluation system. An ex-post evaluation of a project in Cameroon on forest management, community participation and sustainable utilization highlighted successes on the technical level, and underscored a mismatch between implementation of activities and their corresponding budgets.

IN THE CORRIDORS

As ITTC-32 got underway, delegates noted with satisfaction the high attendance at the opening session. Delegates highlighted the appointment of a new committed Executive Director, the increasingly prominent role of the ITTO through its involvement in the Collaborative Partnership on Forests as a focal point for trade, and the ITTC's recent decision on combating illegal logging and trade as indicators that the ITTO may be becoming an increasingly key player in the international forest arena. Although controversy in forthcoming discussions on certification is anticipated, delegates expressed hope that the ITTO's current momentum could help to bridge the divergence of views on this divisive issue.

THINGS TO LOOK FOR TODAY

COMMITTEE SESSIONS: The CRF will meet in the Nusantara Room from 8:00-9:30 am and 5:30-7:00 pm. The Committee on Finance and Administration will meet from 8:00-9:30 am, and the Committee on Economic Information and Market Intelligence from 5:30-7:00 pm, in Jakarta Room B.

ANNUAL MARKET DISCUSSION: The Discussion will take place from 9:30 am-12:30 pm in the Nusantara Room.

ITTC SESSION: The Council will meet from 2:30-5:30 pm in the Nusantara Room to consider CITES listing proposals by members, the Mangrove Conservation Programme, certification, an ITTO long-term strategic plan, a progress report on the implementation of the ITTO Work Programme for 2002, and the draft Annual Report for 2001.