



ITTC-32 HIGHLIGHTS: THURSDAY, 16 MAY 2002

Delegates at ITTC-32 met in a Council session on Thursday morning to consider, *inter alia*, enhancing cooperation with NGOs and civil society, the ITTO's role in the June 2002 initiative on forest law enforcement and governance (FLEG) to be undertaken in Congo, strengthening sustainable forest management (SFM) in Central African countries (Congo Basin), and the Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Forests. The Committees on Reforestation and Forest Management (CRF), Forest Industry (CFI), and Economic Information and Market Intelligence (CEM) met in the afternoon. Delegates also convened in a Chair's open-ended drafting group in the afternoon and evening to discuss draft decisions.

COUNCIL SESSION

Regarding an ITTC-32 decision on enhancing cooperation with NGOs and civil society proposed in the Report of the Informal Advisory Group (IAG) (ITTC(XXXII)/2), BRAZIL recommended further discussion to ensure the effectiveness of civil society participation. INDONESIA highlighted the need to encompass grassroots NGOs. The EC, with others, supported the decision. The GLOBAL FOREST POLICY PROJECT said a group of NGOs intended to form an advisory group, provided that it be given the same opportunities as other advisory groups. NEW ZEALAND highlighted the importance of identifying appropriate civil society groups to ensure their responsible involvement and continued interest in the ITTO. PAPUA NEW GUINEA expressed concern with the involvement of new groups in the ITTC.

The Council next considered the decision proposed in the IAG report on the ITTO's role in the June 2002 FLEG initiative to be undertaken in Congo. BRAZIL expressed concern with language adopted and representation at the 2001 FLEG meeting in Bali, and said the ITTO should follow the initiative but should not endorse or co-sponsor it. GHANA expressed concern with linking forest law enforcement with governance. The EC supported the initiative, while the US said the ITTO's role has yet to be defined.

ITTO Executive Director Sobral then introduced the documents on ITTO Objective 2000 (ITTC(XXXII)/8 and 9), and described activities being undertaken to assist member countries in achieving Objective 2000.

Delegates heard the Report of the mission in support of the Government of the Congo for the realization of ITTO Objective 2000 and SFM (ITTC(XXXII)/8). SWITZERLAND asked for more concrete recommendations, including a cost estimation. The US stressed the need to ensure implementation of the recommendations. ITTO Executive Director Sobral said further activities on this matter include preparation of an action plan and projects for support of SFM in Congo. Regarding strengthening SFM in countries in the Congo Basin (ITTC(XXXII)/7), consultants reported on the results of a technical mission on regional priorities and potential ITTO support. They called for increased focus on flora and fauna and the human dimension of SFM, and suggested that ITTO activities focus on: development of a package of activities in

the Congo Basin to be launched as a "Type II" initiative of the WSSD; SFM in concession areas adjacent to protected areas; applied research; and training.

JAPAN emphasized the need for education, training and capacity building activities. The US advocated a country-driven approach, and said that the ITTO should address commercial logging in the region. SWITZERLAND supported urgent action by the ITTO on protected areas, law enforcement and inventory norms. GHANA and others called for increased financial support from the international community. GHANA further emphasized the need for a holistic approach and capacity building for the private sector. CAMEROON called for a focus on transboundary reserves. GABON called for support for SFM, research and training. CONGO underscored country cooperation and, with CÔTE D'IVOIRE, stressed the need to address land-use issues. The DEMOCRATIC REPUBLIC OF THE CONGO supported education and the strengthening of institutions.

Delegates then heard a presentation on the Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests, which noted that a decision was being drafted, and that the Guidelines should be adopted, communicated to relevant actors, promoted, tested through projects, and put into practice. Another presentation, on forest landscape restoration (FLR), provided a context for work on the Guidelines, highlighted conclusions from a recent FLR workshop held in Costa Rica, and concluded that the Guidelines can make a significant contribution to the knowledge base for FLR. During an ensuing discussion, the PHILIPPINES called for norms and standards for secondary forest management. JAPAN recommended focusing the Guidelines on forest conservation and limiting the number of Guidelines. NEW ZEALAND, with CÔTE D'IVOIRE, stressed the need for a practical approach in the Guidelines. PAPUA NEW GUINEA emphasized addressing the causes of deforestation, determining lead actors, adopting an integrated approach and ensuring international cooperation in restoration programmes. SWITZERLAND proposed concrete actions for implementing the Guidelines, such as workshops and publications. COLOMBIA stressed the need for a feedback mechanism on Guideline implementation. The FAO highlighted an international process on the definition of forest-related terms relevant to the Guidelines.

COMMITTEE ON ECONOMIC INFORMATION AND MARKET INTELLIGENCE

The Committee considered project and pre-project proposals, and approved projects on promoting sustainable management of African forests, and on utilizing and managing Colombian flora. Regarding a proposal for a project on developing a Brazilian forest certification programme, the US expressed concern that it focused on developing a certification system rather than on developing capacity. The GLOBAL FOREST POLICY PROJECT said the ITTO decision on certification does not give the Council the authority to support specific certification schemes, and lamented the lack of stakeholder participation. BRAZIL responded that the project concentrates on human capacity building and on develop-

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ment of criteria and indicators (C&I), and that some environmental NGOs had been involved. JAPAN agreed that the ITTO should not support particular certification schemes, and advocated approval of the project. A decision on this project was deferred pending further discussion, as was a pre-project proposal for a certification project in Panama.

Under the agenda item on policy work, the Secretariat updated the Committee on issues relevant to market access, including, *inter alia*, legislative bills to restrict the use of tropical timber by public institutions, and WTO agreements relevant to trade in timber reached at its recent meeting in Doha. The Committee was also updated on discussions at the second session of the UNFF on matters related to trade and SFM. Delegates then heard a presentation on trade in secondary processed wood products (SPWP), which highlighted significant growth in SPWP exports by ITTO producer countries in the past decade, and noted that SPWP trade continues to be led by consumer countries and remains well below its potential due to the tariff differential, lack of product design, and the declining availability of tropical timber.

Regarding the Inter-Secretariat Working Group on Forest Statistics, the Secretariat noted the finalization of a joint forest sector questionnaire. On considering activities to fill gaps in data, including collecting and analyzing data on plantation resources and enhancing analysis of data on undocumented trade, the Secretariat noted a pre-project proposal on reviewing the Indian timber market as a precedent for India. The US requested further clarification on the pre-project, while MALAYSIA supported its approval. The US proposed the establishment of a process, such as an *ad hoc* expert group, to ensure that recommendations made to the CEM and the CFI are taken into account. The Secretariat then outlined the Committee's recommendations to the Council, including pre-project and project proposals approved, as well as project extensions and budget increases.

COMMITTEE ON REFORESTATION AND FOREST MANAGEMENT

The CRF reviewed progress on two projects, and considered and adopted a pending project proposal on forest inventories in the Amazonian sub-region. Regarding selection of projects for ex-post evaluation, the Committee adopted a proposal to select projects in the areas of model forests, mangrove forests, and reduced impact logging. On policy work, the Committee agreed to postpone consideration of issues related to demonstration areas until its next session. Regarding the mangrove workplan and the possible need for a set of C&I for mangroves, the Committee agreed to defer a decision until after a workshop is convened on the issue. In discussing follow-up on the ITTO Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Forests, JAPAN advocated an operational manual, and PAPUA NEW GUINEA and others emphasized the need to discuss the Guidelines nationally before deciding on follow-up measures. The NETHERLANDS suggested a focus on the economic benefits of restoration. The Committee also agreed to include forest fire management on the agenda of its next session.

COMMITTEE ON FOREST INDUSTRY

The CFI considered outstanding issues regarding the review of project and pre-project work in progress; adopted three pending project and pre-project proposals; noted difficulties in implementing a project on assessment of the benefits of downstream processing of tropical timber; extended the grace period for a project on non-timber production in the Amazon; announced the dates and venues of its next sessions; and considered other business, *inter alia*: a suggestion that the Expert Panel on Technical Appraisal of Project Proposals ensure consistency of projects with ITTC decisions and objectives; the announcement of a workshop on tropical timber processing in Southeast Asia; and extension of a project in Côte d'Ivoire.

CHAIR'S OPEN-ENDED DRAFTING GROUP

The Chair's open-ended drafting group met in the afternoon and evening to discuss the session's draft decisions. Following is a summary of the status of discussions as of 10:30 pm.

The group first addressed a draft decision on the formation of a Civil Society Advisory Group (CSAG). One producer country questioned the need for this decision. Regarding references in the preamble to environmental NGOs and other civil society organizations, delegates agreed to refer only to "civil society organizations." Delegates debated language in the preamble regarding representation of civil society organizations in Council sessions, the contributions of civil society organizations in the formulation of ITTO Guidelines, expert panels, missions and initiatives, and agreement to form a CSAG. One producer country opposed forming a "diverse and inclusive" CSAG, and this language was deleted. In the operative section of the decision, delegates agreed on language regarding collaboration between the CSAG and the Trade Advisory Group (TAG), CSAG participation and input similar to that of the TAG, and organization of a CSAG panel discussion at ITTC-33.

Delegates agreed to producer country language inviting the CSAG and the TAG to showcase examples of collaboration between civil society organizations and forest concessionaires and industry, and further consider how the ITTO could facilitate such cooperation. The group accepted a proposal by a number of producer countries to delete language on reviewing the respective roles of the CSAG and the TAG by ITTC-36. Delegates debated facilitating civil society participation, with one consumer country stressing the importance of jump-starting the process of producer country NGO participation. Some countries opposed allocating ITTO funds for this purpose, and a reference to the Bali Partnership Fund was deleted after two consumer countries offered up to US\$50,000 to facilitate, on a one-time basis, the participation of civil society organizations in a CSAG panel discussion.

Delegates then discussed the draft decision on the ITTO Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Forests. Noting insufficient time to review and comment on the Guidelines, some delegates said it would be premature to adopt the Guidelines at this stage. After further debate, delegates agreed to: adopt the Guidelines and request additional comments on them; prepare and publish the revised Guidelines and hold workshops to discuss and comment on them; publish an information brochure; and encourage member countries to test the Guidelines. They also agreed to evaluate progress on implementation of the decision at ITTC-35, and discussed budgetary provisions of the decision.

IN THE CORRIDORS

As delegates entered the final days of the session and dove into negotiations on the draft decisions, they emerged from the first meeting of the Chair's drafting group with what many felt was a landmark decision to establish a civil society advisory group, particularly in light of the financial support enthusiastically put forward to facilitate participation in a civil society panel discussion at the next ITTC session. While this decision got the drafting group off to a positive start, delegates were anxious about the far more difficult negotiations on the frequency of ITTC sessions. Many producer countries have observed that the pressure to reduce the frequency of ITTC sessions to once a year is stronger than ever, although some anticipated that a proposal to form a working group to hash out the issue intersessionally may prove to be an acceptable middle ground on which the two camps could meet.

THINGS TO LOOK FOR TODAY

COMMITTEE SESSIONS: The CRF will meet in the Nusantara Room, and the CEM in Jakarta Room B, from 9:00-10:00 am. The CFI will convene in the Nusantara Room, and the CFA in Jakarta Room B, from 10:00-11:00 am.

CHAIR'S OPEN-ENDED DRAFTING GROUP: The drafting group will meet from 11:00 am-1:00 pm and from 2:00-5:30 pm in the Surabaya Room.

PANEL ON SUB-ACCOUNT B OF THE BALI PARTNERSHIP FUND: The Panel will meet from 12:30-2:00 pm in the Bandung Room.