



## ITTC-37 HIGHLIGHTS: MONDAY 13 DECEMBER 2004

On Monday morning, delegates convened in Plenary to hear opening statements and attend to organizational matters. In the afternoon, delegates met in a Joint Committee session to hear a report from the Expert Panel on the Technical Appraisal of Project Proposals and recommence work on improving effectiveness and efficiency of project work, and in the Committees on Economic Information and Market Intelligence and on Forestry Industry (CEM/CFI) and the Committee on Reforestation and Forest Management (CRF) to, *inter alia*, hear reports on completed projects and pre-projects and review *ex-post* evaluations.

### OPENING SESSION

**OPENING STATEMENTS:** Jan McAlpine (US), ITTC-37 Chair, opened the meeting by welcoming delegates and observers. She noted that over the past decade ITTC has developed an atmosphere of mutual respect and cooperation and is capable of addressing sensitive issues such as illegal logging. She reported on ITTO's contribution to the recent World Conservation Congress and CITES Conference of the Parties, and drew attention to ITTO's work on timber trade statistics. Chair McAlpine noted that ITTO is the only organization to have addressed the need for capacity building in relation to CITES compliance, and concluded that ITTO is poised to achieve its objectives but requires greater financial support to do so.

Hiroshi Nakada, Mayor of Yokohama, noted that ITTO differs from other commodity agreements in that it promotes sustainable development and environmental conservation. He said ITTO continues to play an important role in policy making and project work. Noting the importance of the successor agreement to the ITTA, 1994, he expressed hope that Yokohama will continue to host the ITTO.

Manoel Sobral Filho, ITTO Executive Director, expressed appreciation for Yokohama's renewed pledge to support ITTO. He stated that the most important challenge facing negotiators of the successor agreement to the ITTA, 1994 is to ensure that the Organization's work is well financed. He expressed appreciation for a recent financial contribution to ITTO by the Netherlands, calling on other countries to follow suit. Sobral said that strengthening private sector engagement should continue to be a priority, but stressed the importance of supporting local and

indigenous communities in sustainable forest management (SFM) as well. He reported on ITTO's enhanced collaboration with CITES, highlighting an ITTO-sponsored workshop held in Peru in May 2004 on capacity building for the implementation of the CITES Appendix-II listing of mahogany.

Naoto Maeda, Ministry of Agriculture, Forestry and Fisheries of Japan, noted that illegally logged timber impedes the achievement of SFM and said international fora such as the Asia Forest Partnership (AFP) were established to study these issues. He noted that a workshop was held in August 2004 to strengthen the AFP, and a joint statement was signed with the Government of Indonesia to establish a tracking system to prevent illegal logging and trade. Maeda indicated the importance of bilateral and multilateral efforts to improve knowledge and technology for forestry and forests.

Emile Doumba, Minister of Forest Economy of Gabon, said Gabon was still dedicated to meeting ITTO Objective 2000. Doumba noted that SFM will be among the major themes of the Conference of Ministers in Charge of Central African Forests (COMIFAC), and expressed hope that ITTO member states would help fund initiatives related to COMIFAC's work. Noting that Gabon's SFM action plan includes the establishment of statistical systems to ensure the traceability of the country's timber, he indicated that Gabon was determined to diversify and make forestry a major contributor to the country's economy. Doumba called on members to support the Bali Partnership Fund and to discuss how SFM might contribute to the Clean Development Mechanism. He noted Africa's upcoming opportunity to preside over the ITTC, recommended that a second spokesperson be named within the Producer group to ensure equal representation of all countries, and called on members to support the future nomination of an African Executive Director.

Shigeki Sumi, Ministry of Foreign Affairs of Japan, called for increased funding by all members to support ITTO projects and work in support of the successor agreement to the ITTA, 1994. He listed a number of events that support ITTO objectives, including recent AFP meetings on fire and enforcement, the upcoming World Expo in Japan, and the G8 summit in the United Kingdom.

**ORGANIZATIONAL MATTERS:** Sobral reported that quorum had been attained and that the membership of the ITTC remained at 59: 26 consuming members and 33



producing members. Delegates adopted the agenda. Chair McAlpine announced that the distribution of votes adopted at ITTC-36 would be used to determine assessments for the draft 2005 Administrative Budget.

### JOINT COMMITTEE SESSION

**REPORT OF THE EXPERT PANEL ON THE TECHNICAL APPRAISAL OF PROJECT PROPOSALS:** Ricardo Umali, Chair of the Expert Panel on the Technical Appraisal of Project Proposals, presented the report of the Expert Panel's twenty-eighth session (CEM,CFI,CRF,CFA(XXXV)/1). He noted improved proposal quality and highlighted the Panel's recommendations that Council, *inter alia*: remind members to prioritize proposals at the national level prior to submission; provide criteria for judging whether projects are transboundary in nature; develop independent procedures for addressing requests for funding conferences and workshops; pay urgent attention to the Expert Panel's recommendations to improve project formulation, appraisal, monitoring and implementation and revise and integrate all current manuals into one simplified manual covering the whole project cycle; and take decisions to limit the number of proposal revisions and to improve in the Expert Panel's Terms of Reference, in particular its procedures for rating and assessment.

BRAZIL described its efforts to screen projects and said there have been some inconsistencies in Panel evaluations. The EUROPEAN COMMISSION (EC) noted that the Panel's recommendations explain why the EC is reluctant to fund some projects, particularly those from a single country that conflict with one another. The NETHERLANDS said that the project cycle needs to be more transparent and linked to ITTO objectives. GUATEMALA endorsed Brazil's practice of screening projects.

**IMPROVING THE EFFECTIVENESS AND EFFICIENCY OF PROJECT WORK:** The ITTO Secretariat described the background of the working group on improving the effectiveness and efficiency of project work and listed several of its recommendations, including utilization of national clearinghouses, workshops, technical assistance, project guidelines and appraisals.

Chris Ellis (US), CFA Chair, noted that an open informal focus group would convene to formulate a draft Council decision concerning project cycle improvements.

### CEM-CFI

**COMPLETED PROJECTS AND PRE-PROJECTS:** Delegates heard reports of completed projects on: extension and consolidation of statistical reporting in Bolivia; industrial utilization of rubberwood in Colombia; village industry around an industrial plantation in Indonesia; sustainable development in Association of South East Asian Nations member countries; and developing, publishing and disseminating global information on increasing timber processing and utilization efficiency and reducing waste.

**EX-POST EVALUATIONS:** Delegates reviewed an *ex-post* evaluation on a project on training development on assessment of SFM in Indonesia.

**SELECTION OF PROJECTS FOR EX-POST EVALUATION:** Delegates selected the completed project on the introduction of village industry around an industrial forest plantation in Indonesia for *ex-post* evaluation.

**PROJECTS, PRE-PROJECTS AND ACTIVITIES IN PROGRESS:** Delegates reviewed projects, pre-projects, and activities in progress on: the establishment of a national

statistical system for imported timber and timber products in Egypt; establishment of a data collection and dissemination system on a sustainable basis for timber marketing statistics in Cameroon; enhancement of a forest statistics information and management system in Gabon; promotion of sustainable management of African forests; strengthening of ITTO market discussions; and activity to facilitate development of a joint ITTO/Economic Commission for Europe/Food and Agriculture Organization/EUROSTAT forest statistics questionnaire.

### CRF

#### COMPLETED PROJECTS AND PRE-PROJECTS:

Delegates heard completed project reports on: integrated buffer zone development for sustainable management of tropical forest resources in Thailand; support to grassroots forestry promotion initiatives in the Yoto area in Togo; development of the Lanjak-Entimau wildlife sanctuary as a totally protected area in Malaysia; establishment of Rio Preto's national forest in Brazil; rehabilitation of natural forests in Malaysia; forest management of natural forest in Malaysia; support for the development of a forestry and wildlife law in Peru; a global mangrove database and information system; silviculture and economics of improved natural forest management in Ghana; balsa industry strengthening in Papua New Guinea; bi-national conservation and peace in the Ecuador-Peru Condor Range region; sustainable management and rehabilitation of mangrove forests by local communities on the Caribbean coast of Colombia; and dissemination of forest development and research results obtained during the implementation of the technical project for forest conservation in Panama.

Delegates heard completed pre-project reports on: the rehabilitation of damaged areas of the 'Cerrado' in Brazil; a forestry inventory for the sustainable production of mahogany timber in Brazil; support for development of a project for participatory follow-up and evaluation of forestry, protected areas and wildlife policy in Honduras; an action plan on sustainable mangrove management at the global level; a firefighting initiative in Switzerland; development of a master plan for forest management in the Congo; and development of national criteria and indicators (C&I) for SFM in the Congo based on ITTO C&I.

**EX-POST EVALUATIONS:** Delegates heard *ex-post* evaluations on: conservation and provenance plantings and integrated pest management to sustain iroko production in West Africa; *ex situ* conservation of *Shorea leprosula* and *Lophopetalum multinervium* and their use in future breeding and biotechnology in Indonesia; a project for a timber plantation in the reserved forest of Haho-Baloe in Togo; the development and promotion of afforestation activities in Egypt; and a pilot project for the reforestation and rehabilitation of degraded forest lands in Ecuador.

### IN THE CORRIDORS

At the outset of ITTC-37, several delegates were upbeat about the future prospects for ITTO, noting that the organization is well poised to continue and even strengthen its policy and project work, including on C&I, illegal logging and tropical timber data. Others look forward to the much anticipated final report on the study of export and import data on tropical timber products and have noted that the report will likely have widespread implications for Council and the negotiation of the successor agreement to the ITTA, 1994.