



**UN CONFERENCE FOR THE NEGOTIATION
OF A SUCCESSOR AGREEMENT TO THE
INTERNATIONAL TROPICAL TIMBER
AGREEMENT, 1994, THIRD PART:
27 JUNE – 1 JULY 2005**

The third part of the United Nations Conference for the Negotiation of a Successor Agreement to the International Tropical Timber Agreement, 1994 (ITTA, 1994) will convene at the Palais des Nations in Geneva, Switzerland, from 27 June to 1 July 2005. The Conference, which is held under the auspices of the United Nations Conference on Trade and Development (UNCTAD), will focus on the thematic areas of scope and finance in the new agreement. Negotiations will be based on the final working document from the second part of the Conference (TD/Timber.3/L.4). The goal of the third part of the Conference is to reach agreement and adopt the successor agreement.

A BRIEF HISTORY OF THE UN CONFERENCE AND ITTA

The International Tropical Timber Agreement (ITTA) was negotiated under UNCTAD's auspices to: provide an effective framework for cooperation and consultation between countries producing and consuming tropical timber; promote the expansion and diversification of international trade in tropical timber and the improvement of structural conditions in the tropical timber market; promote and support research and development to improve forest management and wood utilization; and encourage the development of national policies for the sustainable utilization and conservation of tropical forests and their genetic resources and for maintaining the ecological balance in the regions concerned.

The ITTA was adopted on 18 November 1983, and entered into force on 1 April 1985. It remained in force for an initial period of five years and was extended twice for three-year periods. The Agreement was renegotiated during 1993-1994. The successor agreement, ITTA, 1994, was adopted on 26 January 1994, and entered into force on 1 January 1997. It contains broader provisions for information sharing, including non-tropical timber trade data, allows for consideration of non-tropical timber issues as they relate to tropical timber, and includes the Year 2000 Objective to enhance members' capacity to implement a strategy for achieving exports of tropical timber and timber products from sustainably managed sources by the year 2000. The ITTA, 1994 also established the Bali Partnership

Fund to assist producing members in achieving the Year 2000 Objective. Initially concluded for three years, the ITTA, 1994 was extended twice for three-year periods and is scheduled to expire on 31 December 2006.

The ITTA, 1983 established the International Tropical Timber Organization (ITTO), headquartered in Yokohama, Japan, which provides a framework for tropical timber producer and consumer countries to discuss, exchange information about and develop policies on issues relating to international trade in, and utilization of, tropical timber and the sustainable management of its resource base. The ITTO also administers assistance for related projects. The ITTO has 59 members divided into two caucuses: producer countries (33 members) and consumer countries (26 members). The ITTO's membership represents 90 percent of world trade in tropical timber and 80 percent of the world's tropical forests. The highest authority of the ITTO is the International Tropical Timber Council (ITTC), which consists of all ITTO members and meets twice per year. The ITTC performs, or arranges for the performance of, all functions necessary to carry out the provisions of the ITTA, 1994.

WORKING GROUP ON THE PREPARATIONS FOR NEGOTIATING A SUCCESSOR AGREEMENT TO THE ITTA, 1994: The Working Group met in Bern, Switzerland, from 7-11 April 2003. Participants reviewed responses by ITTO member countries on various aspects of the negotiation of a successor agreement to ITTA, 1994, including: the new agreement's scope; the organization, duration and frequency of Council sessions; issues related to the Secretariat's work; funding mechanisms; and the process for the Preparatory Committee. They also considered new and emerging issues relevant to the ITTC and ITTO's relationship with other international organizations.

PREPCOM I: Immediately following the 34th session of the ITTC, PrepCom I convened in Panama City, Panama, from 20-21 May 2003, to begin preparing a draft working document that would be used as the basis of the negotiations on the successor agreement to the ITTA, 1994.

INTERSESSIONAL WORKING GROUP ON PREPARATIONS FOR NEGOTIATING A SUCCESSOR AGREEMENT TO THE ITTA, 1994: The Intersessional Working Group on preparations for negotiating a successor agreement to the ITTA, 1994 convened in Curitiba, Brazil, from 25-29 August 2003. The working group, *inter alia*: assessed the



distribution and role of conifers in international trade; reviewed ITTO work on non-timber forest products (NTFPs) and non-timber forest values (NTFVs); assessed the extent to which NTFFPs, environmental services and NTFVs are covered in the ITTA, 1994 with a view to recommending how these could be strengthened in the successor agreement; proposed preambular language for the successor agreement; developed a shortened list of overarching objectives and definitions; and prepared a work plan for PrepCom II.

PREPCOM II: Immediately following ITTC-35, delegates met in Yokohama, Japan, from 10-12 November 2003, for PrepCom II. Over the course of the three-day PrepCom, delegates reviewed the draft working document of the successor agreement with a view to clarifying the elements therein, posing questions and presenting their views on the text. Delegates produced a final draft working document that would serve as the basis for discussion at the UN Conference for the Negotiation of a Successor Agreement to the ITTA, 1994.

UN CONFERENCE FOR THE NEGOTIATION OF A SUCCESSOR AGREEMENT TO ITTA, 1994, FIRST PART: The UN Conference for the Negotiation of a Successor Agreement to the ITTA, 1994, First Part, met at the Palais des Nations in Geneva, Switzerland, from 26-30 July 2004, under the auspices of UNCTAD. Throughout the week, delegates based their discussions on the working document (TD/TIMBER.3/4), which contained all articles of the ITTA, 1994 alongside the corresponding articles of the negotiating text of the successor agreement. Working Group I addressed the Preamble, Chapter I (Objectives), Chapter II (Definitions), Chapter III (Organization and Administration), and Chapter IV (International Tropical Timber Council). Working Group II addressed Chapter V (Privileges and Immunities), Chapter VI (Finance), Chapter VII (Operational Activities), Chapter VIII (Relationship with the Common Fund for Commodities), Chapter IX (Statistics, Studies and Information), Chapter X (Miscellaneous), and Chapter XI (Final Provisions). Two contact groups, one established by each working group, met intermittently throughout the week to discuss some of the successor agreement's more contentious issues. Since negotiators were unable to reach a final agreement, it was decided that the negotiation would reconvene in Geneva, Switzerland, from 14-18 February 2005. The main areas of disagreement were on the financial structure of the new agreement and its objectives. Some members sought a limited number of objectives that could be broadly interpreted, while others sought to list specific objectives. On finance, the main issue of contention was the addition of an assessed Work Programme Account.

UN CONFERENCE FOR THE NEGOTIATION OF A SUCCESSOR AGREEMENT TO ITTA, 1994, SECOND PART: The UN Conference for the Negotiation of a Successor Agreement to the ITTA, 1994, Second Part, convened at the Palais des Nations in Geneva, Switzerland, from 14-18 February 2005. During the week, delegates discussed numerous proposals to resolve issues from the first part of the UN Conference, but were unable to reach agreement on a number of cross-cutting proposals on the new agreement's scope and financial arrangement.

INTERSESSIONAL HIGHLIGHTS

COFO-17: The Food and Agriculture Organization Ministerial Meeting on Forests and the 17th session of the

Committee on Forestry (COFO-17) were held in Rome, Italy, from 14-19 March 2005. The meetings attracted over 600 participants from governments, intergovernmental organizations and non-governmental organizations (NGOs). COFO-17 was also the stage for 21 side events that covered a range of topics, including forests and conflict, the role of civil society in implementing national forest programmes, international cooperation on forest fires, forests and climate change, forest law and compliance, and the integration of forestry into the New Economic Partnership for Africa's Development.

In the Ministerial Statement, ministers committed themselves to, *inter alia*: improving forest management and intersectoral cooperation; enhancing regional and international cooperation to achieve sustainable forest management (SFM); enhancing the contribution of SFM to implementing the Millennium Development Goals; and improving domestic forest law enforcement and governance (FLEG).

UNFF-5: The fifth session of the United Nations Forum on Forests (UNFF-5) was held at UN headquarters in New York, from 16-27 May 2005. The main task before UNFF-5 was to review the effectiveness of the international arrangement on forests (IAF), and redesign it if necessary. UNFF-5 was unable to reach agreement on strengthening the IAF and could not produce either a ministerial statement or a negotiated outcome. By 26 May, delegates had agreed *ad referendum* to four global goals on: significantly increasing the area of protected forests and sustainably managed forests worldwide; reversing the decline in official development assistance for SFM; reversing the loss of forest cover; and enhancing forest-based economic, social and environmental benefits. They also agreed in principle to negotiate, at some future date, the terms of reference for a voluntary code or international understanding, as well as means of implementation. On 27 May, delegates decided to forward the draft negotiating text to UNFF-6, to be held in New York, from 13-24 February 2006.

ENA FLEG PREPARATORY CONFERENCE: Over 130 participants from 32 countries representing governments, NGOs, international organizations, industry and an intergovernmental body met at the Europe and North Asia (ENA) Forest Law Enforcement and Governance (FLEG) Preparatory Conference in Moscow, Russian Federation, from 6-8 June 2005. The event was co-hosted by the World Bank and the Government of the Russian Federation, with financial support from eight international donors. Participants at the meeting, *inter alia*: discussed regional and national experiences and emerging ENA FLEG issues; attracted views from a range of stakeholders on ENA FLEG; and began drafting a Ministerial Statement and Indicative Plan of Action for the ENA Ministerial meeting in late 2005.

ITTC-38: The thirty-eighth session of the International Tropical Timber Council (ITTC) and associated sessions of the Committees convened in Brazzaville, Congo, from 19-21 June 2005. Participants deliberated on, *inter alia*: ITTO missions to Liberia and Gabon; *ex-post* evaluations of project work, including on transboundary protected area work; phased approaches to certification; and the State of Tropical Forest Management report. Participants also discussed ITTO's support to the Conference of Ministers in Charge of Forests in Central Africa, and approved US\$7.6 million in project funding. A special event on the Congo Basin Partnership was held on 22 June.