

**SUMMARY OF THE FORTY-SIXTH SESSION
OF THE INTERNATIONAL TROPICAL
TIMBER COUNCIL AND ASSOCIATED
SESSIONS OF THE FOUR COMMITTEES:
13-18 DECEMBER 2010**

The forty-sixth session of the International Tropical Timber Council (ITTC) and the associated sessions of its four Committees were held in Yokohama, Japan, from 13-18 December 2010. At this session the Council considered the report of the Informal Advisory Group, the progress on implementation of the International Tropical Timber Organization (ITTO)-Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) Programme, and any new listings, and heard: a report on the Biennial Work Programme (BWP) for 2010-2011; the current status of implementation of the ITTO Thematic Programmes; an update on the International Year of Biodiversity and International Year of Forests, the extension of the Executive Director's tenure; and the status of the entry-into-force of the International Tropical Timber Agreement (ITTA), 2006. The Council also heard proposals on the financing of future Council sessions held outside of its Yokohama Headquarters.

Delegates also convened the forty-fourth sessions of the Committees on Economic Information and Market Intelligence, Forest Industry, and Reforestation and Forest Management to approve projects and pre-projects, review projects and pre-projects under implementation and *ex-post* evaluations, and conduct policy work. The twenty-fourth session of the Committee on Finance and Administration also met to discuss, *inter alia*, the Administrative Budget, the current status of the Administrative Account, and resources of the Special Account and the Bali Partnership Fund. The Council adopted eight decisions, including on: the ITTO/Convention on Biological Diversity (CBD) collaborative initiative; financial arrangements for the hosting of Council sessions outside of Headquarters in Yokohama, Japan; the International Year of Forests; and the selection of Projects, Pre-Projects and Activities to receive funding.

Although the ITTA, 2006 has yet to enter into force, the Council session concluded on a high note, with the decision on the hosting of Council sessions outside of Headquarters, a topic that has threatened to derail proceedings in the past. The Council also discussed the results of collaborations with other multilateral environmental agreements, such as CITES and the CBD, which may pave the way for future initiatives in 2011, the International Year of Forests

**A BRIEF HISTORY OF THE INTERNATIONAL
TROPICAL TIMBER COUNCIL**

The International Tropical Timber Agreement (ITTA) was negotiated under the auspices of the United Nations Conference on Trade and Development (UNCTAD) 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

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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 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, the ITTA, 1994, was adopted on 26 January 1994, and entered into force on 1 January 1997. It contains broader provisions for information sharing, including on non-tropical timber trade data, allows for consideration of non-tropical timber issues as they relate to tropical timber, and includes the ITTO Objective 2000 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 (BPF) to assist Producer members in achieving the Year 2000 Objective. Initially intended to last for four years, the ITTA, 1994 was extended twice for three-year periods and was extended indefinitely in 2007.

In 2003 negotiations began on a successor agreement to the ITTA, 1994. The ITTA, 2006 was adopted in Geneva on 27 January 2006. The ITTA, 2006 builds on the foundations of the previous agreements and focuses on the world tropical timber economy and the sustainable management of the resource base, simultaneously encouraging the timber trade and improving forest management. It also allows for the consideration of non-tropical timber issues as they relate to tropical timber.

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 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. It has 60 members, including the European Community (EC), which are divided into two caucuses: Producer countries (33 members) and Consumer countries (27 members). The ITTO's membership represents 90% of the world trade in tropical timber and 80% of the world's tropical forests.

The governing body of the ITTO is the International Tropical Timber Council (ITTC), which includes all members. Annual contributions and votes are distributed equally between Producers and Consumers. The Council is supported by four committees, which are open to all members and provide advice and assistance to the Council on issues for consideration and decision on: Economic Information and Market Intelligence (CEM); Reforestation and Forest Management (CRF); Forest Industry (CFI); and Finance and Administration (CFA).

ITTC-41: The 41st session of the ITTC met from 6-11 November 2006 in Yokohama, Japan. The Council approved 13 new projects and granted funding for 11 projects and seven pre-projects. Additional funding from the EC was allocated

to support capacity building in ITTO member states for the implementation of the CITES listings of timber species. The Council adopted a decision to extend the ITTA, 1994, which also provides for a review of the status of deposits of instruments of ratification, acceptance, approval or accession to the ITTA, 2006, as well as other provisions of the decision at Council sessions held between 2007-2009 and for consultations to be undertaken by the Secretary-General of the UN if the ITTA, 2006 did not come into force by 1 September 2008.

ITTC-42: The 42nd session of the ITTC met from 7-12 May 2007 in Port Moresby, Papua New Guinea. The Council selected Emmanuel Ze Meka as the new ITTO Executive Director. Delegates also discussed issues concerning operational, project and policy work, including: forest law enforcement in the context of sustainable timber production and trade; CITES listing proposals; ITTO guidelines for the restoration, management and rehabilitation of degraded and secondary tropical forests; civil society/private sector partnerships for sustainable forest management; and developments in the UN Framework Convention on Climate Change (UNFCCC) regarding forests.

ITTC-43: The 43rd session of the ITTC met from 5-10 November 2007, in Yokohama, Japan. The Council approved: the Biennial Work Programme (BWP) for 2008-2009; funds for studying the linkages between climate change and tropical forests; and the ITTO-IUCN Guidelines on the Conservation and Sustainable Use of Biodiversity in Tropical Timber-Producing Forests. The Council also approved draft Rules of Procedure and Financial Rules of Procedure to be considered at the first meeting of the ITTC after the ITTA, 2006 enters into force.

ITTC-44: The 44th session of the ITTC met from 3-8 November 2008 in Yokohama, Japan. The Council discussed issues concerning operational, project and policy work for 2008-2009, including: Thematic Programmes; the BWP for 2008-2009; ITTO Objective 2000; and the ITTO Action Plan 2008-11. It was agreed that future Council sessions would be held on an annual basis and would alternate between Yokohama and Producer member countries, subject to sufficient funding being available for the incremental costs associated with the latter.

ITTC-45: The 45th session of the ITTC met from 9-14 November 2009 in Yokohama, Japan. At this session the Council considered and adopted decisions on: the entry into force of ITTA, 2006; activities included in the BWP 2010-2011; and on the selection of projects, pre-projects and activities to receive funding. The Council also held discussions on the implementation of the BWP for 2008-2009, the current status of implementation of the ITTO Thematic Programmes, and the frequency and location of future Council sessions.

ITTC-46 REPORT

Daniel Birchmeier (Switzerland), Chair of the forty-sixth session of the International Tropical Timber Council, opened the Council session on Monday, 13 December 2010. He emphasized the urgent need for ITTA, 2006 to enter into force. Acknowledging that Consumer countries have met the necessary threshold for ratification to occur automatically, he encouraged additional Producer countries to follow suit. He further

underscored the importance of: curbing forest degradation, a message reinforced by the sixteenth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP 16); confronting problems associated with tropical timber forests, such as climate change, poverty and the decline of biodiversity; and determining a mechanism for holding future sessions outside of Headquarters in Yokohama, Japan.

ITTO Executive Director Emmanuel Ze Meka welcomed participants and described ITTO's achievements since its inception, including: initiating the Thematic Programme on Tropical Forest Law Enforcement, Governance and Trade (TFLET); reducing emissions from deforestation and forest degradation in developing countries and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries (REDD+), and the Thematic Programme for Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES); participating in the 2010 International Year of Biodiversity; cooperating with organizations such as the United Nations Forum on Forests (UNFF) and the FAO Committee on Forestry; and strengthening relationships with the private sector. He expressed frustration over the inability to finance certain project proposals due to a lack of sufficient funds, and the slow pace of the entry into force of the ITTA, 2006 since there are non-member countries eager to join ITTO under the new Agreement.

Fumiko Hayashi, Mayor of Yokohama, stressed that tropical forests are not only vital sources of living resources for communities, but also important for the global environment as they protect biodiversity, assist in combating climate change and provide water resources. She also discussed Yokohama's initiatives to protect its forests and green areas.

Yoshitsugu Minagawa, Director General, Forest Agency of Japan, underscored the role of tropical forests in supporting the livelihoods of local communities, providing timber, reducing poverty, protecting biodiversity and addressing climate change, and expressed Japan's hope that the sustainable management of tropical forests will lead to further economic growth of developing countries. Minagawa noted intensive discussions on REDD+ at UNFCCC COP 16 and expressed Japan's concern about the delay of bringing ITTA, 2006 into force. Noting that 2011 is not only the International Year of Forests, but also the 25th anniversary of the ITTO, he said Japan will work with ITTO to organize celebrations.

Elvis Ngolle Ngolle, Minister of Forests and Wildlife, Cameroon, stressed his country's work on implementing its policy on sustainable forest management (SFM) since 1993, and its long and fruitful cooperation with ITTO. He said much of Cameroon's recent work on regulations, governance and traceability has been undertaken as follow-up to the ITTO diagnostic mission in 2008. He welcomed the collaborative framework established between ITTO and CITES, and recommended strengthening the partnership through the inclusion of the private sector to help countries with limited financial resources.

Henri Djombo, Minister of Sustainable Development, Forest Economy and Environment, Congo, said that the agreement reached at the recently held UNFCCC COP 16 and the positive outcome at the tenth session of the COP to the Convention on Biological Diversity (CBD) held in Nagoya, Japan have renewed confidence in multilateral environmental negotiations. He expressed hope that the ITTO, working with other international organizations, could help organize and sponsor a June 2011 summit in Brazzaville of the Heads of State of nations from the three major tropical forest basins in the world to establish a formal, strategic framework for regular consultations on South-South cooperation in the forest sector. He also noted that his government is trying to organize an international meeting on the rights and roles of indigenous peoples in SFM.

Martin Mabala, Minister of Water, Forests, Environment and Sustainable Development, Gabon, said that for over a decade Gabon has adopted legislation for the management, utilization and conservation of forests and for the equitable distribution of benefits. He described Gabon's forest land-base and forest-sector accomplishments, such as increasing certified forests and conservation areas. In the Congo Basin, he said countries are advancing a land-use planning process to ensure the conservation of environmental, economic and social values across the landscape, while also advancing forest sector development. He said the forest sector represents a lever for Gabon's development, and described a log-export ban meant to stimulate a domestic processing sector.

ORGANIZATIONAL MATTERS: After confirming quorum requirements were met, Chair Birchmeier introduced the agenda (ITTC(XLVI)/1), the proposed distribution of votes for 2010 (ITTC(XLVI)/1 Annex), and the list of observers (ITTC(XLVI)/Info.3) with no objections from delegates. Ze Meka said there has been no change in membership since last year. Noting that the delegation of Côte d'Ivoire could not attend for political reasons, Birchmeier requested that a new spokesperson be appointed for the Producer group. Following consultations among the Producers, Alhassan Attah, Ghana, was appointed spokesperson.

COUNCIL SESSIONS

The Council met throughout the week to consider issues concerning operational, project and policy work. The following summary is organized according to the agenda.

REPORT OF THE INFORMAL ADVISORY GROUP: On Monday, Chair Birchmeier opened discussion on the Report of the Informal Advisory Group (IAG) (ITTC(XLVI)/2), noting aspects of the report requiring discussion, including: the need to appoint a Producer representative; the IAG teleconference held on 4 June 2010 and issues surrounding the process such as transparency and participation; and possible and recommended decisions for the Council to consider.

Malaysia expressed concern about the current situation of the ITTO, noting that ITTA, 2006 is still not in force, voluntary contributions have significantly declined with concomitant effects on ITTO project work, and annual Council meetings limit fruitful discussions and exchange. She called on the ITTO

to return to its core mandate of focusing on SFM, which will have spin-off benefits for climate change and biodiversity, and stressed the challenge of establishing requirements for public procurement, certification and legality verification, suggesting that the ITTO establish a working group on these issues.

Switzerland, supported by the European Community (EC) and US, reiterated that the entry into force of ITTA, 2006 needs to be a priority.

On Wednesday, Ghana, for the Producers, supported continuing the two project cycles and noted, with the EC and the US, that the intersessional teleconferences are productive and efficient for discussing technical issues but that face-to-face exchanges for dealing with political issues are important. He said broadening representation could enhance transparency and the exchange of views.

The EC noted a need for pragmatism given financial constraints, and asked what projects are due for consideration in the spring cycle. The US said the involvement of Producer and Consumer representatives burdens them with liaising with group members both in advance and following teleconferences. He cautioned against changing parts of the project cycle that work, and suggested focusing on the new challenges of coordinating activities electronically.

Japan said donor coordination is difficult without face-to-face meetings and called for new ways to coordinate existing and private sector donors. Executive Director Ze Meka said that fewer funds are available and donors can best determine how to optimize their coordination. Ghana, for the Producers, stressed donor coordination is critical to ensure projects are not left unfunded.

Executive Director Ze Meka suggested assessing the attendance of the last teleconference to determine practical means for broadening participation. Chair Birchmeier said participants in the last teleconference included the Council Chair and Vice-Chair, the Executive Director, Producer and Consumer spokespersons, the host government, the CFA Chair, Brazil, the EC, Cameroon representing African countries, and two Malaysian representatives. Ghana, for the Producers, said internal coordination by Producers will be important and that information would be required well in advance of teleconference meetings.

ENHANCING COOPERATION BETWEEN ITTO AND CITES: Opening the Council discussion regarding cooperation between ITTO and CITES (ITTC (XLVI)/4) on Monday, Steven Johnson, ITTO Secretariat, noted that there were no new listing proposals of tree species on the CITES appendices. Johnson said the implementation of the ITTO-CITES programme has been funded by a range of donors, including the EC, New Zealand, Switzerland, Norway and the private sector. He explained that EC funding was ending so although the programme will continue, it is undergoing a stock-taking exercise. He listed activities undertaken including developing a CITES identification guide with the Chinese CITES authority, and liaising with IUCN on its Red List.

Milena Sosa Schmidt, CITES, noting the collaboration with the ITTO began in 2005, highlighted that trade-data gaps have been filled and the cooperation programme helps defend not only the tree species traded but also all forest biodiversity.

Indonesia noted that some species listed as threatened by IUCN have high trade volumes, as they are very common in a particular country. He cautioned against collaboration with the private sector, as some involvement could be governed by the Nagoya Protocol on Access and Benefit Sharing. Cameroon, Malaysia and Peru expressed appreciation for their inclusion in the programme. The US pledged its support, while Japan said it would welcome a decision to establish a special trust fund. Liberia asked for help in its efforts to identify and catalog species. Papua New Guinea expressed concern about the possible “unilateral” listing under CITES Appendix II of high-volume timber species such as merbau, and asked that Papua New Guinea be included in the programme.

In response, Johnson noted that the ITTO was trying to solicit trade information on meranti and ramin for the relevant IUCN panel. He stressed that the arrangement with the pharmaceutical industry on *Prunus africana* has proven positive. Johnson also noted that nations who work to show sustainable management in the CITES context can more easily obtain import permits in difficult markets.

ANNUAL REVIEW AND ASSESSMENT OF THE INTERNATIONAL TROPICAL TIMBER SITUATION

IN 2010: Frances Maplesden, ITTO Consultant, presented the Annual Review and Assessment of the International Timber Situation in 2010 (ITTC(XLVI)/5) on Wednesday. She noted data limitations due to a low response rate to the Joint Forest Sector Questionnaire from member countries. On the Review’s findings, she emphasized, *inter alia*, the negative impact of the financial crisis on tropical timber trade and its slow recovery; the growing dominance of China and India as Consumer countries versus the diminishing importance of US and EC markets; and the significance of the housing and construction industries in generating demand for tropical timber products. Ghana, supported by Malaysia, reiterated the value of the proposal for harmonizing procurement policies given these shifts in primary consumer markets. Barney Chan, Trade Advisory Group (TAG) Coordinator, criticized the elevated costs associated with increased regulations and asked that a life-cycle analysis of tropical timber be conducted.

ENTRY INTO FORCE OF THE ITTA, 2006: On Monday, Executive Director Ze Meka presented on the progress of the entry into force of the ITTA, 2006 (ITTC(XLVI)/6/Rev.3), noting that 57 members have signed the Agreement, of which 53 have ratified: 33 Consumer members and 20 Producer members. He expressed concern that the Producer countries have not reached the ratification threshold.

Ghana, for the Producers, supported by Indonesia, Mexico and Guatemala, highlighted apprehension over the contributions required of member countries by ITTA, 2006. He suggested extending the ITTA, 1994, and entering ITTA, 2006 into force at the 2011 Council meeting. Papua New Guinea, Suriname, Brazil, Indonesia and the EC updated the Council on the status of their

domestic approval processes. Japan expressed its support for the ITTA, 2006 as it emphasizes the multiple roles of tropical forests, takes measures against illegal logging and allows ITTO to initiate programmes with countries that have ratified ITTA, 2006 but not ITTA, 1994. The Congo asked non-ratifying countries to identify the specific reasons for their hesitation. Norway, US, and the EC encouraged immediate ratification. Chair Birchmeier confirmed that ITTA, 1994 will extend for another year, with the expectation that ITTA, 2006 will enter into force in 2011, the International Year of Forests (IYF).

On Friday, Papua New Guinea announced execution of its ratification of ITTA, 2006.

FINANCING OF COUNCIL SESSIONS HELD OUTSIDE THE HEADQUARTERS: On Monday during Council discussions on the IAG, Switzerland, supported by the EC and US, called for discussions on the Mexican and Brazilian proposal to finance Council sessions held outside ITTO Headquarters in Yokohama, Japan (ITTC(XLVI)/7/Rev.1) to be taken up by the Committee on Finance and Administration (CFA). On possible and recommended decisions, the EC said the financial requirements of decisions should be considered. Chair Birchmeier endorsed the Swiss proposal on the discussion on financing future meetings and recommended that the Caucuses and Bureau take up these issues.

ITTO BIENNIAL WORK PROGRAMME 2010-2011: On Monday the Executive Director presented the progress report of the activities of the 2010-2011 Biennial Work Programme (BWP) (ITTC(XLVI)/8/Rev.1). He said there were 57 activities listed with a projected budget requirement of over US\$9.3 million, but just over US\$2.8 million had been secured. On the activities implemented so far, he detailed, *inter alia*: the publication of three issues of the Tropical Forest Update (TFU) in 2010; further enhancement of public relations, education, and outreach activities to convey the objectives of ITTO, such as regular website updates; studies of the implications of climate change for tropical forests and the contribution of tropical forests to the mitigation of the effects of climate change; and enhanced cooperation between ITTO and CITES. He stressed that limited funding has, however, left many activities unimplemented.

In response to Brazil, Ze Meka acknowledged the problem of limited funds, took note of the concern about activities receiving support being mainly focused on environmental issues, and suggested that the issue of how funds are allocated between Thematic Programmes and core activities be discussed further.

ITTO THEMATIC PROGRAMMES: On Wednesday, Gerhard Breulmann, ITTO Secretariat, presented an overview of the current status of the Thematic Programmes (ITTC(XLVI)/9) and invited member countries to announce new contributions. He noted all but one of the Thematic Programmes have been funded and made operational. He said a total of 58 proposals have been received and 26 were approved and funded, including 10 during the 2010 cycle. Guatemala, supported by Producer countries, called for more resources for the Thematic Programmes to continue past the pilot phase. In discussing when the pilot phase should be evaluated, the US, supported by Japan and

Switzerland, suggested it should await ITTA, 2006, while Ghana, for the Producers, suggested it would be useful to have more projects first before conducting an evaluation.

Norway announced a contribution of 25 million kroner to REDDES, Japan said it would announce a contribution to REDDES later, and Switzerland said it would announce a contribution to the Thematic Programmes under a separate agenda item.

DEVELOPMENTS IN THE UNFCCC REGARDING FORESTS: On Thursday Oliver Gardi, ITTO Consultant, presented a report (ITTC(XLVI)/10) on recent developments in the UNFCCC and their implications for the ITTO. He recommended ITTO: promote partnerships with institutions aimed at funding mitigation through forest activities, including the private sector or other multilateral REDD+ initiatives; consider the integration of climate change mitigation when developing policy papers, manuals and guidelines; contribute directly to REDD+ capacity building through regional and national training workshops; continue monitoring the developments in the international arena; conduct more specific studies aimed at clarifying the effect of ITTO's activities on forest carbon stocks; and secure funding sources for further implementation of REDDES.

Japan, Liberia, and Mexico suggested ITTO focus on the role of SFM in REDD. Indonesia asked that ITTO not focus solely on SFM, but also support Producer countries during the REDD+ readiness phase. Ze Meka explained the ITTO's work is underpinned by the belief that good forestry, based on SFM, will have positive benefits *vis-à-vis* climate change, and stressed the existence of the REDDES Thematic Programme. However, he said ITTO needs additional resources "to have a good impact" on REDD.

Brazil expressed concerns about passages in the document's analysis about the UNFCCC process. She asked that her observations be noted in the Council report and that ITTO limit itself to informing members about developments in the UNFCCC.

Tapani Oksanen, ITTO Consultant, presented the report on building a voluntary carbon marketing scheme to promote SFM (ITTC(XLVI)/11). He reviewed the status and trends in REDD+ projects, the role of the private sector, and how current ITTO work is related to REDD+. He recommended that ITTO focus on: building awareness of its potential as a partner in REDD+; improving SFM project proposals to generate emission reduction credits and offering these potential REDD+ project proposals to investors willing to engage in higher risks; and attracting donations from the private sector to REDD+ readiness activities.

Brazil said it was not convinced about the value of using markets in the manner suggested, and questioned whether the ITTO had a mandate to work on such matters before a consensus is reached by the UNFCCC. Executive Director Ze Meka said that ITTO will continue to inform members of REDD+ developments in the UNFCCC, and will take action upon request of the Council.

INTERNATIONAL YEAR OF BIODIVERSITY AND INTERNATIONAL YEAR OF FORESTS: Chair Birchmeier opened discussions on Monday on the 2010 International Year of Biodiversity (IYB) and the 2011 International Year of Forests (ITTC(XLVI)/12). The ITTO Secretariat discussed the plans for the IYF in 2011, noting that the UNFF will be the lead agency with support from the Collaborative Partnership on Forests (CPF). He said the main goal is to demonstrate ITTO activities in the field, stressing this as an opportunity to let member countries explain their plans for the year. He said the UNFF has asked for financial contributions to support these activities. He noted that ITTO has requested US\$150,000 in the BWP for these activities, but this request has not yet been met. He then reviewed other relevant activities in the current BWP, including: a special issue of the ITTO quarterly TFU in collaboration with the CPF; the launch of the Status of Forests in the Tropics Report 2010; highlighting revisions to the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests; and an Asian meeting on forest tenure and governance.

Chair Birchmeier said it is important for ITTO to have a strong and public presence in the IYF given the Organization's history. Ghana, for the Producers, urged donors to support these activities, noted the possibility of linking these activities to the ITTO's 25th anniversary, and said there are opportunities for regional events allowing members to discuss success stories.

On Thursday Eduardo Mansur, ITTO Secretariat, reviewed the Memorandum of Understanding (MOU) signed between the ITTO and CBD and various activities undertaken by ITTO during 2010 in support of IYB. He noted that one recommendation resulting from the MOU was that the ITTO develop a Collaborative Initiative similar to the one it has with CITES. Tim Christophersen, CBD Secretariat, detailed: the relevant decisions of COP 10; the rationales for closer cooperation between the two organizations; and the recommended areas of cooperation under a possible Initiative, including enhanced biodiversity conservation in production forests and improved conservation and management of protected areas, including transboundary conservation areas.

Ghana, for the Producers, welcomed the idea of the Initiative. The EC, while accepting a possible Initiative, suggested that any draft decision on the matter should emphasize SFM and how the Initiative would contribute to the Rio+20 process. Japan urged other donor nations to join in financing initiatives on biodiversity conservation in transboundary forested areas.

MATTERS RELATED TO ARTICLE 16 OF ITTA, 1994: Chair Birchmeier opened Monday's discussion of Matters Related to Article 16 of ITTA, 1994, Decision 5(XLII) that addresses the selection of a new Executive Director, noting that this is the last Council meeting before Ze Meka's mandate expires on 5 November 2011. He said Ze Meka is willing to stand for a second term, an option requiring a decision from the Council.

Switzerland, with Guatemala, Brazil, Belgium for the EU, Indonesia, US, Japan, and Liberia, supported Ze Meka holding a second term and praised his leadership. Ghana, for the Producers,

echoed the praise but asked for time to discuss the issue in the Producer caucus. Chair Birchmeier said he would distribute text of a previous decision for a similar second-term appointment and tabled further discussion to give the Producers an opportunity to confer. On Wednesday, the Council reconvened to hear further deliberations on the extension of the Executive Director's term. Ghana, for the Producers, said they supported Ze Meka holding a second term.

CIVIL SOCIETY/PRIVATE PARTNERSHIP FOR SUSTAINABLE FOREST MANAGEMENT: On Monday, Chair Birchmeier recommended that this item be taken up by the CEM-CFI. The Council agreed.

REPORT OF THE ITTO FELLOWSHIP SELECTION PANEL: Collins Ahadome, ITTO Secretariat, presented the progress report on the ITTO Fellowship Programme (ITTC(XLVI)/13), and Vice-Chair Joachim Bilé Allogho, Gabon, presented the report of the Fellowship Selection Panel (ITTC(XLVI)/14). Ahadome reviewed the themes, number, and regional distribution of fellowships awarded and the approach used to select the recipients for 2010, including efforts to attract more female candidates. He reported the results of a survey of the Programme's impact, which concludes that the Fellowship has made a significant contribution to human capital development in ITTO Producer countries. Japan and the US expressed their continued support for the Programme. Nigeria suggested surveying institutions in member countries to ascertain the impact of Fellows on policy.

ANNUAL REPORT 2009: The Secretariat presented the Annual Report for 2009, reviewing activities in 2009 including: ITTC-45; policy work on Thematic Programmes, *inter alia*, conferences, workshops, and diagnostic missions; and funding for projects, pre-projects and activities.

SPECIAL ACCOUNT AND THE BALI PARTNERSHIP FUND: On Saturday, Chair Birchmeier opened the floor for the announcements of voluntary contributions to the Special Account and the Bali Partnership Fund (BPF). No new pledges were made, but Birchmeier observed that contributions had been made during the course of the meeting, including Norway's contribution of 25 million kroner to the REDDES Thematic Programmes.

STATEMENTS OF OBSERVERS: On Saturday, Francis Colce, speaking for the Civil Society Advisory Group (CSAG), called for the ITTO to: expand its work and influence on reforming policy and governance reforms to address new global challenges; provide more work at the regional level; consider expanding its annual market situation analysis to include important non-wood resources from forests; commission a study on the implications of CBD COP 10 for ITTO; and allow the CSAG to make a formal presentation during the ITTC session just as the TAG does. Remy Mukongo Shabantu, speaking on behalf of the Economic Community of Central African States (ECCAS), thanked ITTO for approving its observer status at the Council, and stressed the importance of forestry to ECCAS and of strengthening ITTO-ECCAS cooperation.

JOINT COMMITTEE SESSION

On Tuesday and Wednesday, participants met in a Joint Committee session to discuss the report of the Expert Panel for Technical Appraisal of ITTO Project Proposals and to discuss *ex-post* evaluations of projects linked to the four Committees.

REPORT OF THE EXPERT PANEL: On Tuesday morning, Luiz Carlos Estraviz Rodriguez, Chair, Expert Panel for the Technical Appraisal of Project Proposals, presented the reports of the two meetings of the Expert Panel held in 2010 (ITTC/EP-39 and ITTC/EP-40). Noting that the Panel had agreed on the formatting of the project scoring sheet, he reported that the 39th and 40th meetings of the Panel had assessed 19 and 20 project and pre-project proposals, respectively. He highlighted that of the new proposals assessed by the Panel, two and six were commended, respectively, suggesting that the third edition of the ITTO Manual for Project Preparation is helping improve the quality of proposals submitted. He lamented that many new proposals still only partially comply with the ITTO project preparation guidelines, and called for increased capacity building in member states where language and project development remain problematic. Rodriguez noted other recommendations included: a stronger role for ITTO focal points; increased involvement of stakeholders at the project elaboration stage; and clear definition of mechanisms to ensure that project benefits endure after completion.

EX-POST EVALUATIONS: On Tuesday morning, Ivan Tomaselli, ITTO Consultant, presented on the *ex-post* evaluation of a project designed to inventory data on the timber species of tropical Africa (CEM-CFI(XLIV)/3). He noted outputs of the project included an online database, two workshops, and published materials, but regretted that not all outputs were effectively achieved or disseminated. Tomaselli applauded this project as a demonstration of the importance of efficient and effective regional and intercontinental programmes. He also recommended ensuring the sustainability of the project, and said future attention should be directed towards engaging the private sector, community groups, and other secondary stakeholders.

Neil Byron, ITTO Consultant, presented an assessment on the efficacy, efficiency, and impact of two projects in the Philippines (CEM-CFI(XLIV)/3). The first considered the development and implementation of forestry statistics and geographic information systems. Noting these systems have resulted in more informed decisions at local, provincial, and national levels, Byron concluded this project was well-executed due to strong project design and quality, training, and people-management skills. Byron praised the second project—a timber and timber products trade flow study—as an effective way to: improve understanding among stakeholders along the entire supply chain; and enable more comprehensive and sophisticated forest policy. He concluded both projects are models for Producer countries to improve information archives for SFM and forest policy.

Antonio Manila, ITTO Consultant, presented *ex-post* evaluations of three projects in Indonesia aiming to increase sustainable production and utilization of rattan, bolster the contribution of non-timber forest products to SFM in East Kalimantan, and strengthen capacity to promote efficient wood

processing technologies (CEM-CFI(XLIV)/3). He described the training methodologies used in each project, responses from local participants, lessons learned, and positive outcomes including adoption of best practices, reduction of waste, and direct financial gain to beneficiaries. He highlighted an unexpected eagerness on the part of indigenous farmers to adopt transferred technologies. Responding to a question from Nigeria, Manila noted that quantitative data on increases in income and employment opportunities were contained in the final report submitted to the ITTO.

Don Wijewardana, ITTO Consultant, reviewed outcomes and lessons learned from projects in Criteria and Indicators (C&I) of SFM (CRF(XLIV)/4). He stressed the importance of stakeholder involvement in all stages of projects, clear and relevant development objectives, strong and capable steering committees, and funding for the use and application of systems developed through such projects. Noting the dynamic nature of forestry, he suggested that C&I should be continually improved to integrate new knowledge, techniques and experiences. He recommended compulsory mid-term evaluations for future projects, and said *ex-post* evaluations should be completed before project staff move to other posts. In response to a question from Kwame Asumadu, Asumadu Consultants, he said that C&I might be developed into performance standards for certification schemes to adopt, but this would likely need to involve organizations beyond ITTO.

Jeffrey Sayer, ITTO Consultant, presented a synthesis report of the ITTO Biological Conservation Projects in Indonesia, Malaysia, Peru, Bolivia and Panama (CRF(XLIV)/5). All four projects, he said, are located in biological hotspots, have impacts on local, minority populations, and include processes for stakeholder consultations. Although noting that on project terms they performed poorly, he stressed that each project adapted well to changing situations on the ground. With regard to their strengths, he said they were all cost-effective and benefited from higher-level political engagement and support. On their weaknesses, he stressed the projects should have been better linked to other SFM and conservation initiatives operating in the area. He cautioned against overly rigid project evaluations, noted that international NGOs were assets to the projects due to the resources and expertise they contributed, and concluded that the projects have many lessons relevant to REDD+ projects proposed for remote pristine areas.

In response to the US, Sayer said a capable and trusted project steering committee is important for projects to adapt to changing conditions. Responding to Mexico, he underscored the technical challenges of, and attention to, assessing biodiversity in these areas and clarified that the projects give guidelines on how the interests of indigenous peoples can be accommodated.

James Gasana, ITTO Consultant, presented on the cooperative programme between Thailand, Cambodia and Laos in managing a transboundary biodiversity conservation (TBC) project in the Emerald Triangle Protected Forests Complex (CRF(XLIV)/7). He explained that the objectives of strengthening tri-national cooperation and enhancing protection and monitoring of biological resources were not met, while the objective of

improving involvement of local stakeholders succeeded. Gasana summarized that the TBC project was unsuccessful due to problems with project design and because Laos did not participate fully in the project. Thailand described an improved political situation with Cambodia and both countries expressed their interest in continuing to improve their TBC activities.

Hosny El-Lakany, ITTO Consultant, presented the *ex-post* evaluations of four projects concerning forest plantations (CRF(XLIV)/6). He said the project on teak cloning in Côte d'Ivoire was not well maintained after the project ended, casting doubt on its sustainability. He explained the project examining stand dynamics via sample plots in Côte d'Ivoire had good planning but incomplete execution. He expressed doubts with respect to its sustainability if government commitments to use the field data are not secured and solutions to long-term financing are not found. He said a project for producing planting materials of indigenous species through community participation in Bali was an excellent example of community forestry and a proper use of extension services that ITTO should document and publicize as a functional model. He said the project on commercial plantations of *Dipterocarps* in Indonesia exemplified an innovative silvicultural system based on a public-private model, and recommended the ITTO share these results and consider organizing an international conference to showcase the approach.

Nigeria proposed that the results of the teak cloning project suggested that some projects should be evaluated for their appropriateness to the country involved, and asked whether the biosafety concerns had been considered. El-Lakany noted that the project design was appropriate, but that the project's implementation and capacity to continue were in question, and said biosafety issues had not been addressed in the evaluation. Asked by Ecuador whether the sustainability of projects such as those in Côte d'Ivoire required government financing or self-financing mechanisms, El Lakany suggested that a sound business plan should be formulated instead.

META-EVALUATION OF ITTO EX-POST

EVALUATIONS: On Wednesday morning, Tabi Agyarko, Chair of the CRF, opened the Joint Committee session. Eduardo Mansur, ITTO Secretariat, introduced a proposal drafted by the Secretariat (CRF(XLIV)/8) for a meta-evaluation of ITTO *ex-post* evaluations, which would review and analyze methodology and results from previous evaluations, and aggregate lessons learned and good practices into a reference document. In the ensuing discussion, Switzerland said the document could be simplified, and suggested greater reference to accountability. The US praised the proposal for emphasizing quality and methodology, but questioned the level of effort proposed and noted that a budget was lacking. Peru said that the meta-evaluation is pertinent given ITTO's silver jubilee and the IYF in 2011. The meta-evaluation was referred to an informal drafting group to report to the CRF on behalf of the Joint Committee.

INTERIM REPORT ON STUDY OF CRITERIA AND

INDICATOR PROCESSES: On Wednesday morning, Stephanie Caswell, ITTO Consultant, presented on the use and

effectiveness of C&I at different operational levels. She noted that the study was timely given REDD+, the CBD 2020 targets, and the development of indicators for biofuels. She noted terms of reference for the project included: identifying how C&I are being applied at different operational levels; assessing their impacts on SFM; proposing ways to strengthen ITTO C&I; and enhancing collaboration with other C&I processes. She outlined the approach, which includes consulting process coordinators, reviewing national reports, and circulating questionnaires for governments, communities, companies and others. She underscored the importance of cooperation and assistance from member countries.

ANNUAL MARKET DISCUSSION: On Wednesday afternoon, Barney Chan, TAG Coordinator, opened the annual market discussion on "Innovations and Technologies in Wood-based Industries." Gary Waugh, University of Melbourne, reported on the threats and opportunities posed by the global challenges to the tropical timber sector. He noted this included challenges such as innovative products, declining prices and availability, increasing costs, environmental certification, and carbon and energy auditing. He said the tropical timber sector needs to learn from its competitors. He stressed that the ITTO has a vital role to play in helping the sector to: gather intelligence; conduct research and development on better utilization of supplementary resources, such as composites and energy products; and improve training.

Callum Hill, Edinburgh Napier University, presented on technical innovations in wood modification, detailing how these processes alter wood cell walls. He explained that wood modification can open new markets and uses through enhancing durability and weathering resistance. He said that chemical modification involves acetylation, which can increase the mass of the wood by 20% and render it resistant to fungal attack, with the primary disadvantage being the wood's retention of residual acetic acid. He also outlined thermal modification, which involves heating wood to temperatures exceeding 180°C and leads to a darker coloration and more brittle wood. He briefly summarized impregnation modification, which involves filling the cell walls with an occluding substance to contribute to decay resistance and structural stability.

Antje Wahl, FPInnovations, described markets for modified wood products and the threats and opportunities these present for the tropical timber sector. She said customer sensitivities about wood preservatives, illegal logging, and tropical timber prices affect the growing market for modified wood products. Focusing on thermally treated wood and wood-plastic composites, she reviewed, *inter alia*: their desirable properties, including color, stability, and resistance to degradation; markets in Europe and North America; and various end uses, noting where they compete with tropical timber products.

Ivan Tomaselli, STCP Engenharia de Projetos Ltda, presented on experiences from the Latin American timber sector in the adoption of technical innovation. He stressed that technology is constantly evolving, affects all products on the market, and is not a new consideration for the tropical timber trade, as illustrated by the increased use of medium density fiberboard and oriented

strand board for structural and decorative end uses. He noted the different and poorer qualities of plantation and second growth logs and reviewed new technologies that are reducing the need for high-value tropical timbers, such as printed wood panels instead of veneer, melaminic veneers, and paper-faced furniture.

In response to questions from Kwame Asumadu and Malaysia about increasing the competitiveness of tropical timber, Waugh emphasized improving promotion and considering potential growth in Chinese markets. Hill stressed looking towards adopting and certifying modified woods, while Wahl reflected on the importance of value over volume. Tomaselli highlighted the importance of investing in innovation and technology.

COMMITTEE ON ECONOMIC INFORMATION AND MARKET INTELLIGENCE AND COMMITTEE ON FOREST INDUSTRY

The Committee on Economic Information and Market Intelligence (CEM), chaired by Carla Boonstra, (Netherlands) and the Committee on Forest Industry (CFI), chaired by Kug-bo Shim (Republic of Korea), convened from Tuesday to Friday to consider: completed projects and pre-projects; *ex-post* evaluation; projects, pre-projects and activities in progress; consideration of project and pre-project proposals; policy work; and the report of the Committees.

COMPLETED PROJECTS AND PRE-PROJECTS: On Tuesday, presentations were given on the results of the following completed projects and pre-projects (CEM-CFI(XLIV)/2):

- Promotion of sustainable management of African forests;
- Establishment of a national system of collection, entry, processing and dissemination of forestry and timber statistical data in Togo;
- Adoption and implementation of a forestry information system for the Philippines;
- Improving the detection and prevention of illegal logging, shipments, and trade of wood products in Guyana;
- Formulating a project to strengthen capacity for the sustainable management of natural and planted forests in Panama;
- Timbers of tropical Africa;
- Training in reduced impact logging in Cambodia;
- Capacity building for the development of a sustainable rattan sector in China based on plantation sources;
- Quality control and standardization of Ghanaian wood products;
- Study on utilization of plantation teak; and
- Training needs analysis for the builders' woodworks industry in the Philippines.

On the tropical African timbers project, Ghana said the project has helped broaden understandings of lesser known species, thus improving their marketability. He said the project on quality control and standardization of Ghanaian wood products assisted in advancing quality timber grading in the country's forestry sector.

On the reduced impact logging training project, Cambodia said the project outputs included: training 106 foresters, supervisors, and managers; developing training materials and operational manuals; and establishing demonstration plots.

EX-POST EVALUATIONS: On Tuesday, Chairs Boonstra and Shim introduced four projects as candidates for *ex-post* evaluation (CEM-CFI(XLIV)/1). The Committees accepted the selections:

- Adoption and implementation of a forestry information system for the Philippines;
- Improving the detection and prevention of illegal logging shipments, and trade of wood products in Guyana;
- Strengthening of forest products laboratory of the Brazilian Institute of Environment and Renewable Natural Resources; and
- Capacity building for the development of a sustainable rattan sector in China based on plantation sources.

PROJECTS, PRE-PROJECTS AND ACTIVITIES IN PROGRESS:

On Tuesday, the Committees considered: 41 projects and six pre-projects under implementation; one pre-project pending agreement; and seven projects pending financing (CEM-CFI(XLIV)/4).

CEM Projects and Pre-Projects under Implementation:

Ecuador requested a non-funded extension of a project for establishing a national forest and timber marketing statistical system, which was accepted.

CFI Projects and Pre-Projects under Implementation:

The Committee considered eight projects and pre-projects, clarifying their status. On a project to contribute to the development of skills and technical training structures at the Mbalmayo National School of Forestry, Cameroon indicated it will submit a report at the end of the month. Guyana said a final audit report has been completed on its vocational training programme. Gabon appreciated the opportunity to extend a project to promote small and medium enterprises, and said the mission to visit South Africa outlined in the project will take place in February 2011. Brazil said necessary agreements among government agencies were coming into place for its project on fostering a sustainable model for the Brazilian wood flooring production chain. On a non-timber forest products project, India said it will submit the final audit report soon. On training for reduced impact logging, Papua New Guinea suggested it will have the final audit report submitted by the next Council session.

Projects Awaiting Implementation Agreement or Financing:

The Secretariat reported an agreement for strengthening Thailand's National Forest Information System has been signed, and Gabon said the Common Fund for Commodities is drafting an agreement to finance a system to promote timber processing in Congo Basin countries. China pledged US\$100,000 for Phase III of a project promoting SFM in Africa, and said it would explore leveraging follow-up funds. Mexico noted the importance of projects to their countries, and said its balsawood project would reduce poverty and provide economic alternatives for indigenous populations.

CONSIDERATION OF PROJECT AND PRE-PROJECT PROPOSALS:

On Thursday, Chair Boonstra stated that CEM-CFI would recommend to the Council that funding be made available: immediately for projects approved for spring and

autumn project cycles in 2010 (ITTC/EP-39 and ITTC/EP-40); and for approved projects and pre-projects still waiting for financing (CEM-CFI XLIV/1).

POLICY WORK: From Tuesday through Friday the Committees considered policy work on: market access; promotion of trade in legal and sustainably managed tropical timber and timber products; forest law enforcement and illegal trade in timber and timber products; forest and timber certification; a proposal to develop guidelines on legality and sustainability for timber products for public procurement; and future policy work. Discussion on an assessment of the data from the ITTO annual review and assessment of the world timber situation was deferred to the next Council session, and the ITTO Secretariat explained that work on statistics training outlined in the 2010-2011 BWP remains to be funded, but some training and workshops have occurred with carry-over support from the previous BWP.

Market Access: On Tuesday, Tetra Yanuariadi, ITTO Secretariat, reported that methodologies from a project for strengthening the capacity to promote efficient wood processing technologies in Indonesia have now been applied in other countries, addressing several common problem areas. He said an in-house training consultant has been engaged and the activity will continue in 2011 after additional funds are budgeted.

Li Qiang, ITTO Secretariat, reported the economic crisis had a significant impact on market access, but noted signs of recovery and reduced protectionism. He listed challenges to overcome, including low demand, stagnation of trade agreements, existing protectionist measures and developments in environmental regimes, legislation, and procurement policies. Brazil questioned the impact of legislation, noting it obligated Producers to combat illegal timber trade. Amha Bin Buang, ITTO Secretariat, said legislative measures are not fully implemented, and an evaluation would probably be proposed next year. Gabon said intra-Africa trade makes it difficult to distinguish Producers from Consumers, posing problems for smaller Producers, and asked whether parallel studies would evaluate the impacts of legislation and the financial crisis. Bin Buang agreed these Producers are most vulnerable to adverse movement of markets. He said Europe's uneven recovery affects exports to its markets, but highlighted that exporters have diversified with shipments to India and China. He added that a study of the crisis was approved and funded, with potential consultants identified, and findings may be ready next year.

Promotion of Trade in Tropical Timber and Products from Sustainably Managed and Legally Harvested Sources: On Wednesday, Gareth Hughes, ITTO Consultant, described work implementing an inventory and timber tracking system for a 38,000-hectare concession outside Iquitos, Peru, which tracks individual trees from felling to customers. He highlighted challenges including obtaining government approvals for the operation and training workers to use the system. Derek Charter, ITTO Consultant, described the Helveta technology used for the tracking system and its qualities as a monitoring and inventory tool.

Responding to Guyana, Hughes said the internet is not required for field application of the system. To Malaysia, he said the system is expensive, but efficiencies and possible market advantages from individual-log tracking are expected. In response to Papua New Guinea, he said it is practical in a large concession, although training costs are high in the short term.

Darren Thomas, ITTO Consultant, described a DNA fingerprinting project, which uses DNA patterns to identify individual trees, and said the technique provides a cost-effective spot check to complement paper audits. Samples from logs and processed products are compared, he said, allowing highly reliable determinations of fraud.

In response to Mexico, Thomas said the current system guarantees legality, but a project creating a DNA database for merbau is designed to weed-out illegality by providing point-of-origin determination down to 50 km. To the US, he said the accuracy of the tests was a surprise and application costs continue to fall. Responding to Papua New Guinea, he said only wood samples are required and can be collected by an operation's staff during other field activities.

Forest Law Enforcement and Illegal Trade in Timber and Timber Products: On Thursday, Stefanie von Scheliha, ITTO Consultant, discussed a project in Cameroon examining the combined use of DNA and isotope fingerprinting. The latter, she explained, uses the proportion of chemical isotopes in a timber product to identify its place of origin at different geographic scales. She reported tests in Cameroon were 94% accurate at identifying the origins of samples for five examined species. For the future, she said a collaborative, open-access database is vital for supporting the reliability and broad utility of these techniques.

In response to questions from delegates, she said: more data coverage is better, but will be costly; the species to include in identification is a management question; the costs depend on how much genetic research on a species exists; and because access to the information is sensitive, a database should be managed by a reliable, neutral organization to guarantee credibility.

Forest and Timber Certification: On Thursday, Jani Holopainen, ITTO Secretariat, reviewed the status of certification in ITTO member countries, noting that, *inter alia*: five systems operate in Producer member countries; the total certified area is 24.5 million hectares, 6.4% of world's certified area; and the certified area has expanded by 55% since the last assessment.

Civil Society/ Private Partnership for SFM: Art Klassen, ITTO Consultant, discussed a collaborative project with PT Suka Jaya Makmur—a company operating on a 171,340-hectare concession in West Kalimantan—that aimed to help the operation move towards Forest Stewardship Council (FSC) certification. He said the actual project activities moved beyond those proposed as the company wanted to fast track the certification process. He underscored key lessons including: partnerships require clear goals, mutual trust, and a history of cooperation; and FSC certification has become much more complex and costly, which furthers the importance of partnerships.

In response to questions from delegates, he said the costs of FSC certification have increased due to the need for a high conservation value forest assessment, which can cost US\$50,000 in Indonesia, and that these higher requirements are not offset by price competition among certifiers. On the issue of premiums, he said some products receive them, but companies also certify to avoid losing market access.

Yati Bun, Foundation for People and Community Development (FPCD), presented on Makapa Timber Area Forest Certification. He described an existing partnership between FPCD and the logging company Innovision (PNG) Ltd in the Makapa Timber Area in Papua New Guinea. He explained the central objective is to use this partnership to move Makapa timber towards SFM using FSC forest certification through educating company officials and workers and conducting a scoping visit. He said the company must determine how to move forward now that the work has been conducted. Responding to the Congo, Bun explained the company shares its profits by paying out royalties to the government and local citizens.

Establishment of a Working Group to Develop Guidelines on Legality and Sustainability for Timber Products for Public Procurement: On Thursday, Ghana, for the Producers, presented a proposal to: streamline the requirements for forest certification and verification of timber legality in public procurement of consumer markets; address the increasing costs associated with meeting different requirements set by Consumer countries; and promote healthy competition and SFM.

Japan, supported by the US, cautioned against a sole focus on public procurement, and the expected outcome being framed too broadly. Finland warned that seeking harmonization might be difficult. The US said it has not yet been demonstrated that procurement policies are creating a problem in the marketplace, and opined that harmonization might not be desirable. He raised several questions about the modalities and terms of reference (ToR) sections in the proposal. New Zealand wondered if guidelines were the appropriate outcome to seek. Indonesia suggested adding “on transaction costs or production costs” to the ToR to examine the impact of public procurement policies on achieving SFM. Malaysia asserted that the proposal was fully within the ITTO’s mandate and practice. The Netherlands suggested the ITTO work with the UN Economic Commission for Europe’s Timber Committee on this issue. Chair Boonstra asked Consumers to discuss the proposal in caucus, with any proposed changes to be dealt with by the Committee afterward.

On Friday, Chair Boonstra re-opened discussion on the proposal. The US, for the Consumers, said they recognized the broad interest in the topic and supported further discussion, but stressed that the current proposal requires clarity on the definitions of certification, legality verification, and procurement initiatives. She said the Secretariat should write a background paper in consultation with TAG and CSAG. Ghana, for the Producers, said the issue is urgent, but expressed a willingness to sharpen the proposal’s focus in a contact group. Malaysia, supported by India, said they did not want the issue delayed until the next Council session since current and impending regulations on legality are already affecting tropical timber trade.

The US appreciated the urgency and recognized the work as within ITTO’s mandate, but reiterated concerns over the proposal’s imprecision. Ghana and Malaysia called for action in order to inform discussions at ITTC-47, and said a contact group could revise the ToR. The US agreed to participate. Chair Boonstra adjourned the session and invited Malaysia, the US, and the Producer spokesperson to participate in a contact group. Japan, India, Finland and Indonesia said they would participate, and Ghana, for the Producers, extended a broader invitation to the Producer caucus.

Chair Boonstra reconvened the Committee to consider the ToR drafted by the Secretariat to reflect the contact group’s discussion, noting it would supplant activity 12 on the 2010-2011 BWP. India said the new ToR diluted the original proposal, and called for more attention to the problems of complying with procurement policies. Japan supported the proposal and indicated the possibility of providing funds. The US, noting general support, asked for changed wording to clarify that procurement policies are driven by the marketplace and called for, *inter alia*: a focus on market implications not threats; identification of challenges for Producer and Consumer countries; and, supported by Japan, a revised budget.

After a brief adjournment for a Producer caucus meeting, Ghana, for the Producers, agreed the budget could be revised, adding that the proposal had been diluted. He called for the proposal to: review and analyze procurement policies, not just inventory them; examine the financial implications of these policies on SFM; consider World Trade Organization requirements with a focus on legality of procurement policies; and recommend actions for ITTO to promote trade in tropical timber.

The US called the proposal too ambitious for the time frame and the expertise of one consultant. Brazil and Ghana recognized the complexity, but suggested an analysis built from the inventory of these policies provided in the 2010 ITTO report “Pros and Cons of Procurement” (ITTO Technical Series #34). The US expressed concern that a proposal negotiated in good faith in the contact group, where concessions had already been made and a phased approach had been accepted, was now undergoing substantial modification. She said the US could not accept the proposed revisions. Malaysia reiterated that the diluted proposal was unacceptable.

The ensuing discussion led Chair Boonstra to propose a second contact group to redraft the proposal under the condition that its work not be re-negotiated by the Committee. She asked for clarification on whether the proposal focuses on “procurement policies and their legality requirements” or “the legality of procurement.” New Zealand and the US expressed concern about the latter, stressing that this is not within the expertise of ITTO. Liberia clarified that the former was the focus. Seeing no objections to this clarified focus, Chair Boonstra adjourned the Committee so a contact group could redraft the proposal.

Chair Boonstra reconvened the Committee, noting the productive discussion in the contact group, and introduced the revised text. China requested an amendment to ensure

the focus included examining the challenges to Producers and Consumers and for exporters of tropical timber products. The US noted remaining reservations, but said the text was sufficient to proceed. Seeing no objections, Chair Boonstra noted the consensus that the proposal would supplant activity 12 of the 2010-2011 BWP.

Future Policy Work: On Thursday, the CEM agreed to pursue future policy work on: market access; forest and timber certification with an emphasis on pricing; selected data and analysis from the ITTO annual review and assessment of the world timber situation; and life-cycle analysis. The CFI decided to conduct future policy work on strengthening the capacity to promote efficient wood processing technologies and exploring innovation of tropical timber.

ELECTION OF CHAIRS AND VICE-CHAIRS FOR 2011: The CEM-CFI elected Josué Ivan Morales Dardón (Guatemala) as Chair of CEM, and Rob Busink (the Netherlands) as CEM Vice-Chair. Ebia Samuel Ndongo (Cameroon) and James Gasana (Switzerland) were elected CFI Chair and Vice-Chair, respectively.

DATES AND VENUES OF FUTURE MEETINGS: It was agreed that the forty-fifth and forty-sixth meetings of the Committee will be held in conjunction with ITTC-47 and ITTC-48, respectively.

ADOPTION OF REPORT: On Friday, CFI Chair Shim began discussion of the CEM-CFI draft report (CEM-CFI(XLIV)/6). The discussion was completed by CEM Chair Boonstra after consideration of the revised activity 12 of the 2010-2011 BWP concluded.

On policy work, the report was amended to clarify comments on the costs of DNA fingerprint techniques and access to fingerprinting datasets, and on the status of proposed procurement policy guidelines. On the ITTO Annual Market Discussion, the report was amended to include a question about how modified wood products are treated by procurement policies. The Committees accepted the report with amendments for submission to the Council.

COMMITTEE ON REFORESTATION AND FOREST MANAGEMENT

The Committee on Reforestation and Forest Management (CRF), chaired by Tabi Agyarko (Ghana) with Patrick Hardcastle (UK) as Vice-Chair, convened from Tuesday to Friday to consider: policy work; the meta evaluation of *ex-post* evaluations; completed projects and pre-projects; projects and pre-projects in progress; and election of officers.

COMPLETED PROJECTS AND PRE-PROJECTS: On Tuesday, the Committee considered completed projects and pre-projects (CRF(XLIV)/2), with 15 projects considered complete, including:

- Sustained management of the So'o Lala Forest in Cameroon;
- Conservation and reforestation of threatened mangrove forest area along the Pacific Coast of Panama;
- Sustainable production of native timber species in Ghana;
- Development of national principles, criteria and indicators for sustainable management of the Congo Forest based on ITTO C&I for SFM;

- Transboundary management of the Emerald Triangle Protected Forests Complex, Thailand and Cambodia;
- Implementation of the SFM programme of the Iwokrama International Centre in Guyana;
- Reduced impact logging in the Congo Basin, Gabon;
- Training on demonstration, application and extension of ITTO Manual on Restoring Forest Landscapes in Tropics of China; and
- Promoting adoption of SFM in the Brazilian Amazon.

On the Emerald Triangle project, the US asked about linkages between this project and another in the area funded by the Asian Development Bank (ADB), while Malaysia asked what lessons it might hold for project formulation for transboundary projects. Hwan Ok Ma, ITTO Secretariat, said that ITTO is cooperating with the ADB on the project. He said it showed the need for strong political commitment by all countries in transboundary projects, and that involvement of civil society can help increase transboundary cooperation.

On the Guyana SFM Programme project, the US asked about current challenges in maintaining FSC certification and financing for conservation activities after the completion of the project.

REVIEW OF PROJECT AND PRE-PROJECT WORK IN PROGRESS: On Thursday, the Committee reviewed the implementation status of approved projects and pre-projects (CRF(XLIV)/3). Fifty-seven of the 81 projects reviewed were considered "under implementation," and of these, three had been reported as completed at previous CRF sessions, but still needed submission of a final financial audit. Completion reports had been received from four projects, but financial audits remain pending. Of the 24 projects not classified as "under implementation," two were reported as awaiting an implementation agreement, 19 as awaiting financing, and three as coming under sunset provisions. Eight pre-projects were reviewed, one was considered complete pending financial audit, and three had been reported as completed at previous CRF sessions, but still needed submission of a final financial audit.

The Committee considered several requests for extensions without further funding required, the majority of which were approved pending the submission of a formal request and work plan for the extension. Malaysia requested, and received, a Committee endorsement for an extension with additional funds for a project on biodiversity conservation in the Pulong Tau National Park. The Committee also endorsed granting additional funds to the World Atlas of Mangroves project to produce versions of the Atlas in French and Spanish.

Chair Agyarko urged donor countries to consider carefully the list of projects awaiting funding, to avoid any from falling under the sunset provision classification. Nigeria, supported by Malaysia, asked if there was some way to catalog and present, in a user-friendly manner, all the lessons learned through the many projects implemented. John Leigh, ITTO Secretariat, pointed out this was the goal of the meta-evaluation exercise. Eduardo Mansur, ITTO Secretariat, suggested that an online database could be created at low cost. Hwan Ok Ma, ITTO

Secretariat, recalling that past regional workshops had been used to share lessons learned, suggested this additional dimension be considered.

EX-POST EVALUATIONS: On Thursday Vice-Chair Hardcastle introduced the Draft Terms of Reference for a Meta-Evaluation of Previously Evaluated ITTO Projects Related to CRF (CRF(XLIV)/8 Rev.1), noting that the other Committees are likely to make use of it as well. Nigeria suggested complementing the document review with visits to representative projects to evaluate their impact and sustainability. After a small informal working group was convened to amend the draft ToR, it was resubmitted to the CRF Friday as an annex to the draft Committee report (CRF/(XLIV)/13 Annex 1), at which time some delegates provided additional comments and suggestions. The amended ToR and the proposed budget for the evaluation of US\$300,000 drawn from the Pooled Sub-Accounts for *Ex-Post* Evaluation were attached to the final Committee report sent to the Council.

CONSIDERATION OF PROJECTS AND PRE-PROJECTS: On Thursday, the US drew attention to a proposal that donors had agreed to in a time-bound no-objection electronic procedure, only to later find that it was not listed on the website or the donor funding sheet, and the budget had increased by over US\$1 million. The Secretariat stated that revisions to the project should have been posted to the website and that approval would be deferred until the matter was resolved. The concerns of the US were noted in the draft CRF report to the Council (CRF(XLIV)/13) under “other business.”

POLICY WORK: Review and Update of the ITTO Guidelines for the Sustainable Management of Natural Tropical Forests to Take into Account Recent Developments in Tropical Forestry: On Tuesday, Eduardo Mansur, ITTO Secretariat, discussed the report on activities on this issue (CRF(XLIV)/9), including 28 expert workshops with participants such as the Center for International Forestry Research (CIFOR) and the TAG, and reviewed the timeline for finalizing the work by the forty-fifth session of the CRF. The Committee commended the actions taken and recommended to the Council that the proposed follow-up be approved.

Implementation of the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests: On Tuesday, Jeffrey Sayer, ITTO Consultant, reported on implementation of the ITTO/IUCN Guidelines (CRF(XLIV)/10), including: awareness-raising activities such as a June 2010 seminar in Yokohama, Japan to inform practitioners in Asia about the Guidelines; a presentation at the International Union of Forest Research Organizations (IUFRO) World Congress held in August 2010 in Seoul, Republic of Korea; and an article in TFU available at CBD COP 10 held in Nagoya, Japan, in October 2010. He reviewed ongoing work to develop a reporting framework for use by countries or companies, and noted recommendations such as promoting the use of the guidelines by companies, NGOs and certification programmes.

In response to Nigeria, Sayer said regional events to raise awareness and build capacity for the Guidelines would be useful. On a question from the US, he said a reporting framework could have many uses, including facilitating ITTO work documenting progress on the management of tropical forests and with its MOU with the CBD.

The Committee took note that the activity, while well advanced, had not been completed because of a funding shortfall and urged donors to consider providing the funding required.

Prevention and Management of Fire in Relation to Tropical Timber-Producing Forests: On Tuesday, John Leigh, ITTO Secretariat, reported that a consultant is developing a comprehensive fire management strategy for Togo, and the Secretariat will sponsor six to twelve experts to attend the Fifth Wildland Fire Management Conference to be held in South Africa in May 2011.

Monitoring Application of SFM C&I: On Tuesday, Steven Johnson, ITTO Secretariat, reported that workshops on this topic have been held in 28 countries, and a joint workshop for Suriname and Trinidad and Tobago is slated for 2011. He said the results of a study on the application of the SFM C&I would be presented to the Joint Committee on Wednesday morning.

Strengthening Cooperation and Collaboration Between ITTO and ACTO Countries on C&I and Related Topics: On Tuesday, Floriano Pastore, ITTO Secretariat, reported that a MOU between ITTO and the Amazon Cooperation Treaty Organization (ACTO) was signed in July 2010, adding that the World Bank will conduct technical visits to ACTO member countries in February-March 2011, followed later that year by a workshop on the draft harmonized regional system. He said the complete activity, including the harmonized system, will be reported to the next Committee session.

International Conference on Forest Tenure, Governance and Small and Medium Forest Enterprises with a Focus on Asia-Pacific: On Tuesday, Augusta Molnar, CSAG Co-Chair, reported that the Conference is now slated for 11-15 July 2011 in Lombok, Indonesia.

Assessing Resources Required to Implement SFM: On Tuesday, Hwan Ok Ma, ITTO Secretariat, presented the proposed terms of reference (CRF(XLIV)/11). Nigeria suggested that the qualifications for the consultants and panel of experts be defined upfront, while the US expressed concern over how best to account for the variability of factors affecting costs and how to determine when SFM has been achieved.

The Committee recommended that the Council approve the ToR as part of its report (CRF(XLIV)/13 Annex 2).

ELECTION OF THE CHAIR AND VICE-CHAIR FOR 2011: On Friday, Abdulrahman Abdulrahim, (Malaysia) was elected as Vice-Chair for 2011, while current Vice-Chair Patrick Hardcastle (UK) was elected as Chair for 2011.

DATES AND VENUES OF FUTURE MEETINGS: It was agreed that the forty-fifth and forty-sixth meetings of the Committee will be held in conjunction with ITTC-47 and ITTC-48, respectively.

ADOPTION OF REPORT: On Friday, the draft report of the Committee (CRF(XLIV)/13) was accepted for submission to the Council, after amendments to an annex regarding the ToR for the meta-evaluation, and to the section on “other business” to reflect US concerns about proper notification of major changes to projects subsequent to approval in the electronic no-objection procedure.

COMMITTEE ON FINANCE AND ADMINISTRATION

The CFA, chaired by David Brooks (US), with Agus Sarsito (Indonesia) as Vice-Chair, met from Tuesday to Friday to consider, *inter alia*: the Administrative Budget for 2011; review of contributions to the Administrative Budgets; status of the Administrative Account; resources of the Special Account and the BPF; the Auditors’ Report for 2009; the appointment of an auditor; review of the work of the ITTO Secretariat; election of the Chair and Vice-Chair for 2011; and other business.

ADMINISTRATIVE BUDGET FOR 2011: On Tuesday afternoon, Charas Mayura, ITTO Secretariat, presented the draft Administrative Budget for 2011 (CFA(XXV)/2), highlighting that it is part of the biennial budget. Delegates supported discussing the budget for operation under ITTA, 1994 as ITTA, 2006 has not yet entered into force. He noted the stronger-than-anticipated Japanese yen, which meant the budget used an exchange rate of JPY 84.69 = US\$1 and said that this has led to a net increase in the budget of 13.09% to US\$846,530.

Brazil queried adjustments on salaries due to exchange rate fluctuations. The Secretariat stressed that only professional staff categories are affected, and had been adjusted accordingly. Germany questioned why a split currency assessment could not be used, with the Secretariat cautioning that certain regions may struggle to pay their contributions in yen. He confirmed that member contribution increases were due to exchange rate fluctuations.

On Wednesday evening, the CFA resumed discussion of the Administrative Budget for 2011, following time allowed for deliberation on the Secretariat’s proposed budget from the previous day. Japan proposed that given current funding constraints, the Secretariat should keep the budget in line with 2010, including attempts to reduce personnel expenditure by 20% and ensure that travel expenditure is more efficient. The US requested a budget reduction in the range of US\$100,000 to US\$150,000. China, suggesting a ceiling for budget increases, echoed the requests of previous interventions calling for cuts.

On Thursday morning, Chair Brooks introduced a first revision of the budget involving proposed expenditures for the financial year 2011. The Secretariat noted that the revised budget was reduced by US\$200,563, including deferring the recruitment of personnel to fill empty posts and an Assistant Director for Forest Industry. He also noted that costs were incorporated into the budget for holding ITTC-47 in Guatemala, which includes a reception to reciprocate the host’s hospitality. On purchasing a new car for the Executive Director, the Secretariat noted that the current car is six years old with mileage exceeding 250,000 kilometers.

Malaysia expressed concern over delaying the recruitment for the Assistant Director position for Forest Industry, as there

are few projects being undertaken in the Forest Industry sector, which is an important aspect of SFM. Liberia noted that as the car is old, service and repairs may be more costly than purchasing a new car. Switzerland requested more detail on the impacts of the cost reductions suggested. Papua New Guinea supported the revised budget. The Executive Director noted that the Secretariat was being vigilant in cutting costs, but cautioned that the freezing of posts will affect the overall functioning of the Organization.

Germany questioned the hospitality and transport allocations within the budget, and proposed delaying the appointment of the Assistant Director until at least June 2011. Japan suggested seeking savings by downgrading the salary level of this position, or freezing all hiring in 2011. Switzerland and Malaysia advocated that the Assistant Director be recruited with the appropriate level of expertise. Based on the interventions and specific comments, Chair Brooks asked the Secretariat to produce a further revision of the budget to accommodate additional cost reductions.

On Friday morning, the Secretariat presented this second revision of the budget, highlighting a further expenditure reduction of US\$52,821 due to decreases in salaries and benefits, social security, hospitality, and costs of Council meetings not met by the host country. Germany, China, Japan, Liberia and Guatemala supported the revision, although Germany asked for sustainable budget reviews going forward and Japan noted its final response must await confirmation from Tokyo. Chair Brooks asked the Committee to consider allowing the Executive Director to draw up to US\$1.1 million from the Working Capital Account (WCA) to cover the expected shortfall of payments from members to the 2010 Administrative Budget. The Committee agreed, and Brazil confirmed that its contribution to the budget will be authorized now that the new Brazilian Minister of the Environment had been nominated and confirmed. Chair Brooks said that, pending Japan’s approval, he would propose this second revision of the budget to the Council.

REVIEW OF CONTRIBUTIONS TO THE ADMINISTRATIVE BUDGET: On Tuesday afternoon, Mayura presented the Statements of the Administrative Account (1986-2010) (CFA(XXV)/3). He explained the Producer and Consumer caucuses were assessed equal contributions of US\$3,155,000 each, with the remaining payments of Producers for 2010 totaling US\$1,202,465.09 and those of Consumers totaling US\$31,550. He said Producer and Consumer arrearages in contributions to previous years’ budgets were US\$4,536,804.88 and US\$111,245, respectively. The Secretariat explained that if member arrears total three times the amount of their assessed annual contribution, it affects their eligibility to submit proposals and pre-project proposals. The Committee took note of the report.

STATUS OF THE ADMINISTRATIVE ACCOUNT: The Secretariat presented the Status of the Administrative Account for the Financial Year 2010 (CFA(XXV)/4). He highlighted that the Administrative Budget for 2010 had an anticipated estimated deficit of US\$1,102,370 and that the funds available for the WCA totaled US\$3,329,703.19 with a possible US\$82,030

contribution from Liberia. In response to Germany, the Chair asked the Secretariat to: include in the WCA calculations of the amount required to pay for the ITTC-47 meeting that may be held in Guatemala; and provide separate detailed accounting of the WCA. The Committee took note of the report.

RESOURCES OF THE SPECIAL ACCOUNT AND THE

BPF: On Tuesday afternoon, Charas Mayura introduced this item (CFA(XXV)/5), noting that the panel was investigating the transfer and use of unearmarked funds in the Special Account. He noted that the available balance is US\$875,678.64 and that US\$136,383 was available in sub-account B of the BPF. The Committee took note of the document.

AUDITOR'S REPORT 2009: On Tuesday afternoon, Mayura presented the Report of the Independent Public Accountants (CFA(XXV)/6), noting: a total 2009 revenue of US\$14.94 million; total 2009 expenditures amounting to US\$20.89 million; the use of US\$330 million to finance more than 900 projects, pre-projects and activities over the history of the Organization; and confirmation of the Auditor's satisfaction with the finances of the Organization. The Committee took note of the report.

APPOINTMENT OF AUDITOR: The Secretariat presented four quotes (CFA(XXV)/7) and recommended that Ernst & Young ShinNihon be appointed for a three-year term. The Committee took note of the report.

REVIEW OF THE WORK OF THE ITTO

SECRETARIAT: On Friday morning, Mahboob Hasan, ITTO Secretariat, introduced the Review of the Work of the ITTO Secretariat (CFA(XXV)/8), which provided an overview of the Secretariat's structure and financial outlook, as well as recent developments in regular project cycles, Thematic Programmes, BWPs, and Council decisions. He expressed hope for an increase in future funding and in the number of funding sources. Chair Brooks drew parallels between this document and the draft Administrative Budget (CFA(XXV)/2).

Japan asked the Secretariat to report on the workload of each section to determine whether staff might be better allocated. The EC agreed and suggested developing a Secretariat structure and strategy of action to focus on activities that most interest members, given funding constraints. Canada noted that although the scope of work had expanded while staffing remained constant, the number of project proposals had declined. Hasan replied that some programmes were funded with greater assurance than others, and that Thematic Programmes required more work by the Secretariat. Germany requested a revised version be made available with a greater focus on the financial framework. Chair Brooks noted that because the date on which the ITTA, 2006 will enter into force remains unknown, members must work together to advise the Secretariat on how to prepare for the future, either under the current agreement or under the ITTA, 2006.

OTHER BUSINESS: Financing of Council Sessions

to be Held Outside of Headquarters: Brazil, supported by Mexico, presented a proposal to the Committee on Tuesday afternoon to: rotate Council meetings between the Headquarters and a Producer member country; have each member country

contribute US\$3000 per year to finance meetings held outside of Headquarters; store these funds in a separate sub-account under the Administrative Account; and have the inviting Producer country submit detailed estimates of the costs required to host the meeting (ITTC(XLVI)/7/Rev.1). Many delegations offered support for the spirit of the proposal but expressed concern over the details. Germany, the EC, Switzerland and Canada questioned the amount and legal status (i.e., a voluntary contribution versus a part of the Administrative Budget) of the proposed contribution. Brazil responded it would be part of each country's regular contribution. The Committee discussed other funding models and sources, including looking to other organizations for guidance. The US questioned the funding mechanisms of the proposal from Brazil and Mexico once ITTA, 2006 enters into force, given the number of countries in arrears for regular assessments and the difficulty of quantifying the exact amounts required to host in Producer countries. The Chair applauded the constructive and positive spirit of discussion demonstrated by the delegates despite their lack of consensus.

On Wednesday evening, deliberations resumed. Chair Brooks presented information on: the ITTC's previous discussion of the venue of ITTC-47; the history of use of the WCA; expenditures for meetings held outside of Headquarters; how ITTA, 1994 and ITTA, 2006 relate to this matter; and how other commodity organizations have dealt with this issue. The EC and Canada proposed a draft decision on the financial arrangements of hosting Council sessions outside Headquarters, which proposed: Producer members express their interest in hosting a Council session at least 27 months in advance of the proposed session; covering up to 50% of the total costs of hosting from the Administrative Budget, not to exceed US\$400,000; financial assistance for ITTC-47 in Guatemala from the ITTO Administrative Budget 2011 and the WCA; and holding ITTC-48 at headquarters.

Canada suggested that if the basic principles of timing and funding in the draft were adequate, then the details could be discussed further. Papua New Guinea and Ghana asked for additional time to review the draft decision. Council Chair Birchmeier suggested assembling a small number of delegates to discuss the document with the EC and Canada, including Brazil and Mexico, in the Bureau meeting. In response to a question from Togo about financing, Chair Brooks explained that both the proposal from Brazil and Mexico and the one from the EC and Canada set forth that all members shall accept some cost-sharing responsibility from the Administrative Budget.

Extension of the Tenure of One of the Assistant Directors:

On Friday morning, the Executive Director asked the Committee to approve extending the appointment of Assistant Director for Management Services, Mahboob Hasan, for an additional year until 31 January 2012 given the delay of entering into force of ITTA, 2006. With Germany abstaining, the Committee agreed to the Executive Director's request.

Draft Decision on Procedures to Respond to Additional Funding Opportunities:

On Wednesday evening, the Secretariat presented a draft decision on Cooperation between ITTO and non-ITTO member donors and responding to calls for proposals

to authorize the Executive Director to: conduct consultations of any approved ITTO project or pre-project with non-ITTO member donor agencies; prepare a revised project document acceptable to all parties; and participate in calls for proposals announced by donor institutions. The EC, Japan, Malaysia, Papua New Guinea, Guyana and Cameroon supported the draft decision. Switzerland sought clarification on the substance and extent of revision required. New Zealand questioned whether the ITTO will act alone on proposal calls. The US asked how frequently the matter of outside donors arises and questioned the phrase “materially altered” as it relates to document revisions. Chair Brooks registered both the strong support for the draft decision by certain delegates and the desire from other delegates to modify or clarify certain elements. The Committee recommended that the draft decision be considered by the Council Chair Birchmeier’s Open-ended Drafting Group.

DATES AND VENUES OF FUTURE MEETINGS: It was agreed that the twenty-sixth and twenty-seventh meetings of the Committee will be held in conjunction with ITTC-47 and ITTC-48, respectively.

ADOPTION OF REPORT: On Friday afternoon, the CFA reviewed the draft CFA report (CFA(XXV)/9). Japan called for adding the cost of JPY 9,800,000 of the new audit firm Ernst & Young ShinNihon. Germany asked to amend the text to include mention that the Committee should be informed regularly about the “structure and financing” of Organization personnel. Canada asked that the specific average cost to Japan of US\$400,000 for each meeting hosted outside of Headquarters be deleted because it served as an oversimplified figure of convenience. The report was accepted with amendments by the Committee for submission to the Council.

CLOSING PLENARY

The closing plenary convened on Saturday afternoon, 18 December, at 2:05 pm.

REPORT OF THE CREDENTIALS COMMITTEE: David Brooks (US), on behalf of the Chair of the Credentials Committee, Ellen Shaw (US), noted that the Credentials Committee had met on 17 December 2010, and that the credentials of 47 countries had been accepted.

REPORTS OF THE COMMITTEES: The reports of the Associated Committees were presented to the Council. CEM Chair Carla Boonstra and CFI Chair Kug-bo Shim presented their respective portions of the report of the CEM/CFI (CEM-CFI(XLIV)/6), which the Council adopted. CRF Chair Tabi Agyarko presented, and the Council adopted, the report of the CRF (CRF(XLIV)/13). CFA Chair David Brooks presented, and the Council adopted, the report of the CFA (CFA(XXV)/9).

ELECTION OF CHAIR AND VICE-CHAIR FOR 2011: The Consumer Group nominated Joachim Bilé Allogho (Gabon) as Council Chair and the Producer Group nominated Carla Boonstra (Netherlands) as Council Vice-Chair for 2011. They were elected by acclamation.

DATES AND VENUES OF FUTURE SESSIONS: Guatemala, on invitation from the Chair, invited the Council to host its forty-seventh session in Antigua, Guatemala. They offered

two possible dates and after consultation, the Council proposed that ITTC-47 be held from 14-19 November 2011. This was unanimously approved.

Japan, supporting the rule of alternating Council sessions between Headquarters and a Producer country, offered to host ITTC-48 in Yokohama from 5-12 November 2012. Vice-Chair Bilé Allogho (Gabon) announced his country’s wish to host ITTC-49 in Libreville. The Council endorsed the proposals for ITTC-48 and ITTC-49.

DECISIONS AND REPORT OF THE SESSION: A drafting group met from Wednesday to Saturday to prepare the draft decisions for consideration by the Council. Eight decisions were introduced by Chair Birchmeier, which were adopted with no amendments.

The first decision (Decision 1(XLVI)), on projects, pre-projects and activities, approves: 11 projects; budget amendments in three projects; amendments in eight project proposals; one project extension for a project on TBC in Sarawak State, Malaysia; 16 projects for immediate financing, and nine activities under the BWP 2010-2011. The decision urges members to consider financing for approved projects that do not have funds available, appeals to members to make unearmarked contributions to the Thematic Programmes and Special Account, as well as voluntary contributions to the Bali Partnership Fund, and requests the Executive Director to continue consultations with potential donors and the Common Fund for Commodities to secure financing for approved projects, pre-projects and activities.

The second (Decision 2(XLVI)) reappoints Emmanuel Ze Meka as Executive Director of the ITTO for another five years, until 5 November 2015.

The third (Decision 3(XLVI)) on the IYF, 2011 and the twenty-fifth anniversary of ITTO requests the Executive Director: to undertake activities for the IYF and the ITTO’s silver jubilee; continue to seek voluntary funding for implementing these activities; and report back to the Council at its next session on the implementation and outcomes of these activities.

The fourth (Decision 4(XLVI)), recognizing the need to give ITTO the opportunity to access funding mechanisms from other donor entities, authorizes the Executive Director to conduct consultations with these entities regarding approved ITTO projects or pre-projects to comply with requirements as necessary, prepare the revised documentation, participate in additional funding mechanisms made available, and notify and report to members on these actions.

The fifth (Decision 5(XLVI)) authorizes the Executive Director to establish a multi-donor mechanism to facilitate ongoing funding of the joint ITTO-CITES capacity-building programme, and requests the Executive Director to continue overseeing the capacity-building programmes and undertake activities as part of the programme.

The sixth (Decision 6(XLVI)) on the ITTO/CBD collaborative initiative further develops the initiative focusing on enhancing biodiversity in production forests and improved conservation and management of protected areas, and requests the Executive Director to promote the initiative.

The seventh (Decision 7(XLVI)) decides that annual Council sessions shall rotate between Headquarters and a Producer member country, sets out conditions and distribution of costs for the hosting of sessions outside of Headquarters, and stipulates that no more than US\$400,000 shall be spent from the Administrative Budget for hosting a session outside of Headquarters.

The eighth (Decision 8(XLVI)) outlines arrangements for the hosting of the forty-seventh, forty-eighth and forty-ninth sessions of the Council.

CLOSING STATEMENTS: Numerous speakers congratulated Chair Birchmeier, the Council officers, and the Producer and Consumer groups for a successful session, and thanked the City of Yokohama, the interpreters, and the ITTO support staff.

Jennifer Conje, Consumer spokesperson, thanked the Chair for his leadership in achieving consensus on the issue of financing meetings outside of Headquarters and stated that the cooperation and hard work of all members characterized the best of ITTO. Alhassan Atta, Producer spokesperson, described the ratification of ITTA, 2006 as one of the key challenges for ITTO moving forward, encouraged taking advantage of the IYF and the 25th anniversary of ITTO to promote awareness of tropical timber, and announced the election of Carolina Costellini (Brazil) as the new Producer spokesperson. Spokespersons Conje and Atta expressed mutual appreciation for one another's calm and dedicated efforts. In light of the imminent retirement of CFA Chair Brooks (US), several speakers expressed their gratitude for his wise and lucid counseling.

The new Chair, Joachim Bilé Allogho, applauded the spirit of consensus of the ITTC, expressed his hope that ITTA, 2006 will enter into force in 2011, and gave the ceremonial gavel to outgoing Chair Birchmeier.

Outgoing Chair Birchmeier thanked the ITTC for achieving a decision on financing meetings outside of Headquarters, formalizing relationships with the CBD and CITES, and establishing more flexible mechanisms for ITTO fundraising. He encouraged all members to complete the necessary procedures to approve ITTA, 2006 to bring it into force at the next Council session. He thanked those assembled, committed to remaining engaged with ITTO, and closed the meeting at 4:44 pm.

A BRIEF ANALYSIS OF ITTC-46

AN OPTIMISTIC MOOD

Buoyed and energized, delegates arrived in Yokohama for ITTC-46. The news of the "successful" outcome at the Climate Change Conference in Cancun, Mexico the previous week, in addition to the adoption of two new protocols to the Convention on Biological Diversity and the Cartagena Protocol on Biosafety in October in Nagoya, Japan, reaffirmed that there is hope for multilateralism. In this vein, ITTC delegates embarked on their annual meeting with a sense of optimism.

Yet, despite the positive atmosphere, it was clear that the ITTO faces some serious challenges and delegates had to overcome some difficult hurdles before ITTC-46 could be

considered a success. This brief analysis will examine the uncertainties facing the Organization on the eve of its twenty-fifth anniversary, including the entry into force of ITTA, 2006, finances and its place in the crowded arena of international forest governance as the International Year of Forests gets underway in January 2011.

ITTA, 2006 IN 2011?

Nearly five years after its adoption, the International Tropical Timber Agreement (ITTA), 2006 has yet to enter into force. While sufficient Consumer countries have ratified the Agreement, only 19 Producers have done so and this does not account for enough votes to surpass the threshold of 60% of the total votes necessary for the Agreement to enter into force. Prior to the meeting, the Executive Director asked members to comment on the possibility of bringing the Agreement into force for those who have ratified the Agreement (as provided for in Article 39.3, which allows for the provisional entry into force among existing parties with the approval of the UN Secretary-General). However, this raised concerns given the increase in dues this would entail for certain Producer countries. In the ITTO, total member contributions are allocated among parties in proportion to voting power; in the absence of large Producers, certain members' contributions, particularly smaller Producers, would increase significantly. As a result, until the threshold is surpassed for Producers, entry into force appears unlikely. Within this context, nevertheless, the Council session was able to advance considerable work, with the Committee on Finance and Administration undertaking an exercise to assess how the Secretariat's operations will proceed once the Agreement is in force. The Secretariat developed a tentative budget for the 2011 that detailed its work, assuming the new funding structure, as provided for by the Thematic Programmes, is in effect. This gave delegates a chance to discuss and understand what will happen once the ITTA, 2006 enters into force, thus reducing uncertainty about the transition and the Secretariat's operations under the new Agreement.

TURBULENT FINANCIAL TIMES

The ongoing financial troubles facing many of the major world economies present complex challenges to those concerned with tropical timber trade. Preliminary ITTO data collected from member countries point to declines in tropical timber trade. Figures put production at 138 million cubic meters of tropical timber logs in 2009, compared to 141 million in 2008, and note a 20% drop in sales of secondary processed wood products, a fall to US\$73.7 billion from US\$92.5 billion in 2008. At the same time, requirements to access certain markets continue to evolve as legality verification laws, which require confirmation that traded wood products comply with laws in their country of origin, affect the price and volume of global timber flows. Significant examples of these legality requirements include: provisions in the 2008 amendments to the US Lacey Act, phased in since enforcement began on 1 April 2009; the EU Timber Regulations that entered into effect on 2 December 2010 and will be enforceable on 3 March 2013; and Australian legislation on legality requirements for all timber products

planned for introduction in 2011. The heightened challenges for tropical timber are amplified still further as ever-new competing products—the result of technology advancements for wood treatments and composite products—continue to flood stalwart markets for tropical timber, such as end uses relying on the natural decay resistance or decorative appearance of certain tropical species.

What are the consequences of these conditions for the ITTO? Most directly they have eroded its financial position. From 2003 to 2008, yearly direct funding levels were 50% lower than those for the period of 1997 to 2002, and there are also funding shortfalls for various activities within the 2010-2011 Biennial Work Programme (BWP), with roughly 30% of the proposed budget having been secured. With finances tight, there are spill-over effects for other challenges facing the Organization. The limited funds mean some activities are in limbo, which, during the Council session, provoked discussions about how activities should be prioritized.

Reacting to the Executive Director's presentation of the BWP, one delegate expressed concern that funded activities were notably skewed towards environmental issues and away from those of greater concern to Producers and exporters of tropical timber, including market data and access, and other legal requirements that could affect trade flows. The imbalance in existing voluntary contributions to Thematic Programmes, which align with the priorities of Consumers, further the frustration of some Producer members as those Thematic Programmes dealing with climate change and forest governance and legality issues have received greater proportions of their proposed budgets than those concerning issues central to tropical timber production. The Tropical Forest Law Enforcement, Governance and Trade (TFLET) and Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests (REDDES) Thematic Programmes have received US\$5.84 million and US\$4.43 million for their respective budgets of US\$15 million and US\$18 million. By contrast, the Thematic Programme on Industry Development and Efficiency has received no pledges towards its US\$10 million budget.

The disagreement over priorities surfaced most notably over ITTO's work on timber procurement policies. Activity 12 of the 2010-2011 BWP, which tasked the Secretariat to analyze the economic impact of government procurement policies on tropical timber markets, emerged to be of particular significance among Producers as it is seen as one of the many ways to tackle the challenges and difficulties facing Producers and exporters as the market declines. This activity had yet to receive funding by the time ITTC-46 convened, and, as a result, delegates reopened discussion of this topic, which resulted in protracted debate on the appropriateness of ITTO analyzing the market implications of procurement policies. The result was a compromise on a newly crafted activity 12, which tasks the Secretariat with: updating the 2010 study on "The Pros and Cons of Procurement" (ITTO Technical Series #34); providing a comprehensive analysis of impacts of procurement policies; examining challenges faced by producer, exporter and consumer members in complying with and implementing procurement requirements;

and, recommending further ITTO action to promote trade in tropical timber in the context of procurement. Gaining guarded agreement on this controversial topic was a moment of success for the Council session given the distance between Consumer and Producer members on how to handle this issue.

Financial uncertainties will continue to have an impact on the effective functioning of the ITTO and Producers and Consumers alike will continue to try to shape funding priorities in the years to come. But there is some light shining through the end of the tunnel. Even though the funding for Thematic Programmes falls far short of the budgeted US\$58 million by nearly a third, it has increased by US\$4.4 million from 2008 to 2009. In addition, delegates were able to adopt a decision giving the Secretariat the mandate to, and a procedure for, pursuing funding support from other funding mechanisms (Decision 4(XLVI)). This authorizes the Executive Director to pursue calls for proposals from other donors, such as the World Bank and non-governmental organizations, to leverage more funds for the Organization's project work.

MANAGING INSTITUTIONAL UNCERTAINTY

Beyond the uncertainty about the future of ITTA, 2006 and financial contributions, there is also uncertainty about the role of the ITTO within the growing array of international organizations and conventions dealing with forests. Although its REDDES Thematic Programme continues to receive a high proportion of the donors' voluntary contributions (e.g., Norway pledged US\$4.2 million to REDDES Thematic Programme this year), ITTO's role in climate-related forest governance initiatives remains unclear. To gain greater clarity, during the intersessional period the Secretariat commissioned a report on the potential of building a voluntary carbon marketing scheme to promote sustainable forest management. This report underscored ITTO's expertise on tropical forests and its REDDES Thematic Programme as useful starting points for bringing REDD+ projects online, and proposed how ITTO might draw financial support from the private sector for REDD+ readiness activities. As much as leveraging opportunities from REDD+ are available, this remains a challenging direction for ITTO and consensus among its members does not yet exist on how the Organization should place itself and interact with the larger climate change governance arena, further complicated by the uncertainty about the future architecture of a global climate change agreement.

ITTO also has been working with other organizations and multilateral environmental agreements to create more certainty about its role. ITTO's successful work with CITES on non-detriment findings has led to ITTO's collaboration with the CBD to conserve tropical forest biodiversity. This collaboration is an outgrowth of the March 2010 Memorandum of Understanding between ITTO and CBD in support of the International Year on Biodiversity (Decision 6(XLVI)). The work with the CBD will focus cooperation in four areas: enhanced biodiversity conservation in production forests and rehabilitation of secondary forests, including promotion of the ITTO/IUCN Guidelines for the Conservation and Sustainable Use of Biodiversity in Tropical Timber Production Forests; improved conservation and management of protected areas in relation to SFM, including

transboundary conservation areas; enhanced provision of environmental services from tropical forests through SFM; and improved welfare of indigenous and local communities based on the sustainable management and conservation of tropical forests and sustainable use of their biodiversity. Successfully negotiating such collaborations is seen as a valuable means of broadening the awareness and appreciation of ITTO's niche expertise in SFM as it relates to tropical forests, ensuring the tropical forest agenda is taken note of and not lost in the crowded forest governance arena.

Finally, during IYF, which coincides with ITTO's silver jubilee, the Organization plans to highlight its work at various meetings of multilateral environmental agreements, culminating with Forest Day 5 at the December 2011 UN Climate Change Conference in Durban, South Africa. If it can obtain additional voluntary funding, ITTO hopes to co-sponsor a UNFF-led conference on community forests and income generation, publish ITTO success stories in applying SFM in field projects, and hold regional events celebrating ITTO's 25th anniversary and the entry into force of ITTA, 2006.

CERTAINTY AMIDST THE UNCERTAINTY

In spite of concerns about uncertainty, delegates left Yokohama in good spirits as their six days of hard work bore fruit. After three years of debate, delegates finally reached agreement on financing meetings away from ITTO Headquarters. Not only did this provide delegates certainty about the location of the next three Council sessions, it also set in place procedures for determining which Producer countries will host sessions outside of Headquarters. Even the last-minute proposal raised on procurement policies was successfully and skillfully shepherded to a negotiated agreement outlining new terms of reference for activity 12 in the 2010-2011 BWP. The Council worked hard to address ITTO members' opposing viewpoints, and institutional uncertainties to try and solidify its role and importance in the international forest governance area. The hope shared among delegates and the Secretariat is that the cooperative spirit of this year's Council will translate into the entry into force of ITTA, 2006 in 2011 as part of the International Year of Forests and give the ITTO something to celebrate during its silver jubilee.

UPCOMING MEETINGS

International Year of Forests, 2011: Based on the UN General Assembly Resolution 61/193, adopted in December 2006, 2011 has been declared International Year of Forests (IYF). The UN Forum on Forests (UNFF) will serve as the focal point for the implementation of the IYF, in collaboration with governments, the Collaborative Partnership on Forests, international, regional and subregional organizations and processes and other relevant organizations. **dates:** 1 January-31 December 2011 **location:** worldwide **contact:** UNFF Secretariat **phone:** +1-212-963-3401 **fax:** +1-917-367-3186 **email:** unff@un.org **www:** <http://www.un.org/esa/forests/2011/2011.html>

Expert Group Meeting on Indigenous People and Forests: At its ninth session, the UN Permanent Forum on Indigenous Issues decided to hold an Expert Group Meeting on indigenous

peoples and forests, coinciding with the International Year of Forests. The findings of this Expert Group Meeting will be presented to the tenth session of the Permanent Forum in May 2011. **dates:** 12-14 January 2011 **location:** UN Headquarters, New York **contact:** Sonia Smallacombe, Secretariat for the Permanent Forum on Indigenous Issues **phone:** +1-917-367-5066 **fax:** +1-917-367-5102 **email:** smallacombe@un.org **www:** http://www.un.org/esa/socdev/unpfii/en/EGM_IPF.html

Ninth Session of the UN Forum on Forests: The theme for UNFF 9 is "Forests for people, livelihoods and poverty eradication." UNFF 9 is also expected to complete consideration of the means of implementation for sustainable forest management. **dates:** 24 January - 4 February 2011 **location:** UN Headquarters, New York **contact:** UNFF Secretariat **phone:** +1-212-963-3401 **fax:** +1-917-367-3186 **email:** unff@un.org **www:** <http://www.un.org/esa/forests/>

Forestry and REDD Briefing Day: This meeting aims to explore means for overcoming the obstacles currently blocking the development of African forestry projects and deterring investment in African REDD projects. **date:** 27 January 2011 **location:** Johannesburg, South Africa **phone:** +44-207-099-0600 **email:** graham.swanson@greenpowerconferences.com **www:** <http://greenpowerconferences.com/carbonafrica>

UNCCD CRIC 9 and CST SS-2: The ninth session of the Committee for the Review of the Implementation of the Convention (CRIC 9) and the second special session of the Committee on Science and Technology (CST S2) of the UN Convention to Combat Desertification (UNCCD) are scheduled in February 2011. CST S2 will convene from 16-18 February and will be followed by CRIC 9 from 21-25 February. In addition, the COP 9 Bureau will meet from 14-15 February, and regional consultations will convene back-to-back with the CRIC session. **dates:** 16-25 February 2011 **location:** Bonn, Germany **contact:** UNCCD Secretariat **phone:** +49-228-815-2800 **fax:** +49-228-815-2898 **email:** secretariat@unccd.int **www:** <http://www.unccd.int/cop/cric9/menu.php>

International Symposium on Ecosystem and Landscape-level Approaches to Sustainability: The goals of the event are: to highlight the body of work being delivered globally to advance understanding and application of ecosystem and landscape-level approaches to sustainable land use and management; to create a forum comprising representatives with experiences in landscape-level management worldwide; and to develop a strategy for how to ensure this work is integrated into problem solving on sustainable use and management of landscapes and natural resources in light of critical current and future challenges. **dates:** 22-26 March 2011 **location:** Burgos, Castilla y Leon, Spain **phone:** +34-983-304 181 **fax:** +34-983-308-671 **email:** info@globalforum2011.net **www:** <http://www.globalforum2011.net/>

19th Meeting of the CITES Plants Committee: The parties will report on orchids, *Aniba rosaeodora*, *Bulnesia sarmientoi*, *Cedrela odorata*, *Dalbergia retusa*, *D. granadillo* and *D. stevensonii*. **dates:** 18-21 April 2011 **location:** Geneva, Switzerland **contact:** CITES Secretariat **phone:** +41-22-917-

81-39/40 **fax:** +41-22-797-3417 **email:** info@cites.org **www:** <http://www.cites.org/eng/com/PC/index.shtml>

Living with Fire: The 5th International Wildland Fire Conference: The objectives of this conference are to: provide a forum for fire management leaders, politicians, professionals, researchers, and practitioners worldwide to discuss critical fire issues and work cooperatively on the consolidation of a global wildland fire management strategy; strengthen the effectiveness of the Regional Wildland Fire Networks and support their links into the UN International Strategy for Disaster Reduction's Global Wildland Fire Network; strengthen international cooperation and exchange in Fire Management practice; and provide a platform to display innovations, new technologies, products and methods for wildland fire management. **dates:** 9-13 May 2011 **location:** Sun City, South Africa **phone:** +27-21-797-5787 **email:** info@wildfire2011.org **www:** <http://www.wildfire2011.org/>

UNFCCC Subsidiary Bodies: The 34th sessions of the UN Framework Convention on Climate Change Subsidiary Body for Implementation and Subsidiary Body for Scientific and Technological Advice will take place in June, along with meetings of the *Ad Hoc* Working Groups. **dates:** 6-17 June 2011 **location:** Bonn, Germany **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

Sixth FOREST EUROPE Ministerial Conference: This conference is organized in the framework of the pan-European policy process for the sustainable management of the continent's forests. **dates:** 14-16 June 2011 **location:** Oslo, Norway **phone:** +47-64-94-89-30 **fax:** +47-64-94-89-39 **email:** liaison.unit.oslo@foresteurope.org **www:** <http://www.foresteurope.org/eng/Events/>

Counting on the Environment: The Contribution of Forests to Rural Livelihoods: This policy research conference aims to increase awareness about the links between the natural environment and poverty by presenting new research findings and bringing together researchers, policymakers, and practitioners. **date:** 15 June 2011 **location:** The Royal Society, London, UK **email:** cifor-pen@cgiar.org **www:** http://www.cifor.cgiar.org/pen/_ref/london-conference

UNCCD COP 10: The tenth session of the Conference of the Parties (COP 10) to the UN Convention to Combat Desertification (UNCCD) will take place in October. **dates:** 10-21 October 2011 **location:** Changwon City, Republic of Korea **phone:** +49-228-815-2800 **fax:** +49-228-815- 2898 **email:** secretariat@unccd.int **www:** <http://www.unccd.int/>

Fifth Latin American Forestry Congress (CONFLAT V): The fifth Latin American Forestry Congress, cosponsored by the International Tropical Timber Organization (ITTO), Peru's La Molina National Agrarian University and Peru's National Forestry Chamber, will discuss: forests and climate change; degraded areas and reforestation; forest governance in Latin America; advances in forestry zoning in tropical forests; and the international market, value-added and environmental services of forests. **dates:** 19-21 October 2011 **location:** Lima, Peru **phone:** + 511 651-6197 **email:** cnf-vconflat@cnf.org.pe

UNFCCC COP 17 & COP/MOP 7: The 17th session of the UNFCCC Conference of the Parties and the 7th session of the Meeting of the Parties to the Kyoto Protocol will take place in Durban, South Africa. **dates:** 28 November - 9 December 2011 **location:** Durban, South Africa **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **email:** secretariat@unfccc.int **www:** <http://unfccc.int/>

ITTC-47: The 47th meeting of the International Tropical Timber Council (ITTC-47) and associated sessions of the four committees is scheduled for 14-19 November 2011 in Antigua, Guatemala. **dates:** 14-19 November 2011 **location:** Antigua, Guatemala **contact:** ITTO Secretariat **phone:** +81-45-223-1110 **fax:** +81-45-223-1111 **email:** itto@itto.or.jp **www:** <http://www.itto.int>

GLOSSARY

ACTO	Amazon Cooperation Treaty Organization
BPF	Bali Partnership Fund
BWP	Biennial Work Programme
CBD	Convention on Biological Diversity
C&I	Criteria and Indicators
CEM	Committee on Economic Information and Market Intelligence
CFI	Committee on Forest Industry
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COP	Conference of the Parties
CRF	Committee on Reforestation and Forest Management
CSAG	Civil Society Advisory Group
FSC	Forest Stewardship Council
IAG	Informal Advisory Group
ITTA	International Tropical Timber Agreement
ITTC	International Tropical Timber Council
ITTO	International Tropical Timber Organization
MOU	Memorandum of Understanding
REDDES	Reducing Deforestation and Forest Degradation and Enhancing Environmental Services in Tropical Forests
REDD	Reducing emissions from deforestation and forest degradation
REDD+	Reducing emissions from deforestation and forest degradation and the role of conservation, SFM and enhancement of forest carbon stocks
SFM	Sustainable forest management
TAG	Trade Advisory Group
TBC	Transboundary Conservation
TFU	Tropical Forest Update
ToR	Terms of Reference
TFLET	Tropical Forest Law Enforcement, Governance and Trade
UNFCCC	United Nations Framework Convention on Climate Change
UNFF	United Nations Forum on Forests
WCA	Working Capital Account