

CONVENTION ON INTERNATIONAL TRADE IN ENDANGERED SPECIES
OF WILD FAUNA AND FLORA



Eighteenth meeting of the Plants Committee
Buenos Aires (Argentina), 17-21 March 2009

Timber issues

PROGRESS REPORT ON THE JOINT CITES-ITTO TIMBER PROJECT

1. This document has been prepared by the Secretariat.

Background

2. In Resolution Conf. 14.4 on *Cooperation between CITES and ITTO regarding trade in tropical timber*, the Conference of the Parties "DIRECTS the CITES Secretariat to cooperate closely with the Secretariat of ITTO on matters related to tropical timber species threatened by international trade and sustainable management of tropical timber producing forests". The Resolution also welcomes the joint ITTO-CITES timber project as an important tool for increased cooperation between CITES and ITTO.
3. As reported in document PC17 Doc.16.2, the Secretariats of ITTO and CITES are collaborating on a programme of work aimed at ensuring that international trade in CITES-listed timber species is consistent with their sustainable management and conservation. The project is funded over four years (2007-2010) primarily through a grant of around EUR2.4 million from the European Commission, but additional funds have also been provided by the United States of America, Japan, Norway and New Zealand.
4. The goals of this programme of work are to help countries strengthen their capacities to make non-detriment findings, enhance national legislation and enforcement, and generally to ensure the proper implementation of CITES.
5. Further background information can be found in the progress reports to previous meetings of the Plants Committee (see document PC17 Doc. 16.2) and the Standing Committee (see document SC57 Inf. 7).

Issues

6. The ITTO-CITES timber programme ('programme' now being preferred rather than 'project' to reflect the potentially ongoing nature of this work) has been a key mechanism for regular dialogue between the Secretariats of CITES and ITTO and has thus facilitated a closer working relationship on the sustainable management of timber species. Whilst the programme is in its initial stages, the ITTO-CITES partnership is developing well and the Secretariats will continue to build on this cooperative work over the coming years.
7. The engagement and level of interest shown by range States are evident by the number and breadth of funding proposals submitted; a very positive signal for the programme. At this point in time, requests for assistance under this programme of work now exceed the available resources and decisions have to be made on how best to utilize funds available. As the implementing agency, the ITTO will continue to seek additional funding from other donors to meet the strong demand for support in this area.
8. Further, from an operational point of view, an advantage of the ITTO-CITES timber programme is the streamlined process for submitting proposals, granting approval and then receiving the funding. The quick

processing time and the assistance of regional coordinators ensure a smooth transition from proposal development to the commencement of the implementation. The regional coordinators are a key contributor to this success and having this direct support within the regions has been worthwhile.

9. A shortcoming of the programme relates to flexibility. The range of CITES-listed species is limited to certain timber species and could perhaps be expanded to include CITES-listed tree species in general. Also, owing to the contract with the European Commission, the activities under the programme are confined to a period up to June 2010. These constraints are being discussed by the Advisory Committee that oversees the programme and it is a general view that more flexibility would be preferable.
10. As the key partner in the programme, the CITES Secretariat has been contributing to the successful outcomes of this significant capacity-building activity. This has included discussions with the ITTO and range States on project proposals submitted, contributions to the agenda and organization of workshops, and participation in the Advisory Committee.
11. It is the CITES Secretariat's view that, by having such an extensive and readily available capacity-building programme, this can considerably improved the image of CITES. Availability of funds to continue this programme into the future, in particular to support range States where there are new timber listings, would provide the necessary capacity assistance that has been lacking over the years. In this regard, as well as implementing Resolution Conf. 14.4, the programme is assisting with the implementation of paragraph i) of Resolution Conf. 10.13 (Rev CoP14) on *Implementation of the Convention for timber species*, as follows:

Management Authorities work with governmental agencies (including local governments), non-governmental organizations, industry and the general public to develop and provide information on the objectives, provisions and implementation of the Convention to counter the misconception that the inclusion of species in the Appendices represents a ban on the trade in specimens of these species, and to disseminate the message that international trade and utilization of timber species included in Appendices II and III are generally permitted and can be beneficial;

in this case, beneficial, not only in terms of the sustainability of the trade, but now also in the opportunities it can provide to access capacity building assistance to better manage timber trade.

12. Descriptions of activities under the programme are available on the Internet at: http://www.stcp.com.br/itto-cites/ing/home_ing.html
13. The Annex to this document contains a progress report prepared by the ITTO Secretariat in consultation with the CITES Secretariat.
14. During the commencement phase of this project (February 2008 – January 2009), the CITES Secretariat has greatly benefited from the secondment of Mr Neil Ellis from the Government of Australia. The Secretariat takes this opportunity to thank the Government of Australia for their generous contribution and Mr Ellis for his engagement. The Secretariat is continuing to explore the possibility of follow-up funding for the continuation of a timber officer post.

Recommendation

15. The Committee is invited to note the activities and progress of the joint ITTO-CITES timber programme.

PROGRESS REPORT ON THE JOINT ITTO-CITES TIMBER PROGRAMME
5 January 2009

A. Description

Title: Ensuring international trade in CITES-listed timber species is consistent with their sustainable management and conservation

Implementing Agency: International Tropical Timber Organization (ITTO)

Partner: Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

Time-frame: 2007-2010

Donors: European Commission (EC), United States of America, Japan, Norway and New Zealand.

Start date and end date of this report: 1 January – 31 December 2008

Target country(ies) or region(s): Africa (primarily Cameroon, the Congo and the Democratic Republic of the Congo); Asia (primarily Indonesia and Malaysia); Latin America (primarily Bolivia, Brazil and Peru)

Final beneficiaries and/or target groups: The direct final beneficiaries are public authorities and private sector operators in the range States. The indirect beneficiaries are the countries party to CITES that trade in these species, who will benefit through awareness and a greater capacity for compliance with CITES. The target groups are forestry stakeholders in the main range States in which the CITES-listed timber species occur, namely: Bolivia, Brazil, Cameroon, the Congo, the Democratic Republic of the Congo, Indonesia, Malaysia and Peru. However, the Programme will also assist other countries where these species occur, e.g. through their participation in workshops, and the presentation of updated reports on the progress made by the Programme at the CITES Plants Committee meetings, Standing Committee meetings, meetings of the Conference of the Parties to CITES, and the ITTO Council meetings.

B. Activities and results

Overview

Following extensive consultations with the CITES Secretariat, member countries and other stakeholders, by 1 February 2008 contracts had been signed with the regional coordinators for Latin America, Africa and Asia. The regional coordinator for Latin America (Mr Ivan Tomaselli, Brazil, assisted by Ms. Sofia Hirakuri) commenced work in November 2007 while the African and Asian coordinators (Mr Jean Lagarde Betti, Cameroon, and Mr Thang Hooi Chiew, Malaysia) started in January and February 2008, respectively. A briefing visit to the CITES Secretariat in Geneva and the European Commission in Brussels by Mr Tomaselli (who is overseeing coordination between the three regional coordinators) and an ITTO Secretariat representative was undertaken in March 2008. A first regional workshop on *Pericopsis elata* was held in Cameroon in April 2008 (see below) and meetings of the CITES Plants and Standing Committees were attended by ITTO staff in April and July 2008. Inventory activities for mahogany and *Cedrela* were underway in Peru in 2008, while a study of mahogany silviculture started in Brazil in mid-year. Activities were being developed in all other target countries during 2008, with the active involvement and strategic oversight of the regional coordinators. Activities were underway in Malaysia and Indonesia at year end, with agreements to operationalize activities being considered by government partners in Brazil, Cameroon and the Democratic Republic of the Congo. Additional activities and/or agreements to govern their implementation were also close to finalization in Brazil, Bolivia, the Congo and Peru at the end of 2008.

An independent monitoring mission of this Programme was undertaken by the European Commission in September/October 2008. The first official meeting of the Advisory Committee established by ITTO to oversee this programme of activities occurred in October 2008.

Detailed description of activities

Planning and managing activities

Output 1.1: Detailed project programme for each of the three Regions and range States within them
Activity 1.1: Planning national and regional projects

- Various activities to formulate national project needs and priorities and design activities were underway in 2008. The Latin American coordinator visited Peru in mid-January 2008 and again in September. He also visited Bolivia twice during the year and undertook extensive consultations with Brazilian officials throughout the year. In Africa, a regional workshop including range States and major importers of *Pericopsis elata* occurred in April 2008. The regional coordinator visited the Congo and the Democratic Republic of the Congo shortly afterward to assist with activity development. In Asia, one-day planning meetings to introduce the Programme occurred in Malaysia and Indonesia in February/March, and the regional coordinator accompanied the EC monitor to Indonesia in September.
- Draft regional activity programmes for all three regions were submitted to ITTO by the end of March 2008. Countries and activity proponents then worked to finalize acceptable proposals at varying speeds throughout the year, with implementation of approved activities underway in Brazil, Indonesia, Malaysia and Peru by year end. The national and regional project programmes were structured around the outputs and activities described below but the emphases vary between range States and regions.
- An Advisory Committee meeting occurred in October 2008 to review activities underway and to propose future activities.

Forest management activities

Output 2.1: Improved utility of forest inventories for CITES

Activity 2.1: Forest inventory design

The aim of this activity is to improve inventory design for resource assessment of CITES-listed species by capacity building and applied research to *inter alia* utilize accessible technologies.

Activities support identification of capacity-building and inventory design needs, and provide for consultancies, technical studies or other relevant activities to meet those knowledge gaps and assess reliability of existing inventory data. This will also support the work of Parties to CITES when implementing Decision 14.145, Annex 1, paragraph 1 e) iii) and v), that state that range States of mahogany should facilitate the making of non-detriment findings by implementing capacity-building programmes in monitoring and management, specifically related to the understanding and application of CITES requirements, and by establishing working groups at the national, sub-regional and regional levels.

In 2008, work was underway in Peru on ITTO project PD251/03 Rev.3 (F) 'Evaluation of Commercial Stocks and Strategy for the Sustainable Management of Mahogany'. This activity was partially funded through this Programme to allow extension of the inventory design and analysis work undertaken for mahogany to be extended to *Cedrela*. The main objective of this Programme is to provide integrated, comprehensive, updated and highly reliable information on mahogany and *Cedrela* spp. stocks from Amazon forest in Peru, in order to establish the annual allowable cut at the national, regional and local levels so as to identify harvesting quotas, develop a national strategy and ensure its implementation in management plans with a view to biodiversity conservation and sustainable forest resource utilisation. Specific objectives are as follows: a) a detailed map of the natural distributions of *Swietenia macrophylla* and *Cedrela odorata*; b) confirmation of forest inventory data based on field sampling and comprehensive review of previous forest assessments; and c) a proposal for a national conservation strategy based on sustainable forest management and low impact logging of *Swietenia macrophylla* and *Cedrela odorata* to facilitate decision-making regarding the effective implementation of the CITES listings of these species.

Other activities getting underway at the end of 2008 in this area include: 'Generation of Spatial Distribution Maps of *Gonystylus bancanus* (Ramin) using Hyperspectral Technology and Determination of Sustainable Level of Harvest of Ramin in Production Forests of Peninsular Malaysia'; 'Improving Inventory Design to Estimate Growing Stock of Ramin (*Gonystylus bancanus*) in Indonesia'; and 'Exploratory Assessment on the Population Distribution and Potential Uses of non-*Gonystylus bancanus* in Indonesia'. Other activities are under development in Brazil and the Congo involving inventory design and assessment of *Cedrela* and *Pericopsis elata*, respectively. It is expected that these activities will be approved and implemented as Programme resources allow in 2009.

Output 2.2: Improved management of species - so as to ensure that species population levels are maintained

Activity 2.2: Silviculture

The aim of this activity is to improve knowledge concerning the ecology and silviculture of each species through information gathering – including scientific literature reviews, capacity building, and research design to fill identified knowledge gaps. This work may be conducted at the national or regional level.

During 2008, work was underway in Brazil on the activity 'Bigleaf mahogany (*Swietenia macrophylla*) in the Brazilian Amazon: long-term studies of population dynamics and regeneration ecology towards sustainable forest management', which involves the establishment and monitoring of permanent sample plots in the Brazilian Amazon. Other activities getting underway at the end of 2008 in this area include: 'Improving Inventory Design to Estimate Growing Stock of Ramin (*Gonystylus bancanus*) in Indonesia'; 'Management of *Hypsipyla grandella* in *Swietenia Macrophylla* King plantations in Para, and Sao Paulo States, Brazil'; and 'Ecology and Silviculture of Mahogany (*Swietenia Macrophylla* King) in the Western Brazilian Amazon'. Other activities are under development in Bolivia and Peru involving silviculture of mahogany and/or *Cedrela*. It is expected that these activities will be approved and implemented as Programme resources allow in 2009.

Output 2.3: Promoting utilization that is not detrimental to the survival of the species concerned Activity 2.3: Management plans/non-detriment findings

The aim of this activity is to develop or improve forest management plans and/or criteria for non-detriment findings for sustainable management and conservation of the species in each of the range States.

At the end of 2008, a related activity was getting underway in Malaysia ('Non-detriment Findings Report on *Gonystylus bancanus* – A Quantitative Assessment of *G. bancanus* in Two Selected Permanent Forests of Sarawak'). An agreement had been sent to the Government of Cameroon to govern implementation of two related activities ('Management of *Pericopsis elata* in Forest Concessions in Cameroon' and 'Management of *Pericopsis elata* in Plantations in Cameroon').

Social, economic and institutional activities

Output 3.1: Raising stakeholder awareness of the need for sustainable use and appropriate national legislation, and develop regional collaborative strategies

Activity 3.1: National fora and regional working groups

The aim of this activity is to promote initial or further national fora and regional working groups to raise awareness of sustainable use, of the role of sustainable development, and of CITES legislation. In all three regions, there is a critical need to create greater awareness among all stakeholders of possible consequences of illegal logging, including the possible loss of these species and its consequent impact on those forests and forest-dependent communities and, conversely, of the opportunities that sustainable use offers in terms of sustainable development and poverty alleviation. Further national fora need to be sponsored to involve and communicate with all stakeholders regarding sustainable forest management and, if necessary, conservation and to engender strengthened national legislation.

These fora will ensure greater cooperation at the regional level through meetings of regional working groups, building on the past work of the Mahogany Working Group and regional work on ramin through a tri-nation task force (consisting of Indonesia, Malaysia and Singapore). A similar arrangement was established for *Pericopsis elata* under this activity. An initial regional workshop was held in Cameroon in April 2008 in order to review the draft regional work programme developed by the regional coordinator in liaison with country contacts, identify additional problem areas and initiate the implementation of Programme activities. The report of the *Pericopsis elata* workshop is available on the dedicated Programme website (see Outreach below). Other regional meetings (of the mahogany working group and non-detriment findings in general) were partially funded through this activity in November 2008 (reports of these meetings will be posted on the Programme website when available). A national workshop is planned in Indonesia in early 2009 to review implementation of approved activities. A regional workshop on ramin is also expected to be held in Asia in the first quarter of 2009, to coincide with a meeting of the tri-nation taskforce. Also scheduled for the first quarter of 2009 is a Latin American regional workshop in Peru to look into the use of log-sawnwood conversion factors in the control of mahogany and *Cedrela* exports.

Output 3.2: Building trust and cooperation between industry and relevant authorities

Activity 3.2: Cost-effective regulatory systems

The aim of this activity is to develop cooperative and cost-effective regulatory systems for product tracking and chains of custody by identifying training needs relating to industry and trade; undertaking market studies; and identifying and implementing economic incentives for compliance.

ITTO recently surveyed available log tracking technologies and found a range of commercial products in use that are effective in monitoring timber flows. All of the regional coordinators were provided with details of such technologies by early 2008, including modern techniques like DNA fingerprinting for timber identification and DNA profiling of various species provenances to allow inferences about the source of a given specimen to be made. While such technologies will be considered in country proposals submitted under this Programme, the most important measures involve their incorporation into low-cost routines of tracking by the established legal industry and the progressive narrowing of the differential costs between legal and illegal operations, assisted by higher risks of discovery and higher penalties for infractions. The latter issues are addressed in the next activity (3.3). Sound systems of log and product tracking may also assist the forest certification process where that is required or relevant.

At the end of 2008, related activities were getting underway in Malaysia ('The Development of *Gonystylus* spp. (Ramin) Timber Monitoring System Using Radio Frequency Identification (RFID) in Peninsular Malaysia'; 'Developing DNA Database for *Gonystylus bancanus* in Sarawak'). Activities to improve control of sawn mahogany and *Cedrela* exports by examining procedures for establishing log-sawnwood conversion factors have been proposed by Brazil and Peru. These are pending the outcome of the regional workshop referred to under Activity 3.2 and may be re-submitted as a regional study. Brazil was also re-formulating a proposal for a market study on *Cedrela* at the end of 2008, while the University of Cordoba in Spain was seeking agreement from the CITES Management Authority in Bolivia for a remote sensing monitoring activity to assist in managing mahogany there. These and any re-submitted conversion factor proposals will be considered for funding in 2009 if the Programme budget allows.

Output 3.3: Strengthening trade compliance systems

Activity 3.3: CITES training workshops

The aim of this activity is to strengthen CITES trade compliance systems by sponsoring training workshops for relevant staff and capacity building in key CITES compliance areas. In all three regions, compliance systems are often limited by the lack of trained staff. The greatest need appears to be in providing information about CITES requirements and processes to staff responsible for field management, industry logistics and Customs.

At the end of 2008 an agreement was signed with the government of the Democratic Republic of the Congo to govern two related activities ('Training in CITES tools' and 'Dissemination of CITES texts'). Both will be implemented in 2009 with input from the CITES Secretariat.

Activity 3.4: Outreach

The aim of this activity is to produce technical guides and materials constituting a "tool box" for range States and trading partners. ITTO and CITES have reached an agreement to make funds available to the CITES Secretariat to help implement this activity. Both organizations provided and will continue to provide presentations of project outputs at major international meetings (e.g. CITES 2008 committee meetings, regional FLEG meetings, ITTC sessions). A dedicated website has been established to disseminate Programme outputs and findings (http://www.stcp.com.br/itto-cites/ing/home_ing.html).

C. Updated action plan

The overall action plan for 2009 is appended to this report. Most activities will be executed throughout the year now that proposals have been approved in most activity areas and for most target countries. For activity 2.3 (for example) Peru is already making significant progress to be able to carry out reliable non-detriment findings (NDFs) and will implement its management plans for mahogany and *Cedrela* throughout 2009. However, this is not yet the case for *Pericopsis elata* in most African target countries or ramin from Indonesia. Outreach activities will become pronounced once more Programme activities have achieved outputs, but preliminary work has already begun and will continue throughout 2009 with publicity about various activities on the website, production of a newsletter, etc. The upcoming regional meetings in Latin America and Asia can be considered as being both regional working groups and CITES training workshops.

2009 action plans have been developed for each region by the regional coordinators, since progress and activities vary by region and this approach allows for more detailed planning.

The ITTO Secretariat will also undertake activities during 2009 to meet requirements arising from the independent monitoring mission undertaken by the European Commission in September 2008 and to implement recommendations from the Advisory Committee meeting in October 2008 in consultation with the European Commission (eg undertake mid-term review, extending scope of programme, revising financial reporting framework). At this point in time, requests for assistance under this Programme now exceed the available resources and decisions have to be made on how best to utilize resources. ITTO will request two instalments under the European Commission contribution agreement in 2009 to meet existing and forecast commitments in 2009. ITTO will also continue seeking additional funding from other donors to meet the strong demand for support in the area covered by this Programme.

2009 Action Plan

Year 2009														
Activity/Month	Semester 1						Semester 2						Implementing body	
	1	2	3	4	5	6	7	8	9	10	11	12		
Preparation Activity 1.1: Planning national and regional projects														Regional Coordinators/ Programme Leader/ Steering Committee
Execution Activity 1.1: Planning national and regional projects														Regional Coordinators/ Programme Leader/ Steering Committee
Preparation Activity 2.1: Forest inventory design														Regional Coordinators/ Management and Scientific Authorities
Execution Activity 2.1: Forest inventory design														Regional Coordinators/ Management and Scientific Authorities
Preparation Activity 2.2: Silviculture														Regional Coordinators/ Management and Scientific Authorities
Execution Activity 2.2: Silviculture														Regional Coordinators/ Management and Scientific Authorities
Preparation Activity 2.3: Management plans/non-detriment findings														Regional Coordinators/ Management and Scientific Authorities
Execution Activity 2.3: Management plans/non-detriment findings														Regional Coordinators/ Management and Scientific Authorities
Preparation Activity 3.1: National fora and regional working groups														Regional Coordinators
Execution Activity 3.1: National fora and regional working groups		Asia	L. America	Indonesia										Regional Coordinators
Preparation Activity 3.2: Cost-effective regulatory systems														Regional Coordinators/ Management and Scientific Authorities/ Industry
Execution Activity 3.2: Cost-effective regulatory systems														Regional Coordinators/ Management and Scientific Authorities/ Industry
Preparation Activity 3.3: CITES training workshops														Regional Coordinators/ CITES Secretariat
Execution Activity 3.3: CITES training workshops				Africa				South Ame			Asia			Regional Coordinators/ CITES Secretariat
Preparation Activity 3.4: Outreach														Regional Coordinators/ ITTO-CITES Secretariats
Execution Activity 3.4: Outreach														Regional Coordinators/ ITTO-CITES Secretariats