



“Institutional Framework of an Independent UN Institution: The Case of the International Tropical Timber Organization”

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Designing the Vehicles for Securing the Means of Implementation**

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Note: This paper was prepared by Ms. Jan McAlpine on behalf of ITTO. The paper has been reviewed and edited by the ITTO Secretariat.

II. Executive Summary

The International Tropical Timber Organization's framework and Structure is rooted in the historical context for forest management and resulting timber trade. The 1983, 1994 and 2006 Agreements were negotiated under the UN Conference on Trade and Development (UNCTAD) and the International Tropical Timber Organization (ITTO) structure follows traditional commodity agreement structures. However, the work of the ITTO diverges from other commodity agreements, becoming an independent organization and incorporating the sustainability of the natural resource base being utilized in international trade as a key foundation for its work.

The ITTO remains the only commodity agreement which is seriously focused on not only addressing the use and the sustained yield of timber from the natural resource base upon which it focused, but also concerns itself with the long-term sustainability of this natural resource for future generations.

It is difficult to separate the broad developments in not only the forest sector, but in the public's concern for forests and their multi-sectoral contributions from the strict analysis of the ITTO's Framework and Structures. ITTO has been challenged by these broad interests in every Agreement negotiation from the first in 1983.

This paper describes the framework and structure of the existing Organization, but it also takes into account the developments in forests, forest politics, policies and institutional interests which have had an impact on the Organization and its members and might have an impact on its framework and structure.

ITTO's financing has been described as "bureaucratic light," as it able to fund a project within six months or a year. This means that tropical timber governments (who turn over quite frequently) , are able to propose and implement a project within an administration – otherwise those projects are dropped and not sustainable. The paper describes the various windows used for financing.

The conclusion and recommendations consider whether or not changes could be made under the existing Agreement which could have an impact on framework and structures and what future changes might or might not be required should the scope of the Agreement change for the post-ITTA 2006.

III. Introduction

The International Tropical Timber Organization (ITTO) is an intergovernmental organization promoting the conservation and sustainable management, use and trade of tropical forest resources, implementing over its existence three international agreements negotiated as Commodity agreements: The International Tropical Timber Agreements 1983, 1994 and currently the ITTA 2006. Its 63 member countries represent nearly 90% of world trade in tropical timber and about 40% of the world's closed tropical forests. ITTO develops internationally agreed policy to promote sustainable forest management, including forest conservations, and assists tropical member countries to implement these policies on the ground through projects. ITTO is also the source of definitive data on the production and trade of tropical timber and it funds projects and other activities for industry activity at the community and industrial levels. Since it became operational in 1987, ITTO has funded over 1000 projects valued at more than US\$350 million.

IV. Aim of the Desk Study

This desk study is intended to outline the basic elements of the institutional framework and structures of the International Tropical Timber Organization. A summary and overview of the historical context for international trade in tropical timber will set the stage for a description of the three international agreements which created the ITTO. Discussion of some of the ambitions for the Agreements and Organization will look at the various points of view and some of the shifts over the time period from 1983 to the present. The framework and structural elements of the Organization will be described in the Conclusions and Policy Recommendations chapters. The focus will be on the possibilities for change in the framework and structures of the ITTO, based in part on an example of a refocus of the organization in implement the ITTA 2006 and on the ramifications for the institution and its structure should a future Agreement change the scope.

V. Scope of the Study

This study describes the background for and the institutional structures and systems of the International Tropical Timber Agreements and its implementing body, the international Tropical Timber Organization (ITTO). It focuses on ITTO's role in promoting conservation and sustainable management, use and trade of tropical forest resources. It demonstrates strengths and weaknesses that exist with the systems and structure of the ITTO while carrying out its mandate and it provides recommendations in structure and systems which may improve the Organization's implementation of the International Tropical Timber Trade Agreement 2006 should programmatic changes be made.

VI. The History of Human Interaction with Forests

The genesis of the International Tropical Timber Agreements and the institution that supports the implementation of the current agreement, the International Tropical Timber Organization, requires an understanding of the history of human interactions with forests and trees and the products they provide, a history which developed over centuries. Utilization of timber goes back to the beginning of human and forest interaction – from the beginning. At that time human beings were primarily hunters and gatherers and historians believe that when one area was depleted for its natural resource, the humans simply moved on.

The interests of a growing population and for increased stability led to human settlements of farmers and grazers. Where there was extensive wildlife, people depended on these for their livelihoods, where these were scarce they became farmers and domesticated wild species. As these communities developed, trade in timber was generated by shipbuilding and other means of transportation, housing and fuelwood. There are records that wood timber was traded from Labrador to Iceland between the end of the 10th century and the middle of the 14th century.

China routinely traded rice, in large ceramic jars, for timber from South East Asia, with ships arriving laden with rice and returning to mainland China with logs. Over these thousands of years humans observed that when forests were cut down for agricultural purposes or human settlement, these degraded areas would subsequently return to forest if the land was left to regenerate.

VII. The Beginning of Global Trade in Timber

Largely unaffected by large populations and in areas with impossible, challenging living conditions the human tropical forests nonetheless was the source of timber for surrounding populations, including those in the Far East. It is estimated that by the beginning of the 20th century the world's forests had been

reduced to about half their original area. Undisturbed forests were found in the boreal and equatorial regions where conditions for human settlements were challenging because of disease and the distance from those great forests which were too far inland to move timber to international trading routes.

Building on agricultural developments in heavily populated countries, the concept of “sustained yield” became the underlying philosophy of land use. This led to the concept of “sustained yield forestry,” which captured the idea inherent in planned crop rotations as applied to natural forest utilization. At the same time, the development of new technologies, transportation improvements and cold storage methods for perishable commodities, with a concomitant increase in wealth, domestic and international trade too off around the world, creating more pressure for timber and ease in accessing the resource. The Second World War created the circumstances from which trade literally exploded in all commodities, timber being among them.

VIII. The Genesis of Sustainability in Forest Management

The concept of sustainable forest management, said to have been borne in Germany several hundred years ago, was closely tied to the concept of sustained yield in forestry. The philosophy of the ability of forests to regenerate naturally and for human planning and management to take that into account spread to all parts of the world in the 19th century. Much has been said about what “sustainable forest management” really means. It has meant slightly different things over the centuries as humans began to grapple with and understand the natural resources that forests constitute. When the need for and interest in an international agreement on tropical timber trade began to be discussed in the late 70s and early 80s, it was generated from a number of interest bases. And it coincided with a discussion about the meaning of sustainability – not only as a philosophy, but as a living, practical expression of the need to ensure not only the future availability of timber bearing species, but also the other values provided by forests.

Tropical moist forests became a concern in the late 1950s and even more into the 60s, and it was largely about land use, which became a significant topic in the early 1970s and was the focus of international discussion – rather than the subject of forest management. “The loss or degradation of forest by timber exploitation was not yet seen as an issue.”¹ Conferences and work carried out by the FAO, the IUCN and a benchmark First World Conference on the Human Environment held in 1972, known subsequently as the Stockholm Conference, began to bring attention to the particular status of the tropical forests and began to raise the issue of large scale deforestation. Conservation of natural resources was the focus of the discussion at the time, subsequently the question of the sustainability of natural resources was discussed – related to maintaining the potential of the forest to provide sustained yield and to manage the ecosystem in such a way that it enhances the services it provides.²

IX. The International Tropical Timber Agreement (1983)

This was the context for the establishment of the ITTO. The genesis of the first ever international agreement on tropical timber trade specifically came from the FAO and the United Nations Conference on Trade and Development (UNCTAD), the latter of which is intended to help in restructuring the traditional patterns of international trade in order to enable developing countries to be able to participate equally in international trade. A Working Party on Forest and Timber Products was suggested, focused entirely on trade. Subsequent missions, committees and discussions led to 12 years of work in attempting to put together an international agreement. It failed in the United Nations, but it became the foundation used by UNCTAD to hold the first Preparatory Meeting on Tropical Timber, followed by five more meetings which led, in 1983, to a Negotiating Conference, based on a Japanese draft created after jute and rubber agreements. In 1983 the Agreement was adopted, but it took until April 1985 for the ITTA to enter into force and June 1985 for the first Session of the International Tropical Timber Council (ITTC) to meet.

The ITTA 1983 Agreement was historic in its scope and focus. For the first time ever, an international commodity agreement addressed the sustainability of the resource base as a context for international trade in timber. While it focused on the need for “sustained yield,” of internationally traded tropical timber, it paid more than lip service to the concept of sustainable conservation and use of tropical forests and the use of their genetic resources, and at maintaining the “ecological balance” in the “regions concerned.”³

¹ Poore, 2003

² Poore, 2003

³ ITTA 1983 (available on www.itto.int).

X. International Tropical Timber Agreement 1994

At the time that the new Agreement was being negotiated under UNCTAD, the historic UN Conference on Environment and Development (which was called the Earth Summit) took place in 1992 and had a definite impact on the ITTA 1994. Forests were considered by many to be the most contentious natural resource issue at UNCED and the lengthy and confrontational discussions led to an extremely complex discussion on the role of forests, internationally and domestically, and their utilization, protection and financing. The outcome was two-fold: The Forest Principles (the Non-Legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Development of All Types of Forests) were agreed to and have become the foundation for global actions taken subsequently (the Forest Principles were most recently re-endorsed at the World Summit on Sustainable Development – WSSD – in 2013, also colloquially referred to as the Earth Summit). The second outcome was Chapter 11, which was understood to be an agenda for action.

Chapter 11 of Agenda 21 (the title for the complete outcome of the Earth Summit) was more concrete, laying out four areas that framed an agenda for action: 1) Sustaining the multiple roles and functions of all types of forests, forest lands and woodlands, 2) Enhancing the protection, sustainable management and conservation of all forests, and the greening of degraded areas, through forest rehabilitation, afforestation reforestation and other rehabilitative means, 3) Promoting efficient utilization and assessment to recover the full valuation of the goods and services provided by forests, forest lands and woodlands and 4) Establishing and/or strengthening capacities for the planning, assessment and systematic observations of forests and related programs, projects and activities, including commercial trade and processes.

The most contentious issue in the negotiation of the 1994 Agreement was whether the Agreement should be expanded to cover all Timber (timber from all kinds of forests, as it came to be known during the UNCED negotiations). The intent of those advocating for this was that tropical, temperate and boreal timber would be covered by an expanded agreement. These actions would then equally apply to timber within and internationally traded by consuming countries, not just tropical timber countries.

The Non-Governmental Organizations (NGOs) who were advocating for an All Timber Agreement were doing so after the failed attempt to reach an agreement on a legally binding forest convention at the UNCED Earth Summit in 1992, and believed that a step-wise approach to reaching an agreement on a global convention for all timber, starting with a timber trade agreement through the ITTA 1994, which could then advance their interests.

Aligning with these concerns were some of the producing members of ITTO with concerns for prominent developments in the world of trade in tropical timber. These included an increase in and threat of bans, tariffs and certification, among others – concerns with trade barriers, market access barriers and actions affecting process and production methods. For these tropical timber countries negotiating in ITTO, an all timber agreement would create a level playing field for all countries, lessening of eliminating trade barriers.

XI. The International Tropical Timber Agreement 2006

By the time the ITTA 2006 was being negotiated ITTO had become recognized as an efficient and rapid way for projects to be funded on the ground. Enough time had gone by the ITTO was being evaluated for its effectiveness in achieving the Agreement's objectives. More and more emphasis on work on the sustainable management of the resource for future generations is to be found in the 1994 Agreement and this was a major focus within the negotiation of what became the 2006 Agreement. The term "sustained yield," was not confused with "sustainable management," in the way it had been in the implementation of the 1983 and 1994 Agreements.

The 2006 Agreement was agreed to, however, when declining resources for the ITTO began to be more significant and this brings up another structural issue for analysis by ITTO – can ITTO remain financially on sound footing which allows it to fully implement the ITTA 2006? Is it possible to redirect some financing to areas where there is a higher possibility of attracting funding which could affect the structure? Or would the structural components of the ITTO need to be changed to reflect the downturn in finance?

XII. Method of Data Collection

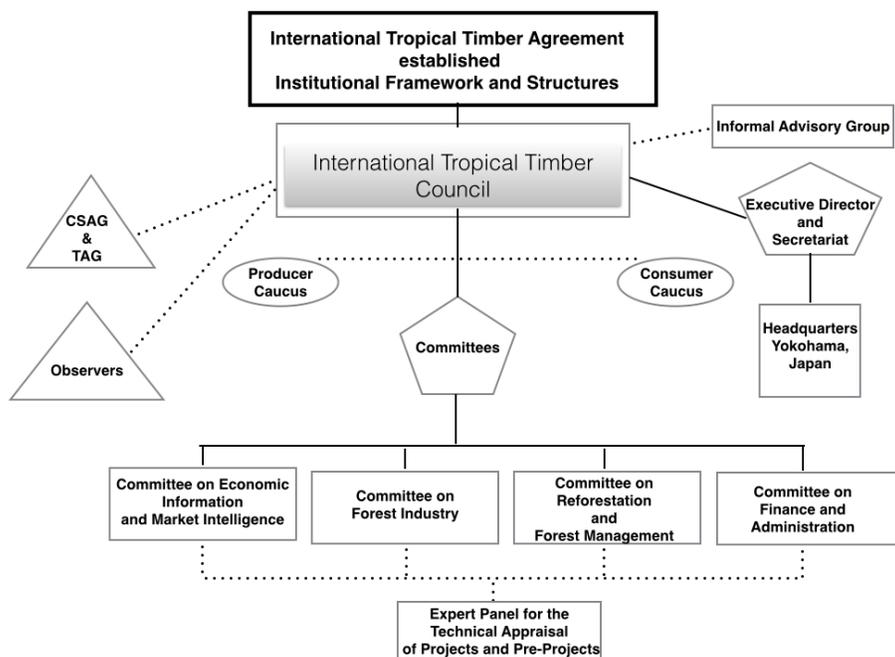
This Desk Study utilized three decades worth of books, publications and engaged in one on one interviews to synthesize the background of the ITTA and its implementation Organization, the ITTO, and to identify and analyze the institutional structure and systems of the ITTO.

XIII. The Institutions of the ITTO

The Mission Statement of the ITTO is: “The ITTO facilitates discussion, consultation and international cooperation on issues relating to the international trade and utilization of tropical timber and the sustainable management of its resource base.” The 1983, 1994 and 2006 Agreements were designed and maintained an organizational structure to enable the implementation of the Agreements.

While it would be interesting to track the evolution of the structure and systems of ITTO, this paper focuses on the structure and systems of the current organization, based on the 2006 Agreement and subsequent Decisions of Council. An excellent and comprehensive book which brings the history of ITTO alive is “Changing Landscapes,” by Duncan Poore.

The ITTO is composed of six working elements in its structure: An International Tropical Timber Council (ITTC) and four permanent committees, a Director and Secretariat. It is supplemented by more informal working components of the Organization, which are shown in the chart below. The Council meets once a year, alternating between a developing country and Yokohama, Japan, the Organization’s headquarters.



XIV. The ITTO Council

The International Tropical Timber Council is headed by a Chair and Vice Chair, alternating between Producer and Consuming countries. The primary responsibility of the Council is to take Decisions in the context of ITTA 2006. The Chair and Vice Chair run the Council Sessions when they occur. The Council consists of all member governments meeting the criteria as members of the Organization – 70 members as of early 2015. One lead delegate represents the member government in the Council and can vote for the member.

XV. The Producer and Consumer Caucuses

As is customary in Commodity organizations, the Council works with two caucuses: The Producer (producing countries of tropical timber) and the Consumer (importing countries of tropical timber) caucuses. In later years the distinction has been a bit blurry. These caucuses are not mandated by the Agreement, but it is noted in the Agreement that there are these two types of members. The two caucuses

elect a spokesperson for each group; these spokespersons chair the caucus meetings, the purpose of which is to come to an agreement on the work program of the Council during the course of the Council session. The resulting positions provide the basis for negotiations of the Council.

As draft decisions become more contentious, the Chair and Vice Chair of Council, Chairs and Vice Chairs of Committees, the Spokespersons and Director meet with a small group to iron out differences and find a compromise, which is then provided to the Council for its final decision. In recent years attempts have been made to address differences through such informal processes as joint caucus meetings, which provide the opportunity for a more open and informal discussion of proposals being made and clarification of details and open discussion of the issues.

XVI. Permanent Committees

The four committees of the Council established by the Agreement are: (a) the Committee on Forest Industry; (b) the Committee on Economics, Statistics and Markets; (c) the Committee on Reforestation and Forest Management; and the (d) Committee on Finance and Administration. The committees are open to all members and observers and provide advice and assistance to the Council on policy and project issues. Three of the committees deal with key areas of policy and project work, those on economic information and market intelligence, reforestation and forest management and forest industry. The last committee, Finance and Administration (also the newest Committee), advises the Council on budget and other funding and administrative matters which concern the management of the Organization. Associated with the three technical committees and in support of their work is the Expert Panel for the Technical Appraisal of Projects and Pre-Projects, which reviews project proposals for technical merit and relevance to ITTO objectives. The latter was set up by Council Decision.

XVII. Expert Groups

The Council often decides to create Expert Groups to develop and scope out issues related to a specific technical or policy issue, creating such groups for unique purposes with a time-limited span of work. The work and proposed recommendations are reported back to the Council for its consideration and future action, if required.

XVIII. The Trade and Civil Society Advisory Groups

The Council has invited the input of two groups of non-member stakeholders which provide input to Council proceedings. These are the Trade Advisory Group (TAG) and, established much later than the TAG, the Civil Society Advisory Group (CSG). Each group develops their own working modalities. They are invited to observe at Council Sessions and, as invited by Council, to provide input to Council Decisions. Practically, however, the real influence of these two informal groups is their participation in the committees – also on an invitational basis – and in the corridors in discussion with delegates. These groups have had a mixed experience in working with the Council. The participation of representatives of industry or civil society is entirely voluntary. At times there has been donor support to facilitate the input of the groups. After the 1994 Agreement, the majority of NGOs dropped out due to disappointment that the Agreement did not become an All Timber Agreement. A handful of NGOs remained who then, by Decision of Council, formed the CSAG, including the addition of civil society which includes representatives from, among others, indigenous and community organizations. The TAG operated with a small, dedicated number of loyal industry representatives from the early years. Both groups and representation of views from them are at a low point compared to the early years of the ITTO. This situation, it must be pointed out is not unusual as the organization has settled into a more mature stage. This is a definite area for development in the ITTO.

XIX. The Informal Advisory Group

An Informal Advisory Group (IAG) was established by the Council in 1997 to support planning for efficient Council Sessions. The IAG considers the final working agenda for the Council. Members on the IAG include the Chair, Vice Chair, Committee Chairs and Vice Chairs, the Producing and Consuming Spokespersons and the Executive Director. Members are required to provide any draft decisions for the consideration of the upcoming session of the Council prior to the IAG session so that the work load of the pending Council session can be reviewed in advance with possible revisions to the draft agenda and plans for working with the Council to overcome challenges. Issues such as the need for election of officers are also discussed and planned for.

XX. Observers

Observers to Council and its Committee sessions have been part of the working modalities of the ITTO since its start. Observers include members of civil society, the tropical timber producing and consuming industry representatives, representative of other multilateral organizations and more. Such observers' attendance is voted by the Council. Most recently, a November 2014 Decision of Council requests the Executive Director to review the participation of observers consistent with the ITTA and to develop guidelines for their activities during Council sessions, including side events, and to make recommendations to Council to enhance its engagement with observers. The Council has committed to consider this report at its 51st Session in 2016 and to adopt improved procedures for observers in governing their activities.⁴

XXI. International Organizations

The Agreements and the Council Decisions have heavily favored partnerships by ITTO with other international organizations, the private sector and civil society. One of the major ways in which this has been implemented has been through ITTO's membership in the Collaborative Partnership on Forests (CPF), a voluntary partnership established by the United Nations Forum on Forests and including 14 international organizations and institutions with an impact on forests.

The ITTO has also negotiated MOUs with several international organizations, and developed close collaborative arrangements with others. For example it has joint capacity building program with CITES that enables important collaborative work. ITTO's unique role in providing international tropical timber data, along with international timber trade statistics, has given it a particularly important niche multilaterally. Recent funding challenges have made it harder for the ITTO Secretariat to participate in cooperative projects with CPF member organizations and in other initiatives directly germane to its unique niche in the multilateral forest organization line-up.

XXII. The ITTO Secretariat

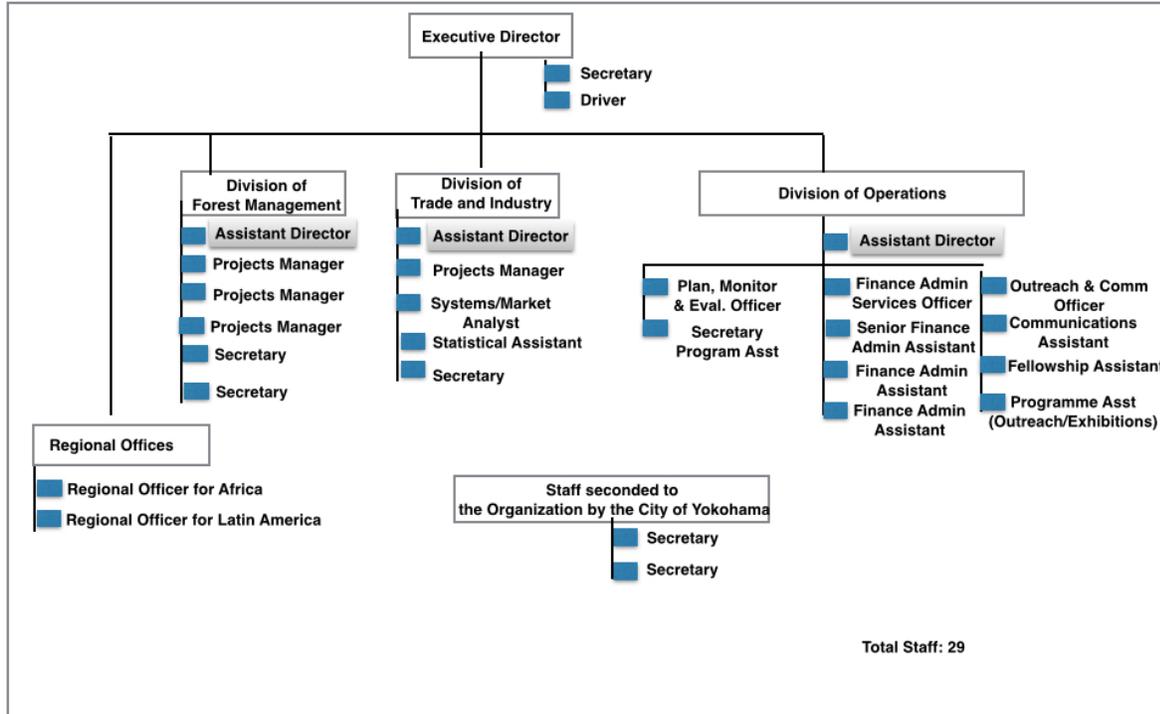
The ITTO Secretariat is based in Yokohama, Japan, thanks to the generosity of the City of Yokohama, which provides it's headquarter facilities and seconds several support staff positions. The Secretariat is headed by an Executive Director, who is responsible to the Council for the administration and operation of the Agreement in accordance with Decisions of the Council. The Secretariat includes two regional officers in Latin America and Africa who assist in project monitoring and program implementation. The Secretariat structure is shown in the chart below.

While the Executive Director has been given broad management authority by the Council, he consults regularly with the Chair in between Council Sessions on the implementation of Council Decisions and its work program. The Director manages the Organization, which has been tasked to implement Decisions of Council in the context of the Agreement. In recent years the Council has let go of some of its micro-management of the Organization, relying very much on the professional skills of the Executive Director.

The structure of the Secretariat is in three main divisions, with staff carrying out specific work within each area. Their work includes supporting the four permanent committees, overseeing projects and the work of expert consultants hired to provide analysis on a wide range of subjects for the consideration of the Secretariat and the Council on specific topics mandated by Council. Two regional officers monitor and oversee work in Latin America and Africa.

⁴ ITTO Council Decision 3 (L), 2014 (available on www.itto.int).

Secretariat Organizational Structure



XXIII. Financing the ITTO and its Work Program

The ITTO has three types of funding windows: 1) Assessed contributions from members under the terms of the Agreement which covers the Secretariat running costs and core activities which runs at about \$8 million per year, with another \$1 million in core activities, 2) the Special Account, which comes from three sources: the Second Account of the Common Fund for Commodities, funding from regional and international institutions and voluntary contributions, and 3) special Funds established for specific purposes, i.e., the Bali Partnership Fund and the Year 2000 Objective Funds.

A basic commodity agreement provides for funding the administrative costs from assessed contributions from members. Beyond this, however, the vast amount of financing for the work of ITTO, notably its projects, has come from voluntary contributions through the Special Account and special Funds. ITTO has received voluntary funding of over \$400 million for more than 33 countries over the last 25 years. It has carried out more than 1000 projects during its lifetime. This creative mechanism provides a considerable amount of flexibility for funders and projects from inception to implementation move quickly – most often in less than a year. This is outstanding considering the bureaucracy of other international organizations management of financing.

However, financing for ITTO projects from voluntary contributions has been dwindling, now running under \$10 million per year. Some work should be done to find a more sustainable basis for financing ITTO's projects and programs.

XXIV. Conclusions

The overall institutional framework and structure of the International Tropical Timber Organization was created by the ITTA 1983 and remains essentially unchanged since that time. With the exception of the addition of a permanent committee, the Administration and Finance Committee, no major structural change has occurred within the Agreement. The Council has established a number of informal advisory entities; the Informal Advisory Group, the Expert Panel for the Appraisal of Technical Projects and Pre-

Projects, the Civil Society and the Trade Advisory Groups. This would certainly indicate that the Council has latitude within the agreement to provide structural changes to more effectively implement its work.

Despite the fact that this paper is intended to address the framework and structures only, it would be remiss not to take note of the importance of the three Agreements which frame the work of the Organization. These Agreements and the implementing Organization became the first ever international commodity attempt to capture the concept of sustainable development for a natural resource commodity on the ground. While much of the emphasis in the early years was on “sustained yield,” the foundation of the agreement was very importantly captured in Clause (h) in the phrase: “...and at maintaining the sustainability or ecology of the resource base.” It remains the only international commodity agreement which attempts to reconcile trade – sustainable use and sustainable yield, at the same time as it incorporates conservation of the resource base as a prerequisite of its work. All addressed in one Agreement, implemented by one Organization. In the future, it is likely to be seen as a ground-breaking template for addressing sustainability of a resource while recognizing use.

Discussions held during the development of this paper included consideration of whether new program emphases in the implementation of the Agreement or changes in the scope of the ITTA 2006 could affect the framework and structure of the Organization. It appears that the Council has wide latitude within the scope to create informal structures that could be incorporated in a future Agreement. The literature and consultations with experts covered during this Desk study differ in their response to this question depending on whether or not they believe changes in emphasis are possible or changes in scope could be agreed politically and whether such changes would positively impact tropical timber countries and the sustainability of forest resources.

ITTO is credited with creating the phrase “Sustainable Forest Management,” to capture everything from use to protection of forests and their contributions, including timber. Some people conflate the term only with the exploitation of the resource for industry purposes and do not believe the term or its programmatic implementation adequately captures the conservation of the resource for generations to come. But ITTA remains the only example of an international agreement which is simultaneously tackling the possibility of achieving sustainability of a natural resource – forests in this case – while using some part of the resource for timber.

Another topic of discussion that served as a background for this Desk Study was whether the next Agreement could broaden its scope to cover all timber, or to cover all international trade in timber. Should it do so, the structure of the corresponding organization to implement the Agreement could remain approximately as it was designed in the 1983 Agreement, though clearly the resources would have to be significantly expanded. New committees or committees with expanded charters would need to be established. The role of the caucuses would likely be changed significantly – they may even be eliminated. But fundamentally the framework and structure of the existing Organization could be much as it has been since its creation.

Barring an All Timber Agreement, the most significant issue that could change the institutional framework and structures of the organization is funding. A number of sources underlined the challenges faced by the organization over the past decade with significantly declining financing resources. The ITTO has made contributions far beyond what would be expected from the level of financing it has had during its history. The primary sources of funding are from members, under the terms of the agreement, and from international donors. The fact that both producer and consumer countries have equal weight in the Council is also exceptional in forest financing, diminishing the dominance of larger countries seen in other for a: a net plus for ITTO. Another positive is the low level of bureaucracy, the fast-moving, responsive and innovative modalities of ITTO compare to cumbersome, time-consuming funding requirements in the vast majority of international organizations and institutions. Are changes in the structure required to access increased sources of financing?

XXV. Policy Recommendations

Short of an Agreement with expanded scope, is there work within the existing Agreement which could change the structure of the Organization? Some of the interviews proposed that new policy and project work is feasible under ITTA 2006 which could then change the structures of the Organization. The following policy recommendations address some of the areas wherein ITTO could strengthen its work:

- The ITTC should create new Funds which would allow it to tap into more funding. One of the most significant sources of funding is to be found with Pension Groups. Some of the growing pains of the organization and perfectionism have precluded Pensions and some other groups from contributing, however perhaps ITTC could decide to form a Fund which is carried out in Partnership with Member countries, the CSAG and TAG. This could create more significant funding, but also further a basic premise of sustainability – that is working with all members of society. ITTO is in the unique position of having a structure and framework in place to create such a Fund and mechanism. There is precedent for such a funding bundle, starting with a project in the mid-90s to fund an NGO and member government project in the Republic of Congo. These should focus on the implementation of the Sustainable Development Goals (SDGs) in tropical timber producing countries as relevant.
- Invite the Caucuses or the Joint Caucus to hold open meetings, available to the CSAG and TAG members for observation and to invite them to make comments in the committee sessions.
- Building on previous experience, further develop the Joint Producer and Consumer Caucus with a pilot wherein the majority of the work is done in Joint Caucus with only a small Steering Producer and Consumer Caucus Group to meet for more contentious matters.
- Following a successful implementation of the pilot above, eliminate the two Caucuses to facilitate more constructive implementation of the Agreement. This is allowed by the Agreement, which simply identifies the two member categories of Producer and Consumer, but does not require working in caucuses.
- With considerable international interest in the subject, ITTO could expand its work on market intelligence to include sub-national timber trade data and an expansion of study of the forests from which this trade comes. This suggests adding an Informal Sub-National Trade Study Group which allows for work on compiling domestic trade data in addition to international trade data, providing a basis for analyzing the relationships between the two. Much policy work remains to be done in this area. ITTO could fill the vacuum.
- Create a special focus on building capacity in producing member countries to apply for funding from other sources, e.g., the Global Environment Facility (the GEF), FAO and others;
- Start using the name “International Tropical Forest Foundation,” informally, much as the UNFF Secretariat used the Forest Agreement name in lieu of “The non-legally binding agreement on all types of forests.”

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XXVII. Appendices (available on www.itto.int)

International Tropical Timber Agreement 1983
 International Tropical Timber Agreement 1994
 International Tropical Timber Agreement 2006