

**Statement by the Civil Society Advisory Group (CSAG) to ITTO 46th Session held in Yokohama,
Japan December 13– 18, 2010**

Distinguished Chair, Honorable Ministers, Executive Director, Distinguished Delegates, Ladies and Gentlemen:

CSAG would like to thank the Government of Japan and the ITTO for the warm hospitality shown. We would like to thank the Executive Director of ITTO for his support to CSAG that allowed us to bring together nearly all of the governance team of CSAG here. CSAG takes seriously our important role for civil society as a contributor to ITTO's policy development, as collaborators in and contributors to activities implemented by member governments and others, and as potential implementers of ITTO activities, including projects. We are appreciative of the confidence that the ITTC and ITTO Secretariat have placed in CSAG in exploring an expanded role.

CSAG was very struck by the deliberations in this 46th session on the changing context for the tropical forest trade and forest management in the discussion of the Annual Market Situation, the discussions on the implications of the recent agreements in Cancun on climate change and the REDD+ mechanism, the findings of the Yaound é conference on business models regarding expanding opportunities for domestic and intra-regional trade, and the discussion on new competition from "green and fair" market substitutes for tropical timber. There are three important issues that we would like to signal for the ITTO members:

(a) Given the changing world market situation, the rapid growth in many developing countries' economies and the changing demographics, including rapid urbanization, we believe that domestic and intra-regional markets will only grow in importance, with benefits for expanded participation of smallholder and community enterprises and industries at multiple scales, and more flexibility for private sector and governments to respond to market shifts and downturns and new competitors. As was noted in the September Yaound é workshop on this topic, this trade also favors markets in NTFPs, wood-based energy, and environmental services.

(b) The negotiations at Cancun reinforce a growing trend in a rebalancing of the voices shaping policies and decisions in the forest sector. Indigenous peoples and community-based organizations have had a strong and increasing voice in the REDD+ and other climate change debates, entering as strong stakeholders in national policy platforms around REDD+ and climate change adaptation. We see this voice as increasingly shaping decisions in the forest sector, extending to forest management, trade and market decision-making, and to promotion of SFM and equitable and just conservation models that respect rights and tenure of communities, indigenous peoples and vulnerable minorities and women.

(c) As effectively stated by the TAG representative in his statement to Council, ITTO has a challenge ahead to advise its members on how best to advance legal trade and Sustainable Forest Management without creating a barrier to segments of the tropical timber industry, including processing industries in producer countries and small-scale enterprises, including smallholder and community producers and processors. And to provide an informed voice to the REDD+ deliberations on the lessons learned from its studies and projects on SFM and legal trade, including from the broad scope given to the REDDES thematic objective.

We **recommend** that ITTO expand its work and influence on reforming policy and governance reforms in order to address these new global challenges and capture emerging opportunities to promote sustainable forest management, social and economic development. These governance and institutional challenges, including insecure tenure, must be addressed in order for countries to move forward. ITTO should more fully utilize its credibility and convening power to help countries understand and address these challenges.

We are particularly enthused by the strong commitment from Indonesia and ITTO to hold a conference for Asia on forest Tenure, governance and enterprise Item # 47 of the 2010–2011 biennial work programme, scheduled for July 11–15, 2011, with tentative venue in Lombok, Indonesia. CSAG will be working hard with the ITTO and the Government of Indonesia to prepare for the International Conference that would be jointly sponsored by ITTO, RRI, other partners, and the Government of Indonesia. This conference, like the Rio Branco Conference in 2007 in Brazil and the Yaound é conference in 2009, will facilitate ITTO and its member countries to engage actively with civil society and forest communities in Asia and share lessons on tenure and governance reforms. We encourage ITTO to take up the previous recommendations, together with the governments in the regions by developing relevant activities and project. CSAG is ready to assist in this.

Going forward, we believe that there are many civil society actors and community enterprises and their organizations with proposals of interest to ITTO for support. We see a potential to expand the range of proposals reaching the ITTO and national focal points, including non–timber forest products (NTFP), with a more proactive process of training and communication. We also see a strong role for ITTO regional staff in Africa and Latin America, and the Secretariat in Asia, to provide information sessions and guidance to national focal points, as well as civil society and community organizations on the ITTA, 2006 and funding opportunities under the Thematic Programs. This should be in addition to the already–mandated provision for capacity building, as part of the ITTO projects proposal formulation. Should ITTO funding permit, CSAG is available to assist with orientation of civil society actors to the ITTA 2006.

CSAG continues to **recommend** that ITTO consider expanding its annual market situation analysis to include important non–wood resources from the forest: non–timber forest products (NTFP) like charcoal production, fuel wood, bushmeat, medicinal and aromatic plants, and present expanding trade and market opportunities with multiple environmental and social benefits.

CSAG further **recommends** that ITTO considers commissioning a study on the implications of the decisions recently agreed in October 2010 at the 10th Conference of the Parties (CoP) to the Convention on Biological Diversity (CBD) in Nagoya, Japan, notably on the *Nagoya (ABS) Protocol on access to genetic resources and the fair and equitable sharing of benefits arising from their utilization*, to assess implications of CBD to ITTO for enhancement of sustainable forest management as related to timber and NTFP resources, the trade of commodities hereof, and the implicit role of indigenous and local people and their traditional knowledge herein. CSAG **recommends** that ITTO positively consider the promotion of application of sustainable harvesting standards for wild forest biodiversity that adhere to CBD CoP 10.

We **support** strengthened collaboration of ITTO and CITES, including their work on timber and NTFPs species, and suggest ITTO emphasize its mandate, including drawing on experienced Civil Society Organizations, to help ITTO Parties monitor their implementation of CITES.

Finally, we **encourage** the timely ratification of the new ITTA by member countries, to secure its mandate and work program, and enable full implementation of the new Thematic Programmes. We encourage that funding soon be made available for the gender scoping initiative, Item # 31 in the 2010–2011 Biennial Work programme.

As we have recommended at the last two ITTC sessions, to enhance the effectiveness of CSAG, we strongly **recommend** that the ITTC include a formal presentation by CSAG in the ITTC session, just as is the modality with the Annual Market event organized by TAG. There are excellent opportunities to inform members at the next session in Guatemala, by convening a range of civil society experiences from Mexico and Central America.

We look forward to taking an active role with the Council and Secretariat to ensure the success of ITTO. Thank you for your support and substantive deliberations.

Co-Chairs

Chen Hin Keong, TRAFFIC, Producer Country co-chair and official contact person for CSAG

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