EXPLANATORY MEMORANDUM TO

THE EUROPEAN COMMUNITIES (DEFINITION OF TREATIES) (2006 INTERNATIONAL TROPICAL TIMBER AGREEMENT) ORDER 2008

2008 No. 3116

1. This explanatory memorandum has been prepared by the Department for International Development and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Description

This Order would declare that the 2006 International Tropical Timber Agreement, signed by the United Kingdom on the 19 December 2007, is to be regarded as a Community Treaty as defined in section 1(2) of the European Communities Act 1972. The provisions of section 2 of the European Communities Act 1972 (which provide for the general implementation of Community Treaties) would then apply in relation to the Agreement, and could be used for the implementation of its provisions.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Background

- 4.1 The Agreement has been entered into by the European Community and all its Member States, and must be ratified by each of those States as well as by the Community. The Government intends, subject to the making of this Order, to ratify the Agreement on behalf of the United Kingdom.
- 4.2 The United Kingdom must be in a position to implement all the provisions of the Agreement before it can ratify the Agreement. The proposed Order would provide the necessary powers, under section 2 of the European Communities Act 1972.

5. Territorial Extent and Application

This instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

The Secretary of State for International Development has made the following statement regarding Human Rights:

"In my view the provisions of the draft European Communities (Definition of Treaties)(2006 International Tropical Timber Agreement) Order 2007 are compatible with the Convention rights."

7. Policy background

7.1 The Agreement, which has been negotiated under the auspices of the United Nations Conference on Trade and Development (UNCTAD), replaces the 1994 International Tropical Timber Agreement. It shall remain in force for ten years. It aims to promote the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests and to promote the sustainable management of tropical timber producing forests.

7.2 A summary of the main objectives and provisions of the Agreement is set out in the Annex to this Memorandum.

8. Impact

A Regulatory Impact Assessment has not been prepared for this instrument as it has no impact on business, charities or voluntary bodies.

9. Contact

John Hudson at the Department for International Development (Tel: 020 – 7023 0683) or (email: j-hudson@dfid.gov.uk) can answer any queries regarding the instrument.

Summary of the Agreement

The Agreement provides for: the governance of the International Tropical Timber Organization (ITTO) which was established under the auspices of the United Nations in 1986 and has a small secretariat of about 35 staff based in Yokohama, Japan.

The ITTA, 2006, focuses on the world tropical timber economy and the sustainable management of tropical forests while encouraging the timber trade. It aims to promote the expansion and diversification of international trade in tropical timber from sustainably managed and legally harvested forests and to promote the sustainable management of tropical timber producing forest by, inter alia;

- 1. Providing a framework for consultation, international cooperation and policy development among all members with regard to all aspects of the world timber economy;
- 2. Contributing to sustainable development and poverty alleviation;
- 3. Enhancing the capacity of members to implement strategies for achieving exports of tropical timber and timber products from sustainably managed sources;
- 4. Promoting and supporting research and development with a view to improving forest management and conservation and efficient wood utilisation;
- 5. Developing and contributing towards mechanisms for the provision of new and additional financial resources so as to ensure the predictability and adequacy of funding and expertise needed to enhance the capacity of producer countries to meet the objectives of the Agreement;
- 6. Ensuring greater transparency in the international timber market by improving market intelligence and encouraging information sharing;
- 7. Encouraging members to support and develop tropical timber reforestation and restoration of degraded forest land;
- 8. Strengthening the capacity of members to improve forest law enforcement and governance, and address illegal logging and related trade in tropical timber; and
- 9. Promoting access to and transfer of, technologies and technical cooperation to implement the objectives of the Agreement.

ITTO manages its own programme of projects and other activities, enabling it to test its policy work. Members may submit project proposals to the International Tropical Timber Council for review and financing in accordance with the ITTO project cycle. ITTO has historically provided grants for forestry work in response to demands from developing countries. This responsiveness led to a lack of strategic direction. ITTA, 2006, makes provision for Thematic Programmes which will focus staff time and funds on issues of strategic importance. The creation of a Thematic Programmes Sub-Account provides an opportunity for interested donors to make funding available in ways more consistent with current aid practices. The Thematic Programmes Sub-Account is likely to focus on issues such as governance, poverty and livelihoods.

In contrast with the earlier agreement under which Member States made annual compulsory contributions, the European Community will provide financial contributions for the administration of the ITTA 2006. Member States will be able to

make voluntary financial contributions to the planned actions via the Thematic Programmes Sub-Account of the ITTA 2006.