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United Nations Conference for the  
Negotiation of a Successor Agreement to the  
International Tropical Timber Agreement, 1994  
Fourth part  
Geneva, 16- 27 January 2006

**PREPARATION OF A SUCCESSOR AGREEMENT  
TO THE INTERNATIONAL TROPICAL TIMBER AGREEMENT, 1994**

**ARTICLES APPROVED INFORMALLY  
Preamble, Articles 3, 7, 12, 14 and 16**

## PREAMBLE

The Parties to this Agreement,

- (a) Recalling the Declaration and the Programme of Action on the Establishment of a New International Economic Order; the Integrated Programme for Commodities; the New Partnership for Development; and the Spirit of São Paulo and São Paulo Consensus, as adopted by UNCTAD XI;
- (b) Also recalling the International Tropical Timber Agreement, 1983, and the International Tropical Timber Agreement, 1994, and recognizing the work of the International Tropical Timber Organization and its achievements since its inception, including a strategy for achieving international trade in tropical timber from sustainably managed sources;
- (c) Further recalling the Johannesburg Declaration and Plan of Implementation as adopted by the World Summit on Sustainable Development in September 2002, the United Nations Forum on Forests established in October 2000 and the associated creation of the Collaborative Partnership on Forests, of which the International Tropical Timber Organization is a member, as well as the Rio Declaration on Environment and Development, the Non-Legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests, and the relevant Chapters of Agenda 21 as adopted by the United Nations Conference on Environment and Development in June 1992, the United Nations Framework Convention on Climate Change, the United Nations Convention on Biological Diversity and the United Nations Convention to Combat Desertification;
- (d) Recognizing that States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental policies and have the responsibility to ensure that activities within their jurisdiction and control do not cause damage to the environment of other States or of areas beyond the limits of national jurisdiction, as set forth in principle 1(a) of the Non-Legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of All Types of Forests;
- (e) Recognizing the importance of timber and related trade to the economies of timber producer countries;
- (f) Also recognizing the importance of the multiple economic, environmental and social benefits provided by forests, including timber and non-timber forest products and environmental services, in the context of sustainable forest management, at local, national and global levels and the contribution of sustainable forest management to sustainable development and poverty alleviation and the achievement of internationally agreed development goals, including those contained in the Millennium Declaration;
- (g) Further recognizing the need to promote and apply comparable criteria and indicators for sustainable forest management as important tools for all members to assess, monitor and promote progress toward sustainable management of their forests;

- (h) Taking into account the linkages of the tropical timber trade and the international timber market and wider global economy and the need to take a global perspective in order to improve transparency in the international timber trade;
- (i) Reaffirming their commitment to moving as rapidly as possible toward achieving exports of tropical timber and timber products from sustainably managed sources (*ITTO Objective 2000*) and recalling the establishment of the Bali Partnership Fund;
- (j) Recalling the commitment made by consumer members in January 1994 to maintain or achieve the sustainable management of their forests;
- (k) Noting the role of good governance, clear land tenure arrangements and cross-sectoral coordination in achieving sustainable forest management and legally sourced timber exports;
- (l) Recognizing the importance of collaboration among members, international organizations, the private sector and civil society, including indigenous and local communities, and other stakeholders in promoting sustainable forest management;
- (m) Also recognizing the importance of such collaboration for improving forest law enforcement and promoting trade from legally harvested timber;
- (n) Noting that enhancing the capacity of forest-dependent indigenous and local communities, including those who are forest owners and managers, can contribute to achieving the objectives of this Agreement;
- (o) Also noting the need to improve the standard of living and working conditions within the forest sector, taking into account relevant internationally recognized principles on these matters, and relevant International Labour Organization Conventions and instruments;
- (p) Noting that timber is an energy-efficient, renewable and environmentally friendly raw material compared with competing products;
- (q) Recognizing the need for increased investment in sustainable forest management, including through reinvesting revenues generated from forests, including timber-related trade;
- (r) Further recognizing the benefits of market prices that reflect the costs of sustainable forest management;
- (s) Noting the special needs of least developed tropical timber producer countries;
- (t) Recognizing the need for enhanced and predictable financial resources from a broad donor community to help achieve the objectives of this Agreement.

Have agreed as follows;

### CHAPTER III. ORGANIZATION AND ADMINISTRATION

#### ARTICLE 3 HEADQUARTERS AND STRUCTURE OF THE INTERNATIONAL TROPICAL TIMBER ORGANIZATION

1. The International Tropical Timber Organization established by the International Tropical Timber Agreement, 1983 shall continue in being for the purposes of administering the provisions and supervising the operation of this Agreement.
2. The Organization shall function through the Council established under Article 6, the committees and other subsidiary bodies referred to in article 26 and the Executive Director and staff.
3. The headquarters of the Organization shall at all times be located in the territory of a member.
4. The headquarters of the Organization shall be in Yokohama, unless the Council, by special vote in accordance with Article 12, decides otherwise.
5. Regional offices of the Organization may be established if the Council so decides by special vote in accordance with Article 12.

### CHAPTER IV. INTERNATIONAL TROPICAL TIMBER COUNCIL

#### ARTICLE 7 POWERS AND FUNCTIONS OF THE COUNCIL

The Council shall exercise all such powers and perform or arrange for the performance of all such functions as are necessary to carry out the provisions of this Agreement. In particular, it shall:

- (a) By special vote in accordance with Article 12, adopt such rules and regulations as are necessary to carry out the provisions of this Agreement and as are consistent therewith, including its own rules of procedure and the financial rules and staff regulations of the Organization. Such financial rules and regulations shall, *inter alia*, govern the receipt and expenditure of funds under the accounts established in Article 18. The Council may, in its rules of procedure, provide for a procedure whereby it may, without meeting, decide specific questions;
- (b) Take such decisions as are necessary to ensure the effective and efficient functioning and operation of the Organization;
- (c) Keep such records as are required for the performance of its functions under this Agreement.

ARTICLE 12  
DECISIONS AND RECOMMENDATIONS OF THE COUNCIL

1. The Council shall endeavour to take all decisions and to make all recommendations by consensus.
2. If consensus cannot be reached, the Council shall take all decisions and make all recommendations by a simple distributed majority vote, unless this Agreement provides for a special vote.
3. Where a member avails itself of the provisions of article 11, paragraph 2, and its votes are cast at a meeting of the Council, such member shall, for the purposes of paragraph 1 of this article, be considered as present and voting.

ARTICLE 14  
EXECUTIVE DIRECTOR AND STAFF

1. The Council shall, by special vote in accordance with Article 12, appoint the Executive Director.
2. The terms and conditions of appointment of the Executive Director shall be determined by the Council.
3. The Executive Director shall be the chief administrative officer of the Organization and shall be responsible to the Council for the administration and operation of this Agreement in accordance with decisions of the Council.
4. The Executive Director shall appoint the staff in accordance with regulations to be established by the Council. The staff shall be responsible to the Executive Director.
5. Neither the Executive Director nor any member of the staff shall have any financial interest in the timber industry or trade, or associated commercial activities.
6. In the performance of their duties, the Executive Director and staff shall not seek or receive instructions from any member or from any authority external to the Organization. They shall refrain from any action which might reflect adversely on their positions as international officials ultimately responsible to the Council. Each member shall respect the exclusively international character of the responsibilities of the Executive Director and staff and shall not seek to influence them in the discharge of their responsibilities.

ARTICLE 16  
ADMISSION OF OBSERVERS

The Council may invite any member or observer State of the United Nations which is not party to the ITTA or any organization referred to in Article 15 interested in the activities of the Organization to attend as observers the sessions of the Council.