

APEC Concept Note

Project Title:	Developing Integrated Timber Data to Enhance Legal Timber Trade of the APEC through Xylaria Networking
Fund Source (Select one):	
<input type="checkbox"/> General Project Account (GPA) <input type="checkbox"/> Trade and Investment Liberalization and Facilitation Special Account (TILF) <input type="checkbox"/> APEC Support Fund (ASF) – General Fund <input checked="" type="checkbox"/> APEC Support Fund (ASF) – Sub-fund: CONNECTIVITY	
APEC Forum:	Experts Group on Illegal Logging and Associated Trade (EGILAT)
Proposing APEC Economy:	Indonesia
Co-sponsoring Economies:	Thailand; People's Republic of China; New Zealand; United States of America; Chile
Expected Start Date:	August 2022 (First initiation in May 2022 through the XV World Forestry Congress)
Project Completion Date: <small>See Chapter 7 Guidebook on APEC Projects</small>	December 2023
Project Summary: <i>In 150 words -</i> <ul style="list-style-type: none"> • What is the issue that you will address or examine in your project? • Outline the key things your project will do, in terms of what, where, when and with whom. <small>(Summary <i>must be</i> no longer than the box provided. Cover Sheet must fit on one page)</small>	<p>APEC is the premier Asia-Pacific economic forum to support sustainable economic growth and prosperity in the Asia-Pacific Region by facilitating a favorable and sustainable business environment, including in forestry. To support the legal timber trade, timber database integration of the APEC is important. There are 180 centers of wood collection (xylaria) located in 60 economies globally. An integrated network of databases among them will help strengthen wood identification systems and help improve the accuracy of documents in legal timber trading. The proposed activities through xylaria networking cover (1) networking of databases among xylaria; (2) a study of various tools/methods in wood identification; (3) harmonizing commercial timber names; and (4) carrying out a workshop exploring application of available wood identification tools. Furthermore, the project will also organize a Forum Group Discussion for policy decision-makers to discuss the potential integration with Timber Legality Assurance Systems (TLAS).</p>
Total cost of proposal: (APEC funding + self-funding): USD 150,000	Total amount being sought from APEC (USD): 150,000 By category: Travel: 100,000 Labor costs: 30,525 Hosting: 5000 Publication & distribution: 0 Others (Technology enhancement & trial): 14,475
List all project outputs: <i>For example:</i> 1. Research and Background Paper 2. Workshop 3. Project Summary Report	(1) Research (Database networking among xylaria; a study of various tools/methods for wood identification; and harmonization of commercial timber names); (2) Workshop (training and discussion on the potential integration of wood identification system with TLAS) (3) Project Summary Report

Project Overseer Information and Declaration

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As Project Overseer and on behalf of the above said Organization, I declare that this submission was prepared in accordance with the **Guidebook on APEC Projects** and any ensuing project will comply with said Guidebook. Failure to do so may result in the BMC denying or revoking funding and/or project approval. I understand that any funds approved are granted on the basis of the information in the document's budget table, in the case of any inconsistencies within the document. By submitting this APEC Project Proposal to the APEC Secretariat, I agree that the APEC Secretariat will collect, use, disclose, and transmit the data contained in the APEC Project Proposal, which I have provided to the APEC Secretariat in accordance with Singapore's Personal Data Protection Act 2012 and the APEC Secretariat's data protection policy (<https://www.apec.org/PrivacyPolicy>). The APEC Secretariat will transfer any data provided on this form, which may contain personal data of Project Overseer(s), to APEC member economies overseas via the APEC Secretariat.

Ratih Damayanti, Ph.D. /30th March 2022
 Name of Project Overseer / Date

Project Synopsis

Project Objective:

- **State the overarching objective of the project in 100 words or less.**

The project aims to set up a network of xylaria in the Asia Pacific Region, including as a reference for harmonization of commercial timber grouping and trade names for trading documents, to explore available wood identification methods and using the xylaria networking for tools enrichment, and to discuss opportunities for the integration into the timber legality assurance systems and procedures of the APEC economies to support international legal timber trade.

1. **a) Relevance – Issues: What problems does the project seek to address? Does it have sustained benefits for more than one economy in the APEC region?**

The 21 APEC Economies account for 2.19 billion hectares of forest (more than 50% of forests cover). APEC Economies also engage in a significant amount of trade in forest products, representing approximately 80 per cent of the international trade in such products. It is recognized that many APEC Economies continue to face significant challenges from illegal logging and associated trade.

Globally, it is estimated that 10–30% of the timber trade is illegally harvested; only in tropical forests, illegal harvest is estimated on 30–90%. The mix of legally and illegally logged wood makes it challenging for Customs and Law Enforcement officers to assess the validity of the official documents linked to a particular shipment. Therefore, efficient and accurate identification tools are critical for species identification and origin assessment of traded timbers. To this end, these tools must be embedded in law enforcement, especially in developing Economies that produce the majority of tropical timbers.

The biodiversity of flora is enormous. The integration of databases among xylaria is important to support the legal timber trade. The International Association of Wood Anatomist/IAWA (<http://iawa-website.org/>) has conducted a huge work in compiling the information regarding the wood collection in the world, and provides complete information for 180 xylaria (http://iawa-website.org/en/Wood_collection/Overview_of_Wood_Collection.shtml). One of IAWA's objectives is to facilitate collection, storage and exchange of research materials. However, until today, the integration of wood collections scattered in various Economies has been carried out only to a limited extent. The integrated data and information could be further extracted to support the legal timber trading in APEC.

The integration of data and information from around the world from existing wood collections will improve the utility and accessibility of this data for traders. The data and information of traded timber is formulated differently across Economies. A complete and integrated network of database will enhance the exchange of data and information of traded timber, and help facilitate mutual understanding of commercially traded timber between Economies.

Furthermore, this project will help EGILAT to explore available wood identification tools that can be voluntarily implemented by individual Economies, which can support timber legality assurance systems and/or associated measures to protect forests and their associated biodiversity. The project will also build the capacity of APEC Economies and their relevant stakeholders (including Customs and Law enforcement officers) through a workshop.

b) Relevance – Alignment to APEC: Describe specific APEC priorities, goals, strategies and/ or statements that the project supports, and explain how the project will contribute to their achievement.

The project contributes to the APEC's primary goal to support sustainable economic growth and prosperity in the Asia-Pacific Region. This project promotes the implementation of the Putrajaya Vision through Innovation and Digitalisation Economic Driver, and the Aotearoa Action Plan as well as the broad goals of the La Serena Road Map. In addition, emphasizing the legal trade of timber, the project contributes to the Thailand's 2022 stated priority of embracing the bio-circular-green economy (BCG), promoting "balanced and sustainable growth", specifically for the Key Areas: Promote economic policies that contribute to addressing environmental challenges (Theme 1); Advance the implementation of the APEC Connectivity Blueprint (Theme 2); and Enhance cooperation on forestry and facilitate trade of legally harvested forest products (Theme 3).

The project also supports the APEC Ministerial Meeting Joint Statements from 2014, 2016, and 2017 all called for information sharing between Economies and other entities on best practices and resources for combatting illegal logging. The proposed project directly contributes by setting up a network of xylaria in the Asia-Pacific Region as a reference for wood species identification and harmonization of commercial timber grouping and trade names for trading documents, exploring available wood identification technologies, and exploring their potential integration into the timber legality assurance systems and/or associated measures of APEC Economies to facilitate international legal timber trade.

c) Relevance – Alignment to Forum: How does the project align with your forum’s work plan/ strategic plan?

This project aligns with the EGILAT’s Vision and Mission Statements: EGILAT seeks to enhance the efforts of its member Economies to take concrete steps to combat illegal logging and associated trade and promote the trade in legally harvested forest products, including through capacity building activities in member Economies, according to the EGILAT’s Terms of Reference. The project also supports several objectives set out in The EGILAT Multi-Year Strategic Plan 2018-2022, including: ‘exchange information and increase knowledge on...promoting the trade in legally harvested forest products’; and ‘encourage the active participation of industry and civil society to...promote trade in legally harvested forest products.

The project is also implementing the Critical Success Factors of 2018-2022 EGILAT’s Multi-Year Strategic Plan: Facilitating and strengthening law enforcement cooperation and information sharing related to combating illegal logging and associated trade, consistent with domestic law and following applicable international agreements.

It also as a critical supporting element for EGILAT’s proposed two-year policy theme on “Advancing the trade and distribution of legally harvested forest products: navigating to legal timber”, which was introduced to EGILAT at its February 2022 meeting in Thailand.

2. **Eligibility and Fund Priorities: How does the project a) meet the eligibility criteria and b) support the funding priorities for the nominated Fund or Sub-fund? Refer to the APEC website**

- (a) The project will support APEC’s funding priority endorsed by Senior Officials at the Informal Senior Officials Meeting (ISOM): Economic and Trade Policies that Strengthen Recovery; Facilitating trade and investment; Promoting inclusive and sustainable growth, including for Recovery; mainly in **Reconnecting the region; and Pursuing Innovation and a Digitally-Enabled Recovery.**
- (b) Regarding the connectivity, the project will also support the APEC Connectivity Blueprint 2015 - 2025 especially on the institutional connectivity where there is a significant gap in the ability of existing institutions to promote connectivity due to various regulatory constraints or lack of capacity through information/best practices sharing, capacity building and policy dialogues.

3. **Capacity Building: How will the project build the capacity of APEC member Economies. For ASF projects, please identify the APEC developing member Economies that will benefit from this project. (Refer to capacity building goals, objectives and principles at Appendix K of the Guidebook.)**

Currently, accurate wood identification can only be carried out by a small number of trained/experienced researchers and officers due to limited knowledge, technology, and capability among broader practitioners. The lack of expertise can also result in reduced accuracy and increased length of identification time. The existence of an easy, cheap and accurate wood identification system and wood tracking databases would significantly and positively impact the legal timber verification process.

This project will build the capacity of APEC member Economies to participate in the regional economy by helping them to identify and implement available wood identification tools, which may include methodologies, techniques, and/or best practices, for facilitating legal timber trade. The project will particularly be useful for developing member Economies (both exporters and importers) whose public and private entities will be able to access low-cost tools and materials to facilitate legal timber trade.

4. **Methodology: How do you plan to implement the project? Briefly address the following:**

- **Workplan: In a simple table, outline the project from start to end. Show key project outputs and activities and associated dates or timelines.** Indicate if you intend to record any project event. Refer to the *APEC Project Event Recording Policy* at Annex N of the Guidebook.

Date	Activity	Outputs/ Deliverables
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May 2022	Discussion in the XV World Forestry Congress “Promoting Legal Timber Trade through Developing Xylaria Networking and Integrated Wood Identification Systems” involving international wood scientists from: International Association of Wood Anatomist; Xylarium Bogoriense; Royal Museum for Central Africa in Belgium; Research Institute of Wood Industry, Chinese Academy of Forestry, Beijing, China; United States Department of Agriculture, and Leiden University.	First initiation to have global network of databases and integrated wood identification tool
August - September 2022 (2 months)	Establish working group of EGILAT members to oversight and support the delivery of the project; coordination meeting (Pending final approval) begin, initiate contractual action(s).	Working group, contracts.
October 2022 – September 2023 (12 months)	Joint research: - Study of various tools/methods in wood identification - Integrate the wood collection as the data source for the selected tool - Harmonize the commercial timber grouping and trade names based on the scientific name of trees *Technically, the integrated network of databases will be linked to the APEC EGILAT website, and it would be organized by IAWA or IUFRO as an operator for daily basis.	Logistics for stakeholder engagement events (scientists); Selected global wood identification system; integrated network of databases
August – December 2023	Workshop (<i>involving all APEC Economies</i>): - Training for government officers (Customs, Law Enforcement officers) and or industries to use the selected tool - Carried out the training results to a Forum Group Discussion attended by policy decision-maker to discuss the potential integration with Timber Legality Assurance System (TLAS) Present final outcome documents and findings to EGILAT meeting (and other relevant APEC fora) Compile final materials/ analysis, produce final reports/documents/final billing, close contract(s).	Logistics for stakeholder engagement events; capacity building, workshop/FGD recommendations Capstone event, draft-final materials Final materials delivery, Close contract

- **Beneficiaries: Selection criteria for participants, beneficiary profiles (e.g. participants, end users, policy makers, researchers/ analysts, gender) and how they will be engaged.**

The project beneficiaries are (a) Customs of Economies, (b) domestic governments including Ministry of Environment and Forestry, Ministry of Industry and Ministry of Trade, Ministry of Law and Human Rights; (c) wood-based industries (traders); (d) Academia and training colleges; (e) non-government organization. The information and lessons learned will directly benefit and be shared with them, and they will be invited to the final presentation of findings/outcomes. Legal court and Custom will benefit from accurate wood species identification, which involves legal evidence. It will also improve the accuracy of legal document thus facilitate the legal timber trade. Researchers will benefit from improved knowledge, increased capacity on research methodologies, baseline data, and better policy influence through publications and knowledge dissemination.

- **Evaluation: Outline the indicators which will be used to measure progress towards the project outcomes. Where possible, provide indicators which could assess impacts on women.**

Indicators to measure progress towards the project outcomes include survey completion rates; participation rates in stakeholder engagement events, identification of and numbers of resources compiled; numbers of actions to facilitate legal timber trade identified by sector.

- **Linkages: Information on other APEC and non-APEC stakeholders and how they will be engaged. If and how this proposal builds on (but does not duplicate) the work of other projects. How will this activity promote cross fora collaboration?**

Throughout the process, the project will coordinate to analyze, compile, and disseminate existing tools and resources by engaging SME WG and SCCP WG, and will also build on work undertaken by the International Association of Wood Anatomist (IAWA), International Union of Forest Research Organizations (IUFRO), World Forest ID (WFID), Global Timber Forum (GTF), the International Tropical Timber Organization (ITTO), and World Customs Organization (WCO).