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DECISION 8(LVII)

ADOPTION OF THE TERMS OF REFERENCE FOR THE DECISION 4(LVI) ADVISORY BOARD AND THE TIMELINE AND TERMS OF REFERENCE FOR THE REVIEW UNDER DECISION 5(LIV) ON THE PILOT PROGRAMMATIC APPROACH

The International Tropical Timber Council,

Recalling Decision 4(LVI) requesting the Advisory Board to develop formal terms of reference for its work, to be considered by the Council at its Fifty-seventh Session;

Further recalling Decision 5(LIV) which requested the Executive Director to undertake a review of its implementation in 2022, including the long-term effectiveness and feasibility of the pilot programmatic approach;

Taking into consideration the work and recommendations of the Advisory Board established under Decision 8(LV) as well as the progress report on the implementation of ITTO's New Financing Architecture - Phase II as contained in document ITTC(LVII)/14;

Noting that to date only one concept note has been developed into an approved project and funded under the pilot programmatic approach following the initial open call for proposals that was undertaken in December 2020, and that it is therefore premature for a review to be undertaken in 2022;

Decides to:

1. Adopt the formal terms of reference for the work of the Advisory Board as contained in the Annex;
2. Request the Executive Director to prepare a second progress report on the implementation of the pilot programmatic approach for consideration at ITTC 58; and
3. Postpone the review of the implementation of Decision 5(LIV) until at least 2023, and take a final decision on the timing and terms of reference of the review at ITTC 58.

Annex

Draft Terms of Reference for the Decision 4(LVI) Advisory Board (established under Decision 8(LV) and augmented under Decision 4(LVI))

Introduction

The establishment and general role of the Advisory Board (AB) is governed by decisions 8 (LV) ¹ Implementing ITTO's New Financing Infrastructure – Phase I and 4 (LVI) Implementing ITTO's New Financing Infrastructure - Phase II. ²

Composition of the AB

The AB is composed of the ITTO Informal Advisory Group (IAG) complemented by representatives of the Trade Advisory Group (TAG) and the Civil Society Advisory Group (CSAG), or their designated alternates.

Mode of Operation

1. The AB will be chaired by the Chairperson of Council, or in his/her absence, by the Vice-Chairperson of Council.
2. The AB will meet three times a year including one meeting immediately prior to, during or following Council sessions. Intersessional work by the AB will be conducted virtually, by e-mail and telephone, as appropriate.
3. The AB may propose informal joint producer/consumer sessions for the consideration of the ITTC Chairperson, as appropriate, to address key financial matters during respective Council sessions.
4. The AB will liaise closely with the Executive Director, the Committee on Finance & Administration (CFA) and the Secretariat in carrying out its functions.
5. The AB will be supported by the ITTO Secretariat to plan meetings, provide meeting and documentary support and undertake any intersessional work as deemed appropriate and necessary.
6. The AB may make recommendations based on its remit under the appropriate Council Decisions for the Consideration of Council. In doing so, the AB will take direction solely from Council and will not give direction to, nor take direction from the IAG, the producer/consumer caucuses, individual members or the Secretariat.
7. The final minutes of all AB meetings will be made publicly available/available to the ITTO membership by being posted on the ITTO website within a reasonable timeframe following each AB meeting and final clearance by the AB.

Role and Responsibilities of the AB

8. To request and receive regular updates from the Executive Director on the implementation of the pilot programmatic approach and ITTC-endorsed Programmatic Lines, including engagement with international bodies such as potential funding partners, as stipulated in applicable Council decisions.
9. To advise the Executive Director on the ongoing implementation of applicable decisions on ITTO's financing architecture including on new/emerging funding opportunities that the AB may be aware of and/or appropriate timing of new calls for proposals under any of the four funding scenarios described in Decision (4(LVI).
10. To provide guidance to the Executive Director on the most appropriate methods of implementation of the finance architecture approved by council in order to achieve the objectives stipulated in the applicable decisions.
11. To specifically advise the Executive Director and make recommendations for Council's consideration on how the regular project cycle is to be dealt with during the pilot phase of implementation of the Programmatic Approach and applicable decisions.

¹ **Reference para in Decision 8 (LV)** 16. Establish an advisory board composed of the IAG complemented by representatives of TAG and CSAG, or their designated alternates, that meets via conference call every four months to receive an update on the implementation of the pilot programmatic approach, including engagement with international bodies such as potential funding partners, and to advise the Executive Director.

² **Reference para in Decision 4 (LVI)**: 9. Request the Executive Director to continue to implement the activities requested under Decision 8(LV), including periodically convening the Advisory Board; and engaging with funding mechanisms, including the GEF and its partners ahead of its eighth replenishment process; 10. Request the Advisory Board to develop formal terms of reference for its work, to be considered by the Council at its Fifty-seventh Session.

12. To provide guidance to the Executive Director on the most appropriate methodology for reviews of the implementation of the Programmatic Approach, including its long-term effectiveness and feasibility.
13. To review and advise the Executive Director on draft/proposed memorandums of understanding (MOUs) or other agreements of cooperation between the ITTO and other organizations or entities to ensure alignment with the intent of relevant Council decisions and directives.

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