
Integrating FLEGT and the Sustainable Development Goals

28 September 2016

Science 14 Atrium, Brussels

Organized with the support of the UK Department for International Development

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Introduction

On 28 September 2016 Chatham House convened an expert workshop on the topic of integrating FLEGT and the Sustainable Development Goals (SDGs). The workshop brought together 21 experts from around the world, including representatives of donor organizations, NGOs and academia, with the aim of considering how monitoring of the Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan could be coordinated with, and integrated into, monitoring of the SDGs. The intended outcomes were to improve understanding of the opportunities and challenges of coordinating FLEGT and SDG monitoring, and to identify priority areas for support and capacity-building to enhance FLEGT's contribution to SDG monitoring efforts.

The workshop was organized in response to a number of developments. These include the findings of the recent independent evaluation of the FLEGT Action Plan that included a call for more robust outcome monitoring and more explicit mechanisms for demonstrating the ways in which FLEGT contributes to objectives such as sustainable forest management and poverty reduction.¹ Additionally, as countries begin to develop their strategies to achieve the SDGs, considerable effort is being made to consider how best to monitor progress towards the SDGs at the national, regional, global and sectoral levels. In March 2016 the UN Inter-Agency Expert Group on SDG Indicators (IAEG-SDGs) agreed a set of global indicators. Furthermore, many governments and organizations are in the process of developing monitoring frameworks in order to track their progress against the SDGs. As a contribution towards these discussions, Chatham House published a research paper in 2016 examining the role that national-level indicators for the SDGs could play in improving legality among small-scale forest enterprises, with the conclusion that these should be developed for the small-scale forest sector.²

The following text summarizes the presentations made and discussions held during the workshop.

Session 1: Setting the context – FLEGT and its contribution to the SDGs

Chair: Jade Saunders, Forest Trends and Chatham House

Why monitor the impact of FLEGT activities and why integrate them into the SDG framework? – Alison Hoare, Chatham House

The presentation outlined the rationale behind the workshop. It also set out the opportunities for using the SDGs as a means of galvanizing additional support for FLEGT. In terms of synthesizing monitoring efforts for FLEGT with SDG monitoring, this could be highly valuable in avoiding duplication of effort and building capacity for national-level reporting. However, there are also several obstacles including lack of data, inconsistency in data quality, lack of capacity and differences in the objectives of monitoring. FLEGT also provides opportunities for strengthening processes to achieve and monitor the SDGs. In particular, FLEGT activities have had notable success in fostering multi-stakeholder dialogue and deliberative processes, experiences that could be applied to national-level SDG processes.

¹ EU FLEGT Facility (2016), 'Independent evaluation of the EU FLEGT Action Plan published', 4 May 2016, http://www.euflegt.efi.int/news/-/asset_publisher/VoA92AEdZlro/content/independent-evaluation-of-the-eu-flegt-action-plan-published.

² Hoare, A. (2016), *Improving Legality Among Small-Scale Forest Enterprises: The Role of National Level Indicators Within the SDGs*, Research Paper, London: Royal Institute of International Affairs, <https://www.chathamhouse.org/publication/improving-legality-among-small-scale-forest-enterprises-role-national-level-indicators>.

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An overview of the SDGs and their monitoring framework – Deirdre de Burca, *World Vision*

The presentation began by providing an overview of SDG Watch EU, a civil-society alliance formed to monitor progress towards the SDGs and Agenda 2030 within the EU. At the EU level, the Secretary-General of the Council of the EU will lead coordination of Europe's response to the SDGs. There is also a cross-Directorates-General working group in addition to a higher-level working group responsible for monitoring EU progress. The EU was due to release a communication to provide an update on the implementation of 2030 Agenda for Sustainable Development in November 2016.

The presentation then provided an overview of Agenda 2030. Agenda 2030 goes beyond the SDGs and outlines the financial and non-financial mechanisms for implementation including capacity-building, technology and knowledge transfer. With respect to the SDGs, these provide a very ambitious global framework that is universal in its application. It is this aspect that sets them apart from the Millennium Development Goals (MDGs), which were principally aimed at developing countries. Although the SDGs are not a legally binding commitment for governments, they create an important framework that will help civil society to hold governments to account. They also have the potential to promote a more integrated approach to policy-making.

However, there remains a good deal of opacity as to how the SDGs will be achieved in practice. A major challenge will be establishing financial commitments to help countries achieve them and monitor their progress. This was discussed during the Addis Ababa Third International Conference on Financing for Development in June 2015. There is a need for considerably more finance than has been agreed to date.

Points of discussion

The discussion centred around the question of who is responsible and accountable for monitoring and reporting against the SDGs at the national level. The SDGs could require considerable additional reporting requirements that may exceed the capacity and infrastructure available in some countries. The voluntary nature of the SDGs and the fact that they do not form a legally binding framework was emphasized. The importance of mapping existing datasets that are relevant to the SDGs was underlined in order to avoid duplication of efforts and to ease the pressure on governments. How citizen-generated data could provide supplementary data to existing indicators was also highlighted. This could also help provide more qualitative data; it was noted that, particularly on a global level, monitoring tends to have a bias towards quantitative measurements. There is also a need to consider the risk of policy incoherence, which may result from the goals themselves, as there are many potential conflicts between these.

An overview of the follow-up and review process for the SDGs, and an update from the UNGA – Iyona Lobos Alva, *Institute for Advanced Sustainability Studies (IASS Potsdam)*

Agenda 2030 is hugely ambitious and offers a window of opportunity to transform the future towards sustainable development, but there is a significant gap between the ambition set by the SDGs and current 'business as usual' development pathways. The presentation highlighted three main points.

First, there is a concerning lack of understanding and discussion around the trade-offs and conflicts implicit within the SDGs. For example, what compromises will need to be made in order to increase agricultural productivity at the same time as preserving forests and natural habitats? What balance should be reached between renewable-energy targets and negative environmental impacts from land conversion to grow biofuels while aiming to ensure goals for poverty reduction and food security are met?

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Second, the risk of 'business as usual' pathways, lack of innovation and a silo approach in SDG initiatives could hamper the potential for Agenda 2030 to lead to transformational change. Achieving the ambition of the SDGs will require innovation alongside new, nuanced ways of working from key stakeholders, as well as finding ways to manage and address the priorities of different stakeholder groups at the national and global levels. There is a need for developing meaningful monitoring, follow-up and review frameworks that can provide an overview over potential trade-offs and synergies and empower the most vulnerable to be engaged. In particular, how can qualitative assessments of the SDGs be integrated into the framework? How can the central tenet of 'leaving no-one behind' be achieved in practice and how can this be monitored?

A third major concern is the shrinking space available for civil society to engage in the discussion. Agenda 2030 and the Paris Climate Agreement have set forth impressive and ambitious targets for the environment and sustainability, and yet 2016 marks the year in which the highest number of environmental activists have been murdered around the world. The follow-up and review of the agenda needs to be set up in a way that makes it possible to address this issue and ensure accountability and participation.

For the SDGs to be achieved and to result in real transformational change, the monitoring and review processes will be crucial. Achieving them will require an integrated approach and coordination between sectors, and monitoring frameworks also need to reflect these linkages. Furthermore, FLEGT presents a successful model for ensuring that multiple stakeholders are included in decision-making processes, and this could be transferable to SDG processes.

Points of discussion

Participants raised the question of baselines, and how countries are expected to determine baseline data against which progress towards the SDGs can be measured. Participants recognized the huge challenge that this represents but highlighted that this kind of data collection process must start somewhere. Different countries are at different stages in terms of data collection and archiving, and it is not always the case that developing countries are behind developed ones. Germany, for example, has extensive datasets but they need to be expanded to address all issues relevant to the SDGs, whereas Colombia has many comprehensive and relevant datasets, having invested in reporting for the MDGs. The issue of the availability of baseline data for monitoring change and impact is a challenge across sectors and across different groups of actors from NGOs to governments. This will be a major challenge to monitoring the SDGs but also presents an opportunity to strengthen the collection and quality of data collection at a national, regional and global level.

Session 2: What is FLEGT's contribution to the SDGs?

Chair: Jade Saunders, Forest Trends and Chatham House

FLEGT monitoring frameworks and arrangements – Dermot Shields, FGMC-PMST

The presentation provided an overview of the existing monitoring and evaluation arrangements for FLEGT. The FLEGT Action Plan is an EU initiative that forms part of a global agenda to combat illegal logging and illegal timber trade around the world. It comprises a range of initiatives and approaches. Two important elements of the Action Plan are:

- The European Union Timber Regulation (EUTR), which prohibits the import of illegal timber into the EU; and
- The Voluntary Partnership Agreements (VPAs), which are legally binding bilateral trade agreements between the EU and timber-exporting countries outside the EU.

Integral to the VPAs are multi-stakeholder, nationally owned negotiation processes. These have served to empower local stakeholders and to provide legitimacy to the negotiations. The SDGs, on the other hand, are very much representative of a top-down global agenda, and so it is important that any integration of FLEGT with the SDG agenda does not displace the space for political dialogue at the national level.

The FLEGT Action Plan has multiple goals – forest governance, climate change, livelihoods, trade, political empowerment, etc. – and different actors engage for different reasons at international, national, and local level. This raises challenges for its monitoring.

A wide range of monitoring activities is being implemented for FLEGT. VPA country-specific monitoring includes:

- Monitoring levels of legal compliance in the forest sector;
- Monitoring the progress of VPA implementation within the country, which is the responsibility of national-level Joint Implementation Committees; and
- VPA impact monitoring, which is an obligation under the VPA intended as a safeguarding measure to identify and mitigate against its potential negative impacts.

Other monitoring activities related to the FLEGT Action Plan include:

- EUTR monitoring (by FLEGT committee and member states);
- Global monitoring of VPA effectiveness in terms of impacts on timber markets and trade (including by International Tropical Timber Organization's Independent Market Monitoring [ITTO IMM], Chatham House Indicators of Illegal Logging, Forest Watch, and the Food and Agriculture Organization's [FAO] Forest Resources Assessment);
- Monitoring effectiveness of donor support to FLEGT (e.g. by the European Commission, member states, the European Forest Institute's FLEGT facility and the FAO facility); and
- Monitoring effectiveness of the entire FLEGT Action Plan (by the European Commission).

Country-level SDG monitoring could contribute to VPA or FLEGT monitoring by providing relevant data sources. But the question was raised as to the extent to which SDG monitoring efforts will in fact generate new data, given limitations on resources.

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Points of discussion

The coherence and alignment between FLEGT and the SDGs was the focus of discussions, including the need to find mechanisms for leveraging the synergies and benefits of each process as a means of strengthening them both. For example, how can the momentum behind the SDGs be harnessed to gain more political support for FLEGT? Concerns were raised about the risks of the top-down nature of global targets and the potential for the SDG process to disempower national political processes. FLEGT has been successful in the way in which it has nurtured and protected the national political space and deliberative processes. It is important that these positive impacts of FLEGT are not overridden by efforts to report against the SDG global monitoring framework.

There had been initial concern that the UN Programme on Reducing Emissions from Deforestation and Forest Degradation (REDD) would over-ride FLEGT processes. However, there seems to be increasing coherence and coordination between these frameworks, which could provide useful experiences on which to draw for the integration of FLEGT and the SDGs. Furthermore, high priority is being given to the need for the SDGs to be a nationally owned and driven process. Valuable lessons could be learned from the FLEGT multi-stakeholder processes that would enhance national SDG processes.

What is FLEGT's contribution to the Sustainable Development Goals? – Alison Hoare, Chatham House

This presentation provided an overview of how FLEGT could help strengthen efforts to monitor the SDGs and achieve the goals.

With respect to monitoring, FLEGT has improved the collection and accessibility of forest-sector data in many countries, with considerable support provided for government agencies. Furthermore, formal monitoring roles have been established for civil society and capacity-building has also been provided. The presentation proposed strategies for building on these efforts so as to strengthen the inclusivity and effectiveness of national monitoring of the SDGs and to avoid any duplication in terms of monitoring. These include the need to ensure that national-level monitoring meets the needs of FLEGT and the SDGs, and to raise awareness in the 'SDG world' of the role that civil society can play in providing reliable data. One of the most effective elements of the FLEGT process is its multi-stakeholder dimension. The question was raised as to what lessons could be drawn from this process, and how the FLEGT community could best communicate their experiences with those responsible for monitoring SDGs.

The presentation also mapped the ways in which FLEGT activities could feed into the SDGs. Examples of particular targets were provided, for which potential indicators had been identified that could help to measure progress, both to illustrate the diverse contributions of FLEGT to achieving the SDGs and to identify opportunities for integrated monitoring. Participants were asked to reflect on whether it would be valuable to continue to map the linkages between FLEGT and the SDGs more comprehensively, as well as mapping the data-collection activities currently being carried out, to ensure that monitoring initiatives for these two processes are harmonized.

Points of discussion

One of the main questions raised in the discussion was whether it was feasible or useful to monitor the unintentional or indirect outcomes and impacts from FLEGT. For example, it would be difficult to attribute the role of a VPA in contributing towards poverty reduction, in part because of the breadth of interventions it entails, including legal and institutional reform, transparency and law enforcement. There was discussion over the perceived rationale behind the intended impacts of a VPA; although it is a trade agreement aimed at promoting legal trade, poverty alleviation and improving livelihoods in timber-

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producing countries are the ultimate goals for many. It was acknowledged that secondary impacts of interventions should be monitored even if these were not among the principal desired outcomes of the intervention. This could also provide opportunities to raise the profile of FLEGT within the SDG and Agenda 2030 arenas.

Session 3: Monitoring FLEGT's contribution to the SDGs

Chair: Alison Hoare, Chatham House

SDG Monitoring – Perspectives from FAO FLEGT Programme – *Anni Vuohelainen, FAO*

The FAO is the custodian agency of 21 of the global SDG indicators, including three directly related to forests (15.1.1, 15.2.1 and 15.4.2). This means that it is responsible for collecting and collating the data for these indicators from countries for reporting at the global level. The role of the FAO in SDG monitoring also includes methodological development for further refinement of indicators, reporting data for global SDG indicator reports, capacity development and technical assistance to support countries in incorporating the SDG indicators in their national statistical programmes.

The FAO Forestry Department is making a concerted effort to align its support to countries with the SDGs, including through:

- Alignment of the Global Forest Resources Assessment with the SDG monitoring framework;
- Development of tools for data collection within countries (e.g. socio-economic surveys, Open Foris) and capacity-building for countries on data collection;
- Assistance for countries in reviewing their forestry legislation and policies to align with the SDGs; and
- Support for national 'Criteria and Indicator' processes for sustainable forest management.

The FAO FLEGT Programme has a monitoring and evaluation framework that includes standardized indicators related to the key areas of the FLEGT Action plan. Developing indicators to monitor the FLEGT Programme has proven challenging given that it is demand-driven. This makes it difficult to develop a set of broad global indicators that can be compared across countries. FAO FLEGT is also conducting forest governance assessments in non-VPA countries. There are possible linkages between the programme and SDG monitoring. For example, programme support to regulators regarding data collection and management for the forest sector builds capacity and structure for SDGs monitoring. There may also be opportunities to link the results of governance baseline assessments to national SDGs monitoring, though so far the global indicator framework does not include specific indicators for forest governance

Points of discussion

In response to a question concerning the FAO's initiatives to monitor forest governance, the presenter explained that the FAO understands the importance of working with other agencies to avoid duplication of effort. The FAO is currently working closely with the World Resources Institute (WRI) and it will also be aligning its forest governance assessments with PROFOR's work in this area.

Measuring and reporting on forest land restoration in Rwanda – *Dow Maneerattana, World Resources Institute*

WRI pilots a methodology for monitoring forest land restoration in Rwanda. The country was one of the first countries to incorporate restoration in its national five-year vision and strategy, and in 2011 it pledged to restore 2 million hectares of land.

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National agencies in Rwanda are keen to measure progress towards their commitments to global frameworks. In addition, monitoring will enable the country to find ways to improve the efficiency and effectiveness of restoration initiatives, which could bring the added benefit of facilitating additional funding from international donor agencies.

The current approach to measuring forest land restoration involves government officers driving through large, remote areas to conduct an eye-count of trees before and at subsequent points after tree-planting has taken place. This method is time-consuming and unreliable. Also, the data is recorded on paper, which means it is not easily accessible to other agencies. To address these issues, WRI is piloting a new process for monitoring and recording land restoration. This prioritizes capacity-building and knowledge transfer in order to improve the sustainability of the approach.

The tool uses existing open data platforms such as Google, Collect Earth, and Open Foris. WRI has been training a team of extension officers and GIS specialists at the University of Kigali to conduct biophysical and socio-economic mapping and to input data. The data is checked by locals who can also take photos for uploading on to the platform for verification, which helps to bring local knowledge to the forefront of the analysis. The data can also be used to encourage investment and inform decision-making, through helping to identify restoration successes, and to communicate opportunities for investing.

Points of discussion

The tool is currently at pilot stage and so WRI has not yet used this approach for tracking products through supply chains or for assessing livelihood impacts. WRI hopes that this would be possible in future.

VPA impact monitoring – lessons to understand FLEGT and SDG contributions – *Sheelagh O'Reilly, IOD PARC*

IOD-PARC was commissioned to design frameworks to enable long-term VPA impact monitoring in Cameroon, Ghana and Liberia. Impact monitoring is an obligation of the VPA to assess the broader impacts of VPA-related interventions; it does not monitor the progress of VPA negotiations and/or implementation of the agreement.

A key challenge to developing a framework for monitoring the impact of the VPAs stems from the fact that work on this did not begin until after the VPA had been agreed. This has made it difficult to attribute impacts to the VPA because of the absence of baseline data. This underlines the importance of establishing baselines as early as possible. The notion of tracing attribution remains challenging given that FLEGT is a long-term process, entailing multiple interventions. Further challenges relate to inconsistencies in data availability and quality, a lack of capacity for analysing and archiving data in-country, and difficulties in mapping data due to variable administrative and regional boundaries.

The presentation put forward some recommendations for strengthening impact monitoring, including the importance of identifying existing datasets that can be used as baselines and establishing what resources might be available for filling gaps and synthesis. In terms of the opportunities for integrating FLEGT and the SDGs, the multi-stakeholder approach that has been used for developing and implementing VPA impact monitoring provides possible learning for national-level SDG processes. Such an approach could be used to validate data and develop a better understanding of the theory of change or 'pathways to impact' from sustainable forest use to improved environmental and social well-being.

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Points of discussion

The discussion centred on how the scope of impact monitoring is defined within each country. It was noted that, while it is an obligation of the VPA, its scope is agreed upon by national stakeholders and so varies between countries. This reinforces the importance of context and of understanding the different ‘pathways to impact’ in diverse national and sub-national contexts.

ICF Key Performance Indicators (KPIs) for forest programmes – methodological steps of the forest KPIs with challenges and opportunities for SDG/FLEGT monitoring – *Tim Kelly, University of Edinburgh*

The presentation covered the development of tools for monitoring the three International Climate Fund (ICF) Key Performance Indicators (KPIs) that are related to forestry, work that is being undertaken by the International Forestry Resources and Institutions (IFRI), the University of Edinburgh and Ecometrica. A key element of the approach has been to carry out extensive on-the-ground scoping in collaboration with local stakeholders in order to define the impact area and to ensure use of existing datasets wherever possible. The over-arching aim is to develop tools and methods that are structured and transferable rather than prescriptive and overly technical.

The main end-users of the monitoring tools will be the project teams that will be responsible for monitoring and reporting against the KPIs, and thus it is vital that these tools are developed in a collaborative way that reflects on-the-ground realities in each of the focus countries.

Points of discussion

A point was raised in relation to whether there are measures in place to mitigate the potential for the monitoring of the KPIs to become siloed, which would be problematic given the trade-offs that may occur during the implementation of project activities (e.g. improved forest cover vs improved livelihoods for forest communities). The interdependencies between these indicators have been taken into account during the development of the monitoring tools and methodologies, and the teams developing each of the KPIs have collaborated closely during the design phase to ensure that these interdependencies and potential trade-offs are captured through the tools.

Session 4: Next steps – moving forward with monitoring

Chair: Alison Hoare, Chatham House

Points of discussion

The focus of the final session was to discuss how best to move the agenda forward and to try to identify, in practical terms, how best to foster linkages between the monitoring of FLEGT and the SDGs. There is a clear need to avoid duplication of efforts in terms of monitoring initiatives relating to them. However, there is some evidence of improved coordination between different institutions and agencies at country-level (for example, in Ghana) and at the global level. There is scope for this to be further strengthened through a relatively simple process of increased information-sharing among relevant organizations.

The preparation of shadow reports for monitoring the SDGs in the forest sector could provide opportunities for organizations working on FLEGT to provide additional data for it. This would not only enable reporting of the wider impacts of FLEGT, but would also support stronger and more nuanced reporting of progress towards the SDGs. This approach is being considered by the SDG Watch alliance to complement European Commission reporting against the SDGs.

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Building on from this discussion, a suggestion was made that civil society could have a role in validating the SDG monitoring reports produced by EU member states. This would help ensure more robust reporting and enable engagement of more stakeholders in the national processes. Yet this type of validation may be difficult as it would necessitate civil society having access to all of the corresponding data, which may be problematic in many countries.

There was continued discussion on the overarching purpose of integrating FLEGT and the SDGs – for example, on whether the aim is to leverage more awareness and political buy-in for FLEGT through highlighting its contribution to the SDGs or whether it is to improve the coherence of monitoring initiatives between these two processes.

The need to be realistic as to FLEGT's contribution to global commitments was acknowledged; for example, given that VPA countries only account for 15 out of the 190 that have committed to the SDGs. On the other hand, the importance of FLEGT achievements and impacts was commended, and it was highlighted that it remains a highly valuable and worthwhile process.

One potential avenue for better integration between these processes could be to focus on the impact of the EUTR and its contribution towards SDG 12 on sustainable consumption and production. This would provide a means to focus on the developed world, underlining the obligations of EU member states in enforcing the EUTR.

It is likely that international development donors will increasingly be keen to align their strategies to the SDGs and to establish mechanisms for demonstrating that their funding is contributing to their achievement. Starting a dialogue around the interlinkages between FLEGT and the SDGs was considered to be a useful process.

Regarding possible next steps, areas were identified as worth further analysis, including:

- More in-depth mapping of FLEGT's contribution to the SDGs, but focused on those SDGs to which it contributes most directly;
- Analysis of potential synergies between FLEGT and other areas of intervention that could help to reinforce progress towards the SDGs;
- Reviews of existing forest monitoring initiatives in particular countries, including an assessment of whether or how they are being coordinated; and
- Analysis of the lessons that could be learnt from FLEGT for SDG processes, in particular experiences of implementing multi-stakeholder processes and of increasing the space for monitoring by civil society.