

Meeting Report and Summary
International Symposium on Indicators
to Assess and Monitor the Quality of Forest Governance

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On 13–14 September 2010, the United Nations (UN) Food and Agriculture Organization (FAO), the Program on Forests (PROFOR), the World Bank, and the Swedish International Development Cooperation Agency (SIDA) organized an International Symposium on Indicators to Assess and Monitor the Quality of Forest Governance. The symposium took place in Stockholm, at the headquarters of SIDA.

The Stockholm symposium was the latest in a series of meetings addressing the measurement, evaluation, and monitoring forest governance. In October 2009, on the margins of the 2nd Dialogue Meeting on REDD+ (the Collaborative Program on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries), Chatham House, Global Witness, and the World Resources Institute (WRI) exchanged views on forest governance monitoring, which led to a broader meeting on the topic in December as a side event at the fifteenth Conference of the Parties to the UN Framework Convention on Climate Change. In February 2010, the European Union (EU) organized a meeting on Forest Law Enforcement, Governance, and Trade (FLEGT) at the FAO headquarters, at which participants endorsed the idea of an international workshop on forest governance indicators. In May 2010, Chatham House, in collaboration with UN-REDD+ had organized an expert workshop on monitoring governance safeguards in REDD+.

The Stockholm symposium drew together a variety of participants. These included government officials, academics, and civil society leaders from countries interested in forest governance reform; representatives of international civil society organizations interested in understanding or improving forest governance; and experts from international and bilateral development organizations such as SIDA, the British Department for International Development (DFID), FAO, and the World Bank.

The organizers' objectives were to better understand—

- (i) What tools exist now to diagnose and monitor forest governance?
- (ii) How national diagnostic and monitoring needs compare to emerging international requirements?
- (iii) How needs vary among specific applications?
- (iv) How to harmonize ongoing initiatives to develop and use forest governance indicators?

Symposium Outcomes at a Glance

1. Simple, practical and actionable tools are needed to diagnose, assess and monitor forest governance including for the success of REDD and FLEGT-VPA schemes.
2. Practical tool development should exploit the synergies across the several on-going efforts.
3. Developing a common set/framework of principles and criteria is necessary to provide the foundation to develop country specific indicators .
4. There is a need to act with urgency as the demand for practical and actionable tools to monitor and assess forest governance is NOW.
5. FAO and PROFOR will lead a core group of practitioners to develop the common framework of principles and criteria by spring 2011.

Program — Morning, Day One

The Symposium was launched by brief remarks from the representatives of the three institutions (Mari Albihn, Sida; Peter Dewees, PROFOR-WB; and Eva Muller, FAO), all of whom stressed the importance of better governance for SFM and recognized the need for a Symposium such as this to share experiences among practitioners and collaborate on next steps.

The first day of the program covered past work, ongoing efforts, and current needs. A keynote address by Frances Seymour, Director General of the Center for International Forestry Research, highlighted the importance of governance to the conservation and development of forests, and an increasing interest in addressing governance issues. She challenged the participants to confront five dilemmas: (1) that the goal of “good” governance may get in the way of “good enough” governance; (2) that for any particular objective, one often cannot say with certainty what would be “good enough” governance; (3) that to measure something as complex as governance, one must reduce it to proxies, and often it is not known which are the best proxies; (4) that the choice of who should measure governance can affect the value of the assessment as much as the choice of what to measure; and (5) that diagnosing problems and prescribing remedies are different functions, that diagnosis may not always point to a cure, and there is a need to find a balance between the two tasks. She urged the participants to remember the need for research in these areas — both “big science” research that gets away from the single-case focus and political economy research that helps understand both problems and possible solutions.

The participants then heard about past and ongoing efforts to develop indicators. Doris Capistrano offered the meeting a broad perspective on indicators. She noted the growing demand for measurement related to sustainable forest management, REDD+, and lawful trade, as well as measurement related to cross-sectoral and sector-specific initiatives. She discussed past work by IIED, WRI, the World Bank,

and many others. She noted some common ground among the efforts and some lessons learned: the importance of piloting the indicators, the need for inclusiveness and transparency, the need to adapt and improve indicator systems over time, the changing availability of data, and the difficulty of applying tools consistently without giving users adequate guidance. Finally, she discussed development of indicators under the UN-REDD+/Chatham House framework, comparing that framework with the framework proposed by the World Bank, and laying out guidance for developing an indicator set appropriate to a particular country and assessment need.

Peter Holmgren offered the perspective of the international REDD+ community. UN-REDD+ dedicates about forty percent of its resources to monitoring, reporting, and verification (MRV) work, which includes monitoring governance, forest services, and social impacts. He stressed the need for the results of measurements to be simple and clear, if they are to have real impact. As a foundation, indicators should evaluate three areas: the “rules of the game” (including legal, regulatory, and institutional frameworks), how the rules are applied (including implementation, enforcement, and compliance), and how stakeholders can be informed and involved (including transparency and accountability). The UN-REDD+/Chatham House work on developing a framework for monitoring safeguards for REDD+ continues, based on 15 draft principles, with the next meeting now scheduled for November 2010 in Rome.

Jussi Vitanen of the European Forest Institute (EFI) discussed monitoring related to voluntary partnership agreements (VPAs) between the EU and timber exporting nations. Although monitoring will vary among countries, in each there will be monitoring of long-, medium-, and short-term outcomes, evaluating them against objectives such as reducing deforestation, alleviating poverty, and reducing illegal logging. Challenges include identifying the impact of a VPA when other influences are also at work, targeting the right issues to monitor, acquiring good data, understanding causes and effects, and linking to other monitoring frameworks. EFI is developing a Rapid Forest Governance Assessment tool, based on the World Bank’s forest governance framework, and is testing versions of the tool in five countries in Latin America. Much work remains, and EFI looks forward to being a partner in global efforts to improve monitoring and assessment.

Sam Lawson gave insights from Chatham House’s efforts to assess illegal logging. The study looked at five timber-producing countries, five consuming countries, and two processing countries. In general, the study found declines in illegal logging and trade in illegally logged wood products over the last ten years. The declines are probably due to increased enforcement, NGO advocacy, and consumer pressure. This means such efforts have been a highly cost-effective way to conserve forests and reduce net greenhouse gas emissions. Much work remains to further reduce illegal logging, and practical, transparent indicators will play a role in that effort.

Steven Nsita reported on the field-testing of a set of World Bank indicators to help stakeholders in Uganda identify and agree upon needed reforms. Uganda’s forest

reforms beginning in 1998 gave initially promising results, however problems eventually emerged due in part to limited capacity and political pressures. The World Bank commissioned a background paper on forest governance in the country and, with the Ministry of Water and Environment, convened a stakeholder workshop to assess a set of more than ninety governance indicators. The stakeholders found both good and bad qualities in the existing system and developed a set of priorities for reform. The stakeholders also gave the World Bank constructive criticism of the indicators themselves.

Crystal Davis reported on WRI's piloting of indicators in Brazil and Indonesia. WRI's Governance of Forests Initiative (GFI) looks at actors, rules, and practices, measured against principles of transparency, participation, accountability, coordination, and capacity. The indicators assess issues of forest tenure, forest management, land use planning, and revenues and incentives. In all, there are ninety-four indicators, and assessment relies on local expert and stakeholder evaluation. Assessments in Brazil and Indonesia took one year to complete, and included gathering feedback on the assessment methods. The process brought to light new concerns, and it placed some old concerns in a new light. It also exposed information gaps. WRI plans to revise the indicators and continue rolling them out.

Afternoon, Day One

In the afternoon, the participants engaged in an informal *tour de table* review of governance issues and needs. First the meeting heard from representatives of timber-exporting nations, including Brazil, the Republic of Congo, Ghana, Peru, and Russia. Then came the turn of the nations strongly engaged in REDD+ preparations within the framework of broad rural development more broadly such as Guatemala, Nepal, Kenya and Tanzania.

Despite uniform international pressures tied to trade and REDD+, domestic perspectives and influences dominated the outlook of the participants. As Krishna Acharya from Nepal observed, the role of the forest cannot be narrowed into climate change mitigation and adaptation.

Each country has distinct context and problems, and so there is no universal formula for good forest governance. For example, Daniel Meireles Tristão described Brazil's strategy of decentralization and devolution of forest authority, which it sees as necessary to improve responsiveness to stakeholders and their problems. Ivan Valentik noted that Russia found that decentralized control failed to provide an adequate response to the summer's forest fires, and it is moving to centralize control over forest reserves.

Countries are addressing their governance issues at different levels. Martinez Recinos Herless Arbey described how seventy-two organizations in Guatemala are re-examining forest policies. Yaw Kwakye reported on a window of opportunity in Ghana for reforming forest laws. And Kefa Wamicwe expressed hope that Kenya will

improve benefit sharing and forest planning under its new constitution. Georges Boudzanga summarized the many initiatives that exist in Congo (Brazzaville) on transparency and conflict resolution and indicated that VPA and REDD+ have the same requirements. Rolando Navarro described the many changes taking place in Peru, related to legislation, certification and law enforcement and suggested that improving stakeholder participation and resolving land-tenure conflicts were essential to SFM. Guillermo Navarro, from CATIE shared a detailed analysis on Costa Rica's perspectives on good forest governance indicators including the importance of streamlining national and international cross-sectoral policies to reduce deforestation pressures. Gerald Kamweda described the efforts in Tanzania to combine biophysical indicators with social/household indicators to improve the information base for forest governance reforms. Finally, Lennart Ljungman, described the case of Georgia where a Presidential decree sought to clamp down on corruption by firing all forest service personnel and replacing them with professionals with little knowledge of forestry! This led to a huge reduction in illegal logging but with little improvement in governance and little hope for long-run sustainability.

The meeting moved on to hear from members from civil society and business. Laura Furones of Global Witness described initiatives to monitor local governance and to promote transparency. She expressed some concern that focus on a single forest use, such as REDD+, will divert attention from other forest issues. Manoj Nadkarni described Transparency International's Forest Governance Integrity Program focused on Asia and the Pacific. TI is interested in risk mapping, monitoring, and preventing corruption associated with REDD+, and it is looking into developing a forestry corruption index. Crystal Davis said WRI is looking at the risks and opportunities presented by REDD+. Although REDD+ is emerging as a government-to-government initiative, domestic stakeholders must be informed and involved. If REDD+ is to be results-based, then monitoring is key. Weine Genfors of Stora Enso observed that the rule of law makes long-term forest investments more predictable and worthwhile for companies. He said Stora Enso tries to be a force for transparency, good governance, and sustainability, with zero tolerance for bribery.

Finally, the group heard from the national and multinational organizations. Eva Muller described FAO's interest in promoting FLEGT to reduce illegal logging and providing assessment and monitoring support for REDD+. Peter Holmgren, who had addressed the symposium in the morning about UN-REDD+, added some thoughts on the importance of land tenure issues and funding. Tuukka Castrén of PROFOR spoke of the many facets of forest governance that need attention: general monitoring of trends, supporting reforms, and tracking outcomes, and specific assistance in areas like use of information and communication technology, chain of custody, public expenditures, post-conflict governance, and law enforcement across national boundaries.

Neeta Hooda of the World Bank Forest Carbon Partnership Fund emphasized the value of monitoring and the need to share lessons and frameworks among various

initiatives. In particular, she urged attention to conflict management, accounting of revenues, and harmonization of inconsistent domestic laws and policies. Ebrima Sall reported that the Council for the Development of Social Science Research in Africa (CODESRIA) is developing a handbook on forestry governance indicators for four countries in Africa.

Mathieu Bosquet spoke of the EU's work on the FLEGT process. The EU does not want to impose outcomes, but wants to encourage participatory approaches that reflect the values and priorities of stakeholders, including national stakeholders and consumers. Monitoring should aim to inform the stakeholders, not to encourage comparisons. It should reflect country policies and values and should avoid a universal checklist approach. The VPA process is producing much information, some of which may be helpful to other initiatives such as REDD+. There is a need for focused capacity-building in all partner countries. The EU will be releasing a FLEGT progress report later this year.

Gerhard Buttond expressed EFI's support for arriving at a common framework for governance indicators. He described EFI's work on FLEGT, on governance in the west Balkans, and on measuring effectiveness, efficiency, and equity. EFI plans to host a conference on assessing governance in June 2011.

Hugh Speechly spoke of the emergence of forest governance in international discussions from the 1998 G8 summit to the present day. DFID has been behind various forest governance efforts, from cooperative programs with timber trading countries, to work in support of VPAs. DFID wants to see effective monitoring for REDD+ and is now working on REDD+ matters with Ghana.

Herbert Christ of the German Agency for Technical Cooperation (GTZ) spoke of the value he saw in standardizing indicators. GTZ itself is a technical cooperation program and does not develop indicators, but sees their practical value in policy reform. He also cautioned that we should not lose sight of the larger SFM issues to an exclusive REDD+ focus.

Lisbet Bostrand noted that SIDA supports fifty different forestry programs, and half of the program budgets relate to governance. As an example, she spoke of Laos and how REDD+ has shifted attention and priorities there.

Afsa Kemitale affirmed that governance is a major interest of the UN Forum on Forests (UNFF). She saw governance as becoming more important, and said that UNFF would continue to promote dialogue and agreement in the area, including promoting stakeholder consultations.

Morning, Day Two

On the second day, the participants formed working groups and addressed present needs and the future directions of work on indicators. In the morning, the groups

considered (I) the connections between national and international needs, (II) the varying needs for indicators, and (III) ways to assure coherence among approaches. A summary of the ideas from the groups is presented below.

Group I: The group saw present or emerging international requirements for trade (proving legality to access timber markets), third-party certification, REDD+, and labor rights (gender, ethnicity, etc.). They also saw potentially emerging issues tied to values, legitimacy, and fairness of the sector.

International and domestic reform pressures sometimes pull in different, though not always opposite directions. Local stakeholders may not understand international standards. Domestic reformers may seek devolution of power, which may make implementing uniform international standards more complex. Reform ideals may be impractical in light of capacities, and these practical concerns create pressures resisting or hampering reform. Foreseeable monitoring needs will vary from country to country, but might include such things as decentralized monitoring capacity, greater attention to the quality of land tenure systems and planning, systems that include independence, cross-checks, and balances to assure quality of data.

There is need to build capacity for monitoring. Some countries will need monitoring at quite local levels, to assure legality and fair allocation of benefits. At the same time, the costs of monitoring should be kept within reason. Monitoring should be simple and it should not become a market barrier. Care has to be taken not to make requirements for forestry that put it at a disadvantage compared to other sectors. If the ability to monitor is limited, what needs to be monitored should be prioritized.

Group II: Improving governance is the objective. To do this well, stakeholder groups must “own” the indicators and use them regularly to track change. Indicators can be used for diagnosis or for monitoring, but these functions require different degrees of engagement. Also, the reasons for measurement change over time. Today it may be to assure legality, while tomorrow it may be to assure emissions reduction, or equity, or something else.

Every country is a potential user of indicators, but few issues are generic. There will be different stakeholders, with different needs. There will be different users — the government in one country, civil society in another. There will be varying priorities, such as illegal logging or REDD+. There will be varying processes using indicators — an annual report here or a one-time reform effort there. Often there will be tension from countervailing forces over the use of indicators, and this can be constructive.

Keep it simple — a few basic indicators are often “good enough” — but do not make the output so simple that it is not meaningful. Informal international agreement on one joint set of basic (perhaps three) parameters would be useful. The set should not be too restrictive. It should leave room for the country to creatively apply it. Indicators can be used to track main trends within countries, and this is more

important and practical than comparing countries. The object is not to foist universal standards and create a “beauty contest of nations” but to create hooks for calls to in-country accountability. In-country advocacy of various sorts is critical. So, an international “alliance” could offer the “service” of setting out these parameters along with a diversity of diagnostic/indicator frameworks, with stakeholders in countries coming up with their own specifics, inspired by these frameworks.

Group III: More coherence is needed among efforts to develop initiatives. Otherwise we will have no clear ways to assess governance. Also, more coherence would increase efficiency and avoid duplication of efforts. Core sets of common data would be useful to link indicators with outcomes and increase transparency.

Coherence in terminology is needed including the use of common names for common elements of governance that occur in a diversity of initiatives and country contexts.

Also needed is coherence regarding both the fundamental principles of governance and also criteria to describe those principles. Specific indicators should be applied at the country level to measure criteria.

There is a need to act now, because, initiatives and countries are acting now. A formal, international, inter-governmental process would take too long with unclear results. Instead, a community of practice, informed by think-tank-style research, should be the preferred approach. To do that, the engagement of countries (both users and donors), leadership, coordination, and resources, is needed.

Afternoon, Day Two

In the afternoon, the participants brainstormed and selected among possible next steps. In the brainstorming sessions, the participants listed over two dozen possible next steps, which were sorted into eight general categories:

Organization and funding: These ideas included securing joint funding, setting up a community of practice, and selecting a core or focus group to propose a common framework for governance measurement.

Communication: These ideas included scheduling a follow-up meeting, providing for reporting of country experiences with indicators, and creating an on-line platform for sharing information.

Training and capacity building: These ideas included training in development of indicators, in application of indicators, and in taking reform steps based on the results given by indications.

Indicator development: Develop indicators for specific purposes.

Standard setting: The participants came up with several variations on the theme of developing common standards, frameworks, or principles guiding what indicators should be measuring.

Piloting, peer review, and application: These ideas included analyzing and comparing national uses of indicators, creating a process to validate indicators with local stakeholders, integrating governance measurement in sustainable forest management monitoring, ground testing, and promoting indicator use in FAO's 2015 Forest Resource Assessment.

Research: Ideas included mapping stakeholders, developing typologies of indicators, mapping the scope of indicators, collecting country experience on governance, looking at how other disciplines have unified indicators, and surveying indicator developers.

Outreach: Ideas included identifying users, getting more private stakeholders involved (e.g., businesses), getting standards validated and applied at a political level, reaching out to countries that might want to serve as testing grounds for indicators, and creating some documentation to explain indicators and their use to potentially interested persons.

Next, the participants divided into groups to identify priorities among these options. Although there were five different groups, they came up with priorities that largely overlapped. Common elements included creating a community of practice and setting up a core group to work on identifying a common framework for indicators. Other, frequently mentioned, priorities involved securing funding for the effort, and reaching out to potential users and interest groups.

Finally, the participants were asked how to go about these steps. The participants agreed that FAO and the World Bank should write terms of reference and recruit a core group of experts to develop common principles and criteria for forest governance. The core group should aim to complete its initial work promptly, to allow a larger "community of practice" to convene in the spring of 2011 to review the framework. PROFOR expressed an interest in funding the work of the group and EFI expressed interest in hosting the next meeting of the community.

Overall Reflections on the Symposium Presentations and Group Findings

The conference exposed the diversity of needs and approaches for indicators. Some users are interested in broad governance issues, while others are interested in governance as it concerns a specific aspect of the forest sector (such as REDD+ or trade), a particular group of stakeholders (such as outside investors or rural communities), or even a single issue (such as corruption).

Some people are interested in indicators for diagnosis, some for advocacy, some for monitoring, and some for cross-country comparisons. Some want evaluations that are objective and replicable, while others value subjective processes that encourage communication and consensus among stakeholders.

Clearly, these approaches have overlaps and commonalities, but they also have distinct requirements. For example, effective diagnosis requires delving into detail and complexity. Effective advocacy or comparison requires results that can be communicated in simple, direct terms.

The various initiatives to develop and apply indicators should not proceed in isolation. Designers need feedback from potential and actual users, and designers ought to be encouraging and challenging each other. Users too should be learning lessons from other users. People who make the actual assessments should be interacting with those who ultimately use the assessments to make decisions and take actions. Ultimately, the field of governance is too broad, and the expertise too diverse, for any single institution or group to claim to master the field alone.

To facilitate interaction, the community of indicator developers and users should arrive at a common framework from which to view governance. This does not mean that the community should move forward in lockstep. However, having an agreed-upon framework of the components of governance will help people compare indicators, avoid gaps, borrow good ideas, and discover opportunities to collaborate and harmonize efforts.

In the concluding discussions of the second afternoon of the symposium, participants placed a high priority on finding ways to work together. When asked to come up with “next steps” for indicator development and use, participants initially listed many initiatives. But when asked to identify priorities among these steps, participants focused on developing a common framework of principles and criteria for forest governance. FAO and the World Bank will facilitate the work of a core group of practitioners to develop this framework.