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Acronyms

ACP	Africa, Caribbean and Pacific
ATIBT	Association Technique Internationale des Bois Tropicaux
CIDT	Centre for International Development Training
COMIFAC	Central African Forest Commission
CPF	country programme framework
DFID	Department for International Development (UK)
DRC	Democratic Republic of Congo
EC	European Commission
EFI	European Forest Institute
ENRTP	Thematic Programme for Environment and Sustainable Management of Natural Resources
EU	European Union
EUTR	European Union Timber Regulation
FAO	Food and Agriculture Organisation
FC	Forest Commission (Ghana)
FFF	Forest and Farm Facility
FGM	Forest Governance Monitoring
FGMC	Forest Governance Markets and Communities
FLEGT	forest law enforcement, governance and trade
FTE	full time equivalent
IFM	independent forest monitoring
INGO	international non governmental organisation
LoA	letter of agreement
MAR	Multi-lateral Aid Review
M&E	monitoring and evaluation
MTR	mid term review
NDF	Nature and Development Foundation (Ghana)
NGO	non governmental organisation
OED	Office of Evaluation (of FAO)
PMU	programme management unit
SME	small and medium enterprise
TCP	Technical Co-operation Programme
TFT	The Forest Trust (formerly Tropical Forest Trust)
RMSC	Resource Management Support Agency (Ghana)
SIDA	Swedish International Development Agency
TLAS	timber legality assurance system
UN	United Nations
UNODC	United Nations Office on Drugs and Crime
US\$	United States Dollar
VPA	Voluntary Partnership Agreement

Executive Summary

ES1. This report presents the findings of the mid-term evaluation (MTE) of GCP/GLO/395/EC “EU FAO Forest Law Enforcement and Governance Trade (FLEGT) Programme”. The overall goal of the evaluation is to identify the contribution of the FAO FLEGT programme to the implementation of the EU FLEGT Action Plan. The programme was assessed using the standard, internationally accepted evaluation criteria of relevance, efficiency, effectiveness, impact, and sustainability. The evaluation was conducted between October 2014 and February 2015 with fieldwork undertaken in Ghana, Uganda, Cameroon, Belize, Guatemala, Honduras, Vietnam and Thailand. The evaluation methodology included literature review, expert interviews, focal-group discussions as well as an online survey sent to all former and current grantees from both phases of support.

Relevance

ES2. The programme is highly relevant to the needs and objectives of implementing agencies, in particular government agencies as well as NGOs. Furthermore, the programme is relevant to the needs of in-country stakeholders in both VPA and non-VPA countries. While the programme remains relevant to the needs of private sector associations in the forest sector, participation levels remains relatively low. The EU FAO FLEGT programme is highly relevant to FAO’s global work on forest governance. At the level of individual country offices, however, the relevance of the programme varies from country to country.

Adequacy of design and theory of change

ES3. The programme design is robust and has stood the test of time across both phases of support. Competition, screening and selection processes ensure that grants are awarded to those projects that demonstrate sound design and implementation. Differentiation of VPA and non-VPA countries, call for proposals and direct assistance to government ensures that support is well targeted. Financial and staffing allocations are adequate to achieve the programme outputs.

ES4. The programme does not have a clear and well-articulated theory of change. Key assumptions regarding the involvement and interest of private sector organisations are missed and the role of the programme in building the capacity of civil society organisations in producer countries needs clarification.

Programme management and institutional arrangements

ES5. Programme management is very strong. A small and able secretariat oversees the programme. Financial reporting from implementing agencies is managed well. Programme staff based in regional offices (Central America and Asia) play an important role in overseeing and supporting programme activities. Links to and complementarity with FAO country offices is variable, but in general weak. Opportunities are being lost to support the on-going decentralisation process within FAO, as well as benefit from in-country programmes and relationships. Co-ordination and mutual learning and collaboration between grantees within countries is variable and no institutionalised mechanism exists to facilitate such important processes

ES6. FAO has a strong comparative advantage in the delivery of this programme by virtue of its global reach, perceived independence and track record. More could be done to capitalise on this in terms engaging in policy level discussions at international levels on the future of the EU FLEGT Action Plan. The programme occupies an important

programme niche, being one of the very few global initiatives offering financing directly to implementing organisations working on FLEGT / VPA. On the whole, the programme is complementary to other FLEGT initiatives and programmes, although differences of opinion on EUTR and VPA concepts are emerging in South East Asia which is hampering co-ordination.

ES7. The programme is agile, responsive and adaptive, able to adjust to changing external circumstances and internal learning. Learning among and between programme beneficiaries in producer countries is relatively limited. Untapped opportunities exist for learning between Africa (where programme activities have been progressing for some time) and Asia (where activities are still relatively new).

ES8. The system for receiving, screening, selecting and tracking projects is strong, transparent and effective. Systems for tracking grants through the use of a centralised database are robust, although projects receive relatively limited monitoring visits from FAO. The establishment of an impact monitoring system has been delayed despite this need being prioritised in the mid term evaluation.

Achievement of outputs and outcomes

ES9. The programme has delivered an impressive array of outputs that are generally of a high quality and play an important role in supporting FLEGT actions within both VPA and non-VPA countries. Government agencies and NGOs have been successful in securing support from the programme and delivering quality outputs. Private sector associations have been less well represented in the delivery of outputs - representing an important gap in the delivery of FLEGT / VPA processes. Some outputs are less amenable to the constraints of time and budget imposed by FAO support, notably policy development processes, iterative multi-stakeholder consultation processes and independent forest monitoring. There is little difference in the nature of outputs delivered in VPA and non-VPA countries.

ES10. Important outcomes have been generated by the programme in many VPA and non-VPA countries. This includes improvements in national policy and legal frameworks, increased understanding and awareness around FLEGT and VPA concepts, increased collaboration, joint planning and decision making between state and non-state actors and increased reporting of illegal forest activities. Projects that were designed to be strategic and catalytic in nature appear to be generating the most significant outcomes. There is strong evidence of FAO support resulting in follow-on actions financed by other donor agencies, with the potential to scale up and multiply outcomes over a wider area.

Adherence to UN cross-cutting issues

ES11. Gender has not been given a high priority by FAO in its two phases of FLEGT support and as a result, there is limited attention to gender within the projects reviewed. Although not explicit, the programme has supported a rights-based approach by advancing procedural rights, and helping rights holders to hold duty bearers to account. Capacity building, while not a stand-alone goal of the programme has been achieved through a learning-by-doing approach, supplemented by training events facilitated by the programme. Information and knowledge products generated by the programme have been of a high quality and used widely.

ES12. Based on the above findings and conclusions, the evaluation team present the following eight recommendations:

Recommendation 1 – to FAO and to the PMU

The programme should develop a more strategic and programmatic approach at country level by investing in co-ordination, information, and learning events before, during and after call for proposals are announced. Strategic partners should be engaged to work more closely with private sector associations and on capacity building of national NGOs. Longer term, strategic grants could support this approach. Joint proposals should be encouraged as well as proposals that maximize opportunities for scaling up interventions, national engagement and other catalytic actions. Proposals from international NGOs should include a clear element of support or capacity building to national NGOs or associations.

1. This evaluation has pointed to the need to develop a more strategic and programmatic approach to interventions supported at country level, in ways that increase the relevance and application of individual projects, strengthen links between actors and actions supported and strengthen opportunities for “upstream” impacts related to institutional change and improved policies. If this is to be achieved, an investment will be required to undertake more strategic co-ordination of players within country. This could be undertaken by FAO staff, but would be more effectively managed through some form of longer term, strategic partnerships with service providers. For NGOs and private sector organisations, service providers can be identified with experience in mentoring, coaching, training and co-ordination and a longer-term role provided to them¹. Strategic partners can be used to identify and where relevant, coach organisations with regard to project cycle management, finance and administration as well as M&E skills. Longer-term grants could be used to support such partners and processes. Specifically, strategic partners could be used to:

- Help prospective applicants to meet up before call for proposals to identify key areas in need of support, within the current “state of play” of FLEGT/VPA negotiations or processes
- Facilitate meetings with implementing partners to ensure exchange of experiences, co-ordination and synthesis of lessons learned
- Facilitate meetings with past and present implementing organisations to identify and extract key policy messages of relevance to the evolving FLEGT legal and governance framework
- Provide targeted capacity building to NGOs and private sector associations on organisational as well as technical issues (such as advocacy)

2. In countries where the programme has yet to develop a critical mass of projects there is a need for more deliberate outreach process to inform and engage potential applicants about the programme. Specific steps will be needed in some countries (such as Thailand and Vietnam) to identify private sector organisations of different sizes, but particularly those working with small and medium enterprises and ensure that they are fully briefed and aware of the programme. In other countries (such as Cameroon and Ghana) there is a need to “widen the net” of implementing organisations in order that new and emerging organisations are informed and supported. Overall, there is a need to focus

¹ Potential partners for national NGOs could include Well Grounded or FERN, while partners for private sector organisations could include Association Technique Internationale des Bois Tropicaux (ATIBT) or The Forest Trust (TFT)

support of this programme to a fewer number of countries and to aim to reach a critical mass of projects per country supported.

3. In VPA countries, where demands for synergy, alignment and coherence with emerging FLEGT regulations are high special measures may be needed to maximise relevance of project proposals. This could involve the screening and selection of concept notes through the international panel of experts, but the development of full proposals to be done in collaboration with an in-country committee composed of government, the EU Delegation, EFI FLEGT Facility (where available), FAO, NGO and private sector representatives. This would ensure that proposals are “tuned” to reflect in-country priorities. Co-ordination meetings, hosted by government, prior to calls for proposals could also ensure that NGO and private sector applications remain relevant and finely tuned to emerging national needs. Given government capacity it may be necessary to provide external facilitation to support such processes.

4. A more programmatic approach can be developed through the option of joint applications in subsequent call for proposals. This could include government and NGOs collaborating (for example with government outsourcing certain aspects to NGOs, while government focuses on policy and institutional aspects), or private sector and NGO collaboration (for example around training and capacity development of private sector organisations). If considered appropriate higher budget ceilings could be considered for joint proposals (given that multiple organisations would be applying). By submitting joint applications, and implementing joint projects, organisations will be able to build on each other’s expertise and needs and foment cross-fertilization of interests. This should also contribute to building a stronger strategic coherence of funded actions and help remove stakeholder groups from their programmatic “silos”.

5. Actions should be favoured that are catalytic by nature with the potential for leveraging greater impact, rather than “business as usual” projects with no clear plans for transferring knowledge, linking to policy or influencing higher level processes. Where appropriate, selection of proposals should be directed towards those applications that demonstrate clear plans and processes for advocacy and influencing actions with a view to sustaining activities beyond project funding. This will be particularly important when funds are proposed to test, pilot or develop specific models related to FLEGT / VPA implementation. This is particularly relevant for NGO networks, platforms or associations, which are arguably better placed to pursue national advocacy initiatives than individual NGOs.

6. To avoid the situation where international NGOs (INGOs) are competing for limited funds with national NGOs, INGO proposals should contain clear linkages to and partnerships with national NGOs, including measures to build their capacity with a view to them taking over lead implementation roles in the future. Alternatively, INGOs should demonstrate their specific critical role in the country where they are applying for funds, and that there are no local NGOs able to fulfil that specific role.

7. The question of reaching a “critical mass” of projects has been raised throughout this evaluation. As such, it will be important to focus and concentrate financial resources in those countries where there is a strong demand for FLEGT and VPA implementation. This will avoid the problem of having one or two projects in many countries, which reduces opportunities for collective impact and increases transaction costs for the PMU (particularly with regard to travel). This will involve the development of transparent

criteria for selection of countries, and should continue to work with VPA countries (ie those implementing or negotiating VPAs) and “non-VPA” countries (including those considering VPAs and those who have explicitly decided against VPAs).

Recommendation 2 – to FAO and to the FAO PMU

The programme should develop measures to expand participation from private sector associations in VPA and non-VPA countries. This will involve developing a better understanding of private sector needs, interests and constraints, developing a separate modality for supporting the private sector through working with private sector representative organisations within priority countries, engaging strategic partners with skills and experience in working with private sector and expanding entry points to private sector support.

8. If private sector engagement is to be increased in the third phase of FAO FLEGT support a more robust understanding is needed regarding the drivers and disincentives of participation by the private sector in FLEGT and VPA processes. Recent research conducted by FAO and EFI in Cameroon suggests assumptions used by donor agencies are over-simplistic and a more nuanced approach will be needed that takes accounts of increasingly complexity within the market. A proposal has been made in the Phase III programme document to create a direct assistance modality for private sector associations, rather like the one developed for government. The review team propose an approach that would work through a alternative project modality, with one full time staff member responsible for delivering support to the private sector. Furthermore, support could then be provided to these intermediary organisations to develop tailored services for their member companies to address issues in line with the priorities of the FLEGT agenda. Some analysis has already been done on identifying the type of needs, that companies have in dealing with the FLEGT agenda. This could serve as a basis for the project manager to develop a project Programme strategy and service offer, based on a more traditional model of private sector support programmes.

9. Support is needed in raising awareness of private sector entities on new legality requirements, as well as ensuring that the interests of the private sector (including small and medium enterprises) are represented in negotiations. However more will need to be done in terms of identifying, coaching and mentoring prospective private sector associations to overcome the current capacity gaps and barriers to their engagement. The development of strategic partnerships with private sector support agencies such as TFT and ATIBT could be one way in which such assistance could be channelled more effectively to local organisations in producer countries. Furthermore, it will be necessary to expand the potential entry points to small-scale private sector support, to include syndicates, unions and quasi-governmental bodies such as chambers of commerce. Working more directly with government bodies involved in trade (such as ministries of commerce) could also support private sector engagement. Given concerns from private sector that FLEGT measures may increase transaction costs by placing additional requirements on legality assurance, as well as social and environmental safeguards, the programme should foster initiatives that have the potential for reducing private sector transaction costs while meeting VPA requirements. Finally, developing a thematic area within the call for proposals on private sector engagement (and in particular small and medium enterprises) might help further incentivise private sector engagement and remove the perception that the call for proposal is mostly directed towards NGOs.

Recommendation 3 – to FAO and to the FAO PMU

The programme should strengthen political engagement and advocacy and lobbying processes by NGOs working in the programme

10. The review has pointed to the need to support non-state actors engage more directly and “intelligently” with governance and political processes rather than assuming that change can be leveraged with civil service and administrative organs of government. This could involve the development of focused training for NGOs on analysis and assessment of governance constraints (such as root cause analysis) as well as the development of focussed advocacy strategies. Working with and reaching out to NGOs with more explicit human rights based or legal backgrounds could further strengthen the development of a broader approach to holding government and private sector organisations to account. Where rights have been encroached (through infringements by logging companies) support could be provided to community groups and grass-root organisations for public interest litigation processes.

Recommendation 4 – to FAO and to the FAO PMU

The programme should strengthen attention to gender issues within the programme

11. Greater attention to gender issues is needed in Phase III of support. An initial activity for the inception phase should be a comprehensive gender analysis that can assess more specifically how and where gender issues could be mainstreamed within the programme. Useful inputs to this could be gained from DFID who are conducting a similar review for their FGMC programme. This could include options such as including gender considerations as scoring criteria for all forms of support (call for proposals and direct assistance), supporting gender training for grantees and developing guidelines for gender-based monitoring (where relevant). Opportunities for increasing gender-based approaches appear higher within the context of activities that are carried out at community levels.

Recommendation 5 – to FAO and to the FAO PMU

The programme should strengthen the role of FAO Country Offices and support the overall process of decentralization being pursued by FAO at a global level

12. One of FAO’s comparative advantages is its almost global presence at country level. However, the programme has yet to capitalise fully on this. There is therefore a need to increase the integration of the programme within FAO Country Office structures in line with the planned decentralisation agenda being pursued by FAO HQ. The FAO Country Offices can play an important role in various key areas of project management when the number of grantees within a given country rises above a handful of projects (reaching a critical mass of around 5- 10 projects). Potential roles could include supporting the selection process, in particular with regard to due-diligence and screening. Occasional visits to grantees to review progress would also cement relationships locally. They may also be better placed to promote the programme to a wider audience of beneficiaries and further strengthen sector dialogue with the Government as well as ensure a higher level of coordination with initiatives on the ground including with the FFF Programme. This will necessitate the allocation of additional resources to Country Offices and in some cases the hiring of a National Programme Officer or National Consultant. This recommendation will have to be implemented gradually over time,

starting with those country offices that show interest and where significant numbers of projects are operational. At the regional level, efforts could be made to strengthen the integration of regional (regular programme) staff – for example with the allocation of modest financial sums to enable such staff to undertake monitoring work while on other in-country tasks. Including regional staff in programme steering committee meetings or other convened events could also strengthen ownership and participation of regional and sub-regional offices in programme activities.

Recommendation 6 – to FAO and to the FAO PMU

The programme should strengthen the exchange of experiences and lessons learned between projects, countries and regions.

13. In the transition between the second and third phase of funding, there is a need to strengthen lesson-learning processes across and between regions. Many useful experiences have been gained obtained across the 52 countries supported to date. As new projects develop in Asia and Latin America, there is a need to ensure cross-fertilisation of these experiences and lessons learned in west and central Africa. Potential “innovation areas” observed by the evaluation team that could benefit from wider dissemination include the Livelihood Impact Assessment (LIA) process used in Vietnam, specific approaches and tactics relating to advocacy and influencing (across many countries), independent forest monitoring being developed in Central Africa, using public timber procurement as a tool for incentivising governance reforms (Uganda and Ghana), cross-border collaboration (Guatemala and Belize), formalising small and medium forest enterprises (Ghana, Cameroon and Uganda). Facilitating exchange visits, regional meetings and other lesson learning processes could support this as part of a more coherent strategy for knowledge management.

Recommendation 7 – to FAO and to the FAO PMU

The programme should strengthen outcome and output monitoring as well as articulate how the programme has contributed to broader FLEGT/VPA impacts. This will require the elaboration of a clear theory of change and agreed logical framework

14. The programme is taking steps to strengthen its impact monitoring. However, current impact monitoring proposals appear ambitious and potentially beyond the reach of the secretariat at current staffing levels as well as grantees. As such a “lighter touch” approach to M&E is needed that pursues multiple lines of inquiry and uses different approaches, rather than a single approach that can be aggregated across the whole programme. Impact monitoring consultants can be engaged to work with grantees at the country level to identify and track outcome-to-impact pathways, through the use of “outcome harvesting” approaches. Online surveys (such as survey monkey) can be designed and sent out on an annual basis to explore aspects of outcome, attribution and impact. During the inception phase of the new FAO FLEGT Programme, efforts should be directed to establishing and agreeing a clear theory of change, results chain and logical framework with a consistent terminology that defines activities, outputs, outcomes and impacts as well as indicators. Collaboration with the EFI FLEGT Facility’s work on developing impact-monitoring procedures should be sought as useful lessons and ideas could be exchanged.

Recommendation 8 – to FAO, FAO PMU and EFI FLEGT Facility

The programme should ensure that private sector concerns and interests regarding the need for interim legality assurance measures in countries that are negotiating VPAs are communicated to higher-level policy forums with a view to identifying possible opportunities that do not undermine VPA negotiations

15. While differences of opinion may exist between individuals within EFI FLEGT Facility and FAO with support to EUTR within the context of VPA negotiation and implementation processes, the issue goes beyond the two institutions – and ultimately to the level of the EU FLEGT Action Plan (and its next iteration). As such, the problem needs to be resolved at a policy (rather than at inter-institutional) level. The programme together with FAO as an institution will need to become more directly involved in the various working groups and forums in Brussels that are working on private sector, EUTR and the future of the EU FLEGT Action Plan. Specific questions that need addressing include the development of short-term measures and actions that can be promoted that meet private sector legality demands under EUTR but do not undermine the broader goals of VPA negotiations.

1 Introduction

1.1 *FAO support to the implementation of the EC FLEGT Action Plan*

1. The United Nations Food and Agriculture Organisation (FAO) has been supporting the implementation of the European Union (EU) Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan since 2008. A first phase of support worked in Africa, Caribbean and Pacific (ACP) countries began in November 2008 and ended in June 2013. The ACP FLEGT Support Programme was funded by the European Commission (EC) with a financial contribution of Euro 9.85 million and co-financing of Euro 2 million from the FAO. The ACP FLEGT Support Programme financed 90 projects in 33 countries. The programme derives its legal basis from a Contribution Agreement with the EC (GCP/INT/064/EC).

2. Following the successful completion of the ACP FLEGT FAO Programme, a second four-year phase of support was agreed with the European Commission that runs up to April 2016. This initiative – the EU FAO FLEGT has been extended beyond ACP countries to include countries in Latin America and Asia-Pacific regions. The programme includes countries engaged in Voluntary Partnership Agreements (VPAs) and those engaged with broader FLEGT processes outside VPA. This second phase (the EU FAO FLEGT Programme) is funded through a trust fund administered by the FAO and financed by the European Union (Euro 10 million), the UK Department for International Development, (£ 1,408,833), and by FAO (Euro 1 million). As of December 2014, this phase of support had endorsed 86 projects in 34 countries across Africa, Asia, and Latin America. The programme is formalized through a Contribution Agreement with the EC (DCI-ENV/2011/269-555) and an agreement with DFID. The purpose and results of the two phases of support are presented in Table 1:

ACP FLEGT Support Programme	EU FAO FLEGT Programme
Purpose: The elements of the European Union FLEGT Action Plan are increasingly implemented in ACP countries	Purpose: In the framework of the FLEGT Action Plan, governance of forest resources is improved in programme countries
Results: FLEGT-related information and knowledge effectively collected, analysed and shared at national, regional and intra ACP levels. Forest governance strengthened so that FLEGT-related policies and legal frameworks are adopted at national and regional level. FLEGT-related institutions effectively strengthened at national and regional level. Pilot interventions that create added value and/or bridge critical gaps in FLEGT processes are supported.	Results: FLEGT VPA processes in VPA countries are improved through support from projects and direct assistance Stakeholders in other developing countries understand FLEGT/VPA processes and improve forest governance through projects and direct assistance FLEGT processes and information are understood by stakeholders in developing countries

Table 1 : Comparison of purpose and results of the two phases of FAO FLEGT support

3. A third phase of funding is expected to begin inception activities in early 2015. It is proposed that this programme will work in all VPA countries consistent with the VPA support component of the current EU FAO FLEGT programme and potentially up to 12 non-VPA countries (depending on available funding)) over a 6-year period and with a total planned budget of US\$ 45 million.

1.2 Background and purpose of the evaluation

4. This evaluation was commissioned by the FAO Office of Evaluation (OED). The evaluation was foreseen in the EU FAO FLEGT Programme document and it is a mandatory FAO requirement that projects of over US\$ 4 million are subject to external evaluation. The overall goal of the evaluation was to identify the contribution of the FAO FLEGT programme to the implementation of the EU FLEGT Action Plan. The programme was assessed using the standard, internationally accepted evaluation criteria of relevance, efficiency, effectiveness, impact, and sustainability. This was done by evaluating the design, the programme logic and theory of change, programme support (including grant management, co-ordination, staffing, programme niche, monitoring and evaluation as well as learning and adaptation capacity); outputs and outcomes as well as achievements against UN-cross cutting themes (gender, human rights approaches, civil empowerment, capacity development and information management). A summary of the terms of reference for this evaluation can be found in Annex 1. Key questions answered by the evaluation are presented below.

- Has FLEGT-related information and knowledge been effectively collected, analysed and disseminated across and between the targeted countries?
- Have the FAO small grant schemes and direct assistance been effective in VPA-countries as well as the other targeted developing countries?
- Have the FAO small grant schemes and direct assistance complemented and bridged the gaps in forestry governance processes?
- Have the FAO small grant schemes and direct assistance created a platform for inclusive planning, consultative policy-making and empowerment of non-state actors?
- Have the FAO small grant schemes and direct assistance leveraged VPA negotiation and/or implementation in VPA countries and fostered good forestry governance in the targeted non-VPA countries?
- To what extent does the FAO small grant scheme and direct assistance have a strategic fit with FAO work at country and regional levels?
- Have the FAO small grant schemes and direct assistance been vetted, monitored and evaluated properly?
- Are the FAO advisory services, guidance and training on FLEGT related issues effective?

5. The first phase of the ACP FLEGT Support programme was evaluated at mid term (in 2011). This evaluation therefore covers the second half of the ACP FLEGT Support Programme and the EU FAO FLEGT Programme up to December 2014.

1.3 Methodology of the evaluation

6. **Phase I: Inception and desk review (October 2014):** The inception phase involved detailed planning of the assignment including timing and logistics. This necessitated collection and review of key documents produced in both phases of support

as well as the FAO-administered database of all applications, grantees and projects. In total, 158 documents were reviewed by the team, all of which are fully referenced in Annex 3 of this report. Key outputs of this inception phase included the development of a stakeholder mapping exercise, a comprehensive matrix of evaluation questions and interview guides, the development of an agreed template and format for the evaluation report, a detailed timetable including field visits. To guide the evaluation, the team constructed a theory of change, that defines impacts, outcomes and outputs. This was used as an evaluation framework in the assessment of outputs (Section 5.1), outcomes (Section 5.2) and impact (Section 6.4). In recognition of the wide geographical coverage of both phases of FAO support, the evaluation team developed an online questionnaire, which was sent to all organisations that had received funding under both phases of the programme and presented in English, French and Spanish. The selection of countries to visit by the evaluation team was undertaken by FAO Evaluation Department based on three key criteria:

- Geographic / language coverage: (all three regions of Latin America, Africa and Asia / Pacific – and all three main language areas)
- VPA and non-VPA countries
- Strategic importance for FAO and European Commission

7. Using these criteria, 8 countries were selected for field visits - Cameroon, Ghana, Uganda, Belize, Honduras, Guatemala, Vietnam and Thailand.

8. **Phase II: Field visits, data collection and expert interviews (October - December 2014):** An initial briefing and orientation mission with all team members was held in FAO HQ with the objective of fine-tuning the evaluation methodology and receiving a thorough orientation and briefing from the Evaluation Department, programme staff and other members of the Forestry Department. A videoconference was conducted with Brussels-based EC staff responsible for co-ordinating the EC FLEGT Action Plan. This was then immediately followed by field visits to the selected programme countries. The team travelled together to Ghana and Cameroon and thereafter split to cover the remaining countries. In each country team members endeavoured to meet with FAO Country (or regional) staff, European Union Delegation staff, government representatives (from the forestry ministry and other relevant sectors), NGO staff, private sector organisations and donor organisations supporting forestry and FLEGT. Field visits to meet with final beneficiaries² at the local level was not possible in most cases, other than in Ghana, Uganda and Guatemala due to time constraints. As such, efforts were made to triangulate findings with third-party informants (such as NGO staff working in the sector, but not funded directly by the programme). Contact was also made with collaborating institutions (such as the European Forest Institute FLEGT Facility), funding agencies (EC, DFID, SIDA) as well as peer institutions, other EU member states active in FLEGT (such as the German government) and individual experts or resource persons active in FLEGT work. Follow up meetings were held in Ghana by one of the team members (resident in Ghana) to look more critically and closely at outcome and impacts – and in particular how FAO-supported outcomes were contributing to wider impacts related to improved governance, better forest management and improved livelihoods. In total 206 persons were consulted as part of this evaluation – either in person or via phone/skype. A full list of all persons consulted during this evaluation can be found in Annex 5.

² “Final beneficiaries” is taken to mean those beneficiaries impacted through the work of grantees – such as local communities, forest dependent households and indigenous peoples.

9. **Phase III : Synthesis of findings (December 2014 to February 2015):** A final third phase involved the compilation, analysis and synthesis of information and data. This included information, findings and data gained from country visits, interviews, literature review and detailed analysis of the results of the online survey³. An initial report was prepared and shared with FAO-Rome. Following comments, a second draft was prepared which was then shared with Steering Committee members before a face-to-face presentation to Steering Committee members in Brussels in late February 2015. Following feedback from Steering Committee members a final draft of the report was prepared.

10. The report is presented according to standard FAO OED Evaluation reporting practice. Chapter 2 presents the overall context and background to the programme. Chapter 3 analyses the relevance of the action as well as the adequacy of the design, including an assessment of the overall theory of change. Chapter 4 reviews programme management arrangements including grant management, staffing and co-ordination. The programme niche and comparative advantage is also reviewed together with collaboration with external agencies and an assessment of adaptation and learning within the programme. Chapter 5 assesses performance by evaluating outputs, outcomes and adherence to UN cross-cutting themes. Chapter 6 provides an overview of the performance of the programme against the standard OECD/DAC evaluation criteria. Chapter 7 provides overall conclusions by revisiting the main evaluation questions posed in the terms of reference. Chapter 8 presents lessons learned and Chapter 9 concludes the report with recommendations.

³ The summary of online questionnaire results can be found in Annex 6.

2 Programme Context

11. The European Union's policy to fight illegal logging and associated trade was defined in 2003 with the Forest Law Enforcement Governance and Trade (FLEGT) Action Plan. The key regions and countries targeted in the FLEGT Action Plan, which together contain nearly 60% of the world's forest and supply a large proportion of internationally traded timber, are Central Africa, Russia, Tropical South America and Southeast Asia. The FLEGT Action Plan covers both supply and demand side measures to address illegal logging, and was endorsed by the EU Council of Ministers in November 2003. The EU FLEGT Action Plan is supported by two key legal instruments, passed by the European Union.

- FLEGT Regulation adopted in 2005, allowing for the control of the entry of timber to the EU from countries entering into bilateral FLEGT Voluntary Partnership Agreements (VPA) with the EU;
- EU Timber Regulation (EUTR) proposed by the Commission in October 2008 and adopted by the European Parliament and by the Council in October 2010, as an overarching measure to prohibit placing of illegal timber and timber products on the internal market.

12. At the level of producer countries, state and non-state stakeholders are required to implement a number of actions to transform and reform forest governance and trade. The principle financing to support to these actions has been provided by the European Commission as well as EC member states through the two phases of FAO FLEGT support.

13. The principle stakeholder group involved with implementation of FLEGT actions are government agencies (including forestry ministries, but also other associated arms of government such as those responsible for customs, environment, trade, labour, police and law enforcement). The private sector (large, medium and small) and their respective associations and confederations are central as they are required to implement new legality requirements together with government. NGOs (both national and international) play an important role in ensuring the voice of civil society (including local communities and Indigenous Peoples) are heard in the context of national negotiations. The EU FAO FLEGT programme compliments the work of a number of international organisations, multi-lateral agencies and EU member state donor agencies working on FLEGT processes in producer countries. The European Forest Institute (EFI) has established a FLEGT Facility through which technical and financial support is provided to producer countries and other in-country stakeholders.

14. With funding from the EC and member states, FAO provides direct support to FLEGT stakeholders through a demand-driven process. This includes "direct assistance" to governments, providing flexibility to respond to requests for immediate and time-bound actions that contribute to a national FLEGT strategy. Secondly support is provided through calls for proposals, targeted at NGOs, government agencies and private sector organisations. Projects support the development of new policies and improved legal frameworks (such as legality definitions), independent monitoring, domestic timber market issues, log tracking / traceability systems, or support to stakeholder organisations such as private sector associations. Support is directed to timber-producing countries in tropical regions, which are implementing policies and measures in support of FLEGT,

including those countries implementing or negotiating VPAs. The programme is implemented by a small Programme Management Unit (PMU) in FAO Rome and two staff based in FAO regional offices in Panama and Thailand. Consultants provide both short and long-term inputs to the programme at all levels and where needed. The programme is overseen by a steering committee with representation from the EC, European Member States, EFI and FAO programme staff.

3 Analysis of project concept and design

3.1 Relevance of the design and action

Main findings - relevance of the design and action

15. The programme is highly relevant to the needs and objectives of implementing agencies, in particular government agencies as well as NGOs. Furthermore, the programme is relevant to the needs of in-country stakeholders in both VPA and non-VPA countries as well as the broader forest governance agenda within timber producing countries. While the programme remains relevant to the needs of private sector associations in the forest sector, participation levels remains relatively low. The EU FAO FLEGT programme is highly relevant to FAO's global work on forest governance. At the level of individual country offices, however, the relevance of the programme varies from country to country.

3.1.1 Relevance of the programme to implementing agencies

16. The programme (in its first phase) was originally designed by the ACP Secretariat and European Commission with the goal of supporting the implementation of the EU FLEGT Action Plan. Specifically, the action was designed to provide financial and technical resources directly to agencies in partner countries engaged in implementing Voluntary Partnership Agreements and other related FLEGT actions.

17. The mid term review of the ACP FLEGT Support Programme found the programme to be highly relevant to the needs of implementing agencies – a finding confirmed by this evaluation. From the online questionnaire commissioned as part of this evaluation, 84% of implementing agencies assessed the programme as “*highly relevant to their own organisational objectives*” and 80% of implementing agencies assessed the programme as “*very relevant to national VPA/FLEGT processes in their country*”. Governmental, non governmental and private sector actors consulted as part of this review were of the view that the programme provides them with resources that enable them to advance their own internal agendas while supporting the implementation of FLEGT actions.

18. **National NGOs** in countries visited by the review team appreciated the direct, “one-on-one” relationship they are able to develop with FAO through this programme. This is in contrast to other funding instruments that often require finances to pass through European NGOs. Through FAO support, southern organisations are able to define their own objectives, drive the agenda and take full responsibility for implementation, rather than risking being cast into roles of “sub-contractors” or “service providers” to international organisations. In addition to financing, national NGOs also indicated to the team the relevance of knowledge products, information materials, training and other forms of technical assistance provided by FAO.

19. **Government agencies** in producer countries consulted by the review team expressed satisfaction with the relevance of the programme overall, but in particular pointed to the fact that they were able to access financial support when preparing for, and negotiating VPAs, when other sources of funding (from EC or member states) was largely unavailable. As such, FAO support in addition to its utility value, had a symbolic value by creating goodwill and an increase in political support domestically during VPA negotiations. The programme has been accessed mostly by government forestry, natural

resources or environment agencies. In a few countries, non-forest sector ministries have accessed funding (such as in Cameroon), and this has been highly appreciated, helping to generate internal links and collaboration within the government.

20. Despite the central role played by the **private sector** in the negotiation and implementation of FLEGT / VPA actions, participation by the private sector in the programme has been relatively limited, when compared to involvement from NGO and government agencies. Overall, while the goals of the programme remain highly relevant to the needs of the private sector, participation levels are limited. This is due to a range of reasons, not least the capacity constraints within private sector associations who have limited experience and track record of preparing applications for donor funding. In addition, the appetite for engaging in and supporting forest governance reforms may be less clear for the private sector, particularly in the light of changing external market conditions and perceived concerns over increased transaction costs. This is particularly the case for associations representing the interests of small and medium forest enterprises (SMEs).

3.1.2 Relevance of the action to FAO and linkages with existing initiatives

21. Globally, FAO has a long experience of working in FLEGT, supported by an in-house forest governance team. As such, the FAO FLEGT programme supports a number of on-going initiatives as well as benefits from their presence through synergy and joint implementation. This includes initiatives in support of community forestry, reduced impact logging, forest enterprise development and REDD+. FAO has been instrumental in leading the development of a number of important tools, guidelines and methodological frameworks in support of forest governance over the past decade including [Best practices for improving law compliance in the forest sector](#); ⁴ [Developing effective forest policies: A guide](#); ⁵ [Assessing forest governance: A practical guide to data collection, analysis and use](#); ⁶ an interactive [Sustainable Forest Management Toolbox](#) ⁷, the [Voluntary Guidelines on the Responsible Governance of Tenure](#) ⁸ and a guide to [Improving governance of forest tenure](#). ⁹

22. Within the context of FAO's overall strategic plan, the FLEGT programme contributes most directly to Operational Output 4.1.2, under its Strategic Objective 4, namely: "*Countries and their regional economic communities are supported to engage effectively in the formulation and implementation of international agreements, regulations, mechanisms and frameworks that promote transparent markets and enhanced global and regional market opportunities.*" Perhaps the greatest added value of the FLEGT programme to FAO as an organisation is the addition of the trade dimension (the "T" in FLEGT). Engaging with and supporting a process based on what is essentially a trade agreement has provided a new opportunity to FAO to learn and understand how trade can leverage additional incentives for governance reform in the forest sector. This aspect of work should be further pursued by the programme, but also should be explored by FAO in general as it appears that has not worked significantly in this direction.

⁴ FAO. 2005. FAO Forestry Paper 145, Best practices for improving law compliance in the forest sector. Rome

⁵ FAO. 2010. FAO Forestry Paper 161; Developing effective forest policies: A guide. Rome

⁶ PROFOR & FAO. 2014. [Assessing forest governance: A practical guide to data collection, analysis and use](#), Washington DC.

⁷ The **SFM Toolbox** is a collection tools, case studies and other resources – organized in modules – created to provide forest owners, managers and other stakeholders with easy access to those resources for the implementation of SFM.

⁸ FAO. 2012. *Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the context of National Food Security*. Rome.

⁹ FAO. 2013. *Improving governance of forest tenure*. Rome.

23. Examples of on-going initiatives within the forest department of FAO that link to and support the FLEGT programme include the monitoring and assessment of in-country forest governance indicators (also known as Forest Governance Monitoring (FGM), being piloted in Vietnam as well as Zambia) and the Forest and Farm Facility (which among other countries works in Guatemala where it shares a common country focal point with the FLEGT programme). At the country level, the FAO FLEGT programme has varying degrees of relevance to individual country programmes. Although most country offices have Country Programme Frameworks (CPFs) that include a pillar on sustainable natural resources management and climate change, not all country offices have existing programmes that address forest sector (or more specifically forest governance) issues directly. Where they exist, they tend to be through the technical co-operation programme (TCP) working on issues related to sustainable forest management. Furthermore, only a limited number of FAO country offices have staff with technical backgrounds in forestry and natural resource management.

3.2 Adequacy of approach, design process and resources

Main findings - Adequacy of approach, design and resources

24. *The programme design is robust and has stood the test of time across both phases of support. Competition, screening and selection processes ensure that grants are awarded to those projects that demonstrate sound design and implementation. Differentiation of VPA and non-VPA countries, call for proposals and direct assistance to government ensures that support is well targeted. Financial and staffing allocations are adequate to achieve the programme outputs.*

25. The design of the programme has evolved since its beginnings under ACP FLEGT Support Programme. A MTR conducted in 2011 provided a series of strategic recommendations and lessons learned regarding the evolution and further development of the programme – many of which were taken into account in the design of the second phase. This analysis comes as a second opportunity for improvement and is intended to feed into the re-design of the programme for its Phase III. The overall approach of the programme has involved targeting small grants for a short duration to implementing agencies. Two basic mechanisms exist – calls for proposals (for budgets up to Euro 100,000) and direct assistance to government agencies (for budgets up to Euro 25,000 in non-VPA countries and Euro 50,000 for VPA countries) that can be accessed at any point during the programme's life.

26. The call for proposal approach for small grants brings added-value in the sense that it targets smaller organisations that would otherwise not be eligible for funding under the larger existing donor-funded schemes. Direct assistance on its part, was designed as a means of providing ad-hoc support for issues that required “rapid-response” funding, allowing the flexibility to address urgent, address specific gaps or needs that were otherwise not covered under existing programmed funding for the sector. Both mechanisms have enabled the funding of pilot projects, which have then materialised into longer terms project obtaining the support of additional, longer-term donor funding. Measures have been put in place to ensure that grantees are selected or screened in ways that reduce fiduciary risk and increase opportunities for effective outcomes. A thorough due-diligence process was established at the outset of the programme to ensure that both of these goals were achieved. The design has stood the test of time and continues to provide a robust framework within which the programme operates.

27. This design is considered as allowing, on the one hand, governments to focus on providing leadership for supporting and building strong institutions and systems that are necessary towards good forest governance while, allowing CSO and the private sector on the other hand, to address issues of advocacy, and other catalyst activities necessary to the process. The approach, which has brought all three key stakeholders to work towards the same objectives, has, in some countries, actively contributed to creating a culture of collaboration and mutual trust.

28. Projects (whether under calls for proposals or direct assistance) are eligible for a maximum period of twelve months duration. Many organisations (whether from government, NGO or private sectors) felt that this period was too short to achieve meaningful results. The basic rationale for short-term funding is that actions should be strategic, focused and catalytic in nature, meeting short-term gaps or needs, rather than supporting longer term, recurrent actions. The degree to which this implicit goal has been achieved is discussed later in the report.

29. The programme is demand-driven. Growing demands to participate in the programme, particularly from government and civil society demonstrate a corresponding growth in interest for the programme, and confirm the original basis for which the programme was developed. Limited interest and engagement from the private sector has been an on-going concern throughout both phases of programme support. This suggests that either the current design does not adequately address the interests or constraints faced by private sector organisations in timber producing countries, or that there are broader reasons that constrain the private sectors interests in forest governance activities. To understand this better, the programme has collaborated with EFI and other players to undertake focussed studies in Africa and Asia on private sector interests and incentives. This is expected to continue during the inception phase of the planned third phase of support

30. The total budget for Phase I of the Programme was Euro 11.85 million of which Euro 2 million is the FAO contribution. The total budget under the current Phase II of the Programme is Euro 12.7 million of which Euro 1 million is the FAO contribution and Euro 1.7 million the UK contribution. 62% of the total Phase II budget goes towards supporting the delivery of the three programme results (grants as well as information and knowledge management); 31% goes towards staff salaries and programme management. 0.77% goes towards visibility activities while 5.8% goes towards indirect (overhead) costs incurred by FAO headquarters. This is a balanced and reasonable distribution of financial resources.

31. With demands for funding so clearly outstripping supply, there is no clear answer in terms of the adequacy of financial resources. In some countries, where large donor-funded projects on FLEGT are common (such as Indonesia), FAO support may be relatively minor with regard to the sector as a whole. In other cases (such as Uganda or Thailand), FAO represents the only source of financing for FLEGT. However, in general, the financial resources provided under the Programme are complementary to other initiatives and generally work very well towards addressing areas or mechanisms of support, which other donor-funding initiatives are not supporting.

32. Throughout the two phases of implementation, the programme has adopted an adaptive approach to implementation, adjusting its strategy in light of lessons learned and experiences gained. This is discussed in more detail in section 4.3

3.3 Programme logic and theory of change

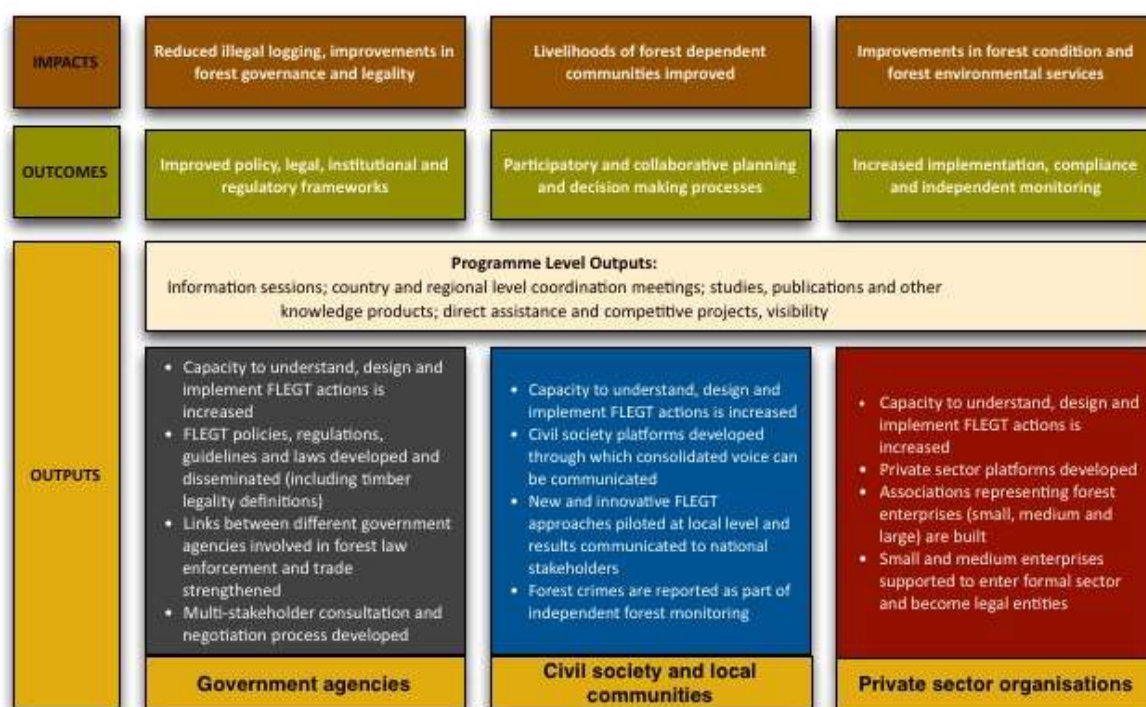
Main findings - Programme logic and theory of change

33. *The programme does not have a clear and well-articulated theory of change. Key assumptions regarding the involvement and interest of private sector organisations are missed and the role of the programme in building the capacity of civil society organisations in producer countries needs clarification.*

34. The EU FAO FLEGT programme document (Annex I of the Contribution Agreement) does not present a clear and consistent theory of change, nor does it describe the results chain from outputs through outcomes to impacts with the associated assumptions and risks that under-pin this. Instead, the EU FAO FLEGT programme document specifies four key outcome areas that are embedded within the implementation of the FLEGT Action Plan, namely:

- Improved policy, legal and regulatory frameworks are implemented;
- FLEGT principles and concepts are understood by forest sector stakeholders;
- Capacity of civil society and forest sector staff to manage forest resources is increased and;
- Civil society, private sector organizations and government institutions collaborate to enforce forestry legal frameworks

35. While all these four outcome areas are relevant and worthwhile, logically, it can be argued that the second outcome area is more of a lower level result, a pre-condition, or a means to achieve the first, third and fourth outcome areas. Differences in terminology between the various versions of the logframe across both phases of support (and the proposed changes in the impact monitoring guidelines) mean that it is difficult to clearly identify a hierarchy of activities, outputs, outcomes and impacts. Without such a framework, evaluation is challenging. To assist with the evaluation process, the review team have developed a simple model that links a set of outputs (implemented by the three key stakeholder groups of government, civil society and private sector, as well as programme level outputs) with outcomes (taken from the programme document) and impacts (Figure 1).



36. Perhaps two issues of direct relevance to the programme logic that merit further discussion relate to civil society and to private sector. Firstly, the bulk of support provided by the programme to date has gone to support national NGOs in producer countries. Interventions range across a wide range of areas including more technically-minded aspects such as supporting TLAS development, local-level actions designed to support community forestry interventions or small and working with private sector associations and forest enterprises on legality reforms. Other actions have been more focused on supporting civil society's voice and engagement within the VPA process, by feeding local level concerns into national discussions or establishing platforms to develop a more coherent and unified civil society voice. However, if civil society organisations are to perform these wide-ranging roles effectively, they will need organizational and institutional support to develop and grow – something that the review team heard in many of the countries visited. This “non-technical” but important aspect of civil society capacity development (such as organizational capacity assessments, strategic planning, improvement of administrative and financial systems) is currently not the priority for the programme's interventions. Small, or emerging NGOs (of the sort that the programme aims to reach) need support to be able to apply for and access FAO grants, to develop and to grow into strong and functional organisations.

37. A second aspect concerns the involvement of private sector. The implicit assumption is that the private sector, through incentives resulting from trade, will have a

Figure 1: Theory of change developed for the EU FAO FLEGT Programme

strong stake in FLEGT implementation and become active participants in FLEGT/VPA as well as the FAO programme. However, private sector involvement has been less than anticipated for a range of reasons, some of which are based on their ability and capacity to respond to calls for proposals but also their overall perception of FLEGT processes and their enthusiasm (or otherwise) to support forest governance reforms. The EU FAO FLEGT programme, together with EFI, is currently looking in more detail at some of these issues through focused studies in Cameroon (and potentially Indonesia) with a view to adjusting the overall response to working with the private sector.

4 Analysis of implementation process

4.1 Programme management

Main findings – Programme Management

38. *Programme management is very strong. A small and able PMU oversees the programme. Financial reporting from implementing agencies is managed well. Staff based in Latin America and Asia regional offices play an important role in overseeing and supporting programme activities. Links to and complementarity with FAO country offices is variable, but in general weak. Opportunities are being lost to support the on-going decentralisation process within FAO, as well as benefit from in-country programmes and relationships. Co-ordination and mutual learning and collaboration between grantees within countries is variable and no institutionalised mechanism exists to facilitate such important processes*

4.1.1 Grant Management and adherence to financial & administrative procedures

39. A programme management unit (PMU) under the overall guidance of the Programme Steering Committee implements programme activities. The wide majority of grantees (consulted in person and through the online survey) expressed clear satisfaction with the management of the programme and perceive the PMU as dynamic, responsive and flexible. Its ability to engage proactively with grantees and link other global and regional FAO programmes is a central factor behind the programme's strong achievements to date. 55% of respondents of the online questionnaire stated they were “*very satisfied with technical and managerial support received from FAO*”, while 40% expressed “*moderate satisfaction*”.

40. Financial reporting is done during the implementation process and funds released in instalments based on successful completion of activities and submission of reports to an acceptable standard. The transfer of funds, following approval of progress reports is smooth and timely. Processes for requesting, screening and short-listing proposals are clear, transparent and well-implemented with 70% of respondents to the online questionnaire stating that “*the application and reporting requirements imposed by FAO were within reach of their organization's capacity*”, while 26% stated requirements were “*moderately challenging*”. These findings were confirmed during interviews in-country.

41. The demand-driven nature of the programme implies that large amounts of time and effort are expended in reviewing and selecting projects. Towards the end of Phase II, demand had risen to the point that over 200 proposals were being received per call – with a final success rate of around 8%, inevitably producing a large number of dissatisfied applicants. The ratio of proposals funded to those received has been declining – at the beginning of the ACP Phase, the success rate was in the region of 20%.

42. In the ACP FLEGT Support Programme, 106 projects were endorsed, but 16 (15% of the total) were terminated early. Reasons cited included inability to complete project actions due to external factors (such as civil unrest, political developments), internal factors (such as lack of capacity) or suspicion of financial mismanagement and fraud. Two projects, after audit, were found to have misused funds and were instructed to refund monies spent. The EU FAO FLEGT programme has addressed a number of these issues and today, the system for soliciting, screening, selecting and approving grants appears smooth and efficient. Under this current phase of funding, no ‘failed projects’ have been

identified to date. Financial and administrative evaluations were carried out in Liberia, Ghana, DRC, Cameroon, C’ôte D’Ivoire and the Republic of Congo by a consultant based in the region. These evaluations have been helpful in providing support to grantees, providing on the spot training and trouble-shooting as well as giving an early warning on any issues that may emerge. However, this is only available in Central and West Africa. No similar system exists for South East Asia or Latin America as yet.

43. The gap between receiving applications and concluding letters of agreements (LoAs) is approximately 6-8 months which is acceptable, being shorter in duration than many other funding mechanisms. A strong “front-loaded” system of due diligence, screening and selecting has been put in place, that helps to ensure that proposals are well conceived and go to organisations that are able to implement them.

44. Despite these positive findings, there also appear to be challenges in handling proposals relating to EUTR in VPA countries (after the EUTR came into force on 3 March 2013). This is particularly the case in South East Asia where a number of agencies in VPA countries have submitted proposals on EUTR legality requirements. Concerns have been expressed by EFI (and indeed the EU FLEGT Programme), who argue that such proposals risk “short-cutting” more transparent, participatory and durable arrangements being negotiated under VPAs. Differences of opinion have emerged regarding how such agreed problems could potentially be addressed. Some partners are advocating for an incremental approach towards ensuring compliance, that allows for learning around VPA TLAS at the same time. Others reject this position and point to the need for a longer term “all or nothing” approach. Both views are valid and no single answer exists. Ultimately such questions will need to be addressed at higher levels with a view to formulating coherent policies within the framework of the next phase of the EU FLEGT Action Plan

4.1.2 Staffing, Technical and administrative support

45. There are three staff in Rome plus a 50% FTE consultant working on communications, one and a half regional persons in Latin America (Panama) and one in Asia (Bangkok). Individuals are allocated country/regional responsibility and are responsible for communicating with and managing grantees in each country. Overall co-ordination from within FAO, comes from the Head of the Forest Economics, Policy and Products division.

46. In addition, there are two national staff members working within FAO country offices. In Ghana, a full time consultant supports the country programme and is assuming greater responsibility for day-to-day management, while in Guatemala local co-ordination is achieved through a national consultant, shared with the Forest and Farm Facility. This is seen as an efficient and effective model that allows for cross-fertilisation and synergy between the two programmes. The gradual transfer of responsibilities (as focal person) from Rome to regional offices and then on to national consultants is helping ease workload in Rome and providing increased engagement by Country Offices, albeit to a limited degree so far.

47. The EU FAO FLEGT programme works in Africa, Asia-Pacific, Caribbean and Latin American regions and the programme is administered from Rome. FAO is currently pursuing a programme of decentralisation, where resources and responsibilities are being transferred from Rome to regional, sub-regional and country offices. Despite this trend, the evaluation team found little evidence of delegation of responsibilities or integration of the programme within the operations of country offices visited. Authority to incur

expenses, issue letters of agreement (LoAs) or engage consultants are almost exclusively functions retained by the PMU. Some country offices expressed strong dissatisfaction to the evaluation team regarding their lack of involvement in the programme. For example, in Cameroon, despite the FAO country office implementing actions through its TCP with the Ministry of Forests (MINFOF) relating to sustainable forest management, they felt ill-informed regarding the progress of the programme, were not consulted regarding selection of grantees and felt disconnected from the programme overall. Country Offices, by virtue of their proximity to grantees have the potential to act as lightening rods for issues – giving early warning signals if and when things go wrong.

48. FAO is by no means uniform and the capacity of country offices to implement specific FLEGT actions varies significantly from country to country. Some Country Offices have little or no interest in forestry or FLEGT while others are little more than administrative and finance offices with very low levels of technical staffing. The decentralisation agenda is more in theory than in practice and to date, little real progress has been made in terms of moving forward with this agenda, despite the potential value of developing and empowering the network of FAO offices.

4.1.3 Coordination mechanisms

49. Overall, programme coordination to external initiatives is good. Synergies and coordination with other initiatives are managed mostly through personal initiative of the FAO staff and the technical support structures including the steering committee and the regional offices. A pro-active approach has been favoured whereby partner organisations and donors active in the sector on the ground are kept in the loop and engaged with on a regular basis.

50. The programme has undertaken measures to increase synergy, collaboration and linkages between projects at the country level. This includes information and co-ordination meetings held by PMU staff in-country as well as co-ordination meetings facilitated by the programme, government agencies or other FLEGT actors working in-country (such as the IDL FLEGT Facilitator in Ghana, who is championing such efforts). Despite these valuable efforts, co-ordination processes tend to be rather ad hoc, country-specific and no established (or institutionalised) system exists within the programme to facilitate such events. Missed opportunities for cross-learning, sharing of experiences and collaborative work were expressed by grantees in a number of countries visited, particularly in VPA countries where the number of active grants are numerous. Government forestry agencies also felt that in some cases, that they were ill-informed regarding the progress of projects that aim specifically to support VPA implementation. NGOs in some countries felt that regular co-ordination meetings with government, externally facilitated, could provide important opportunities for advocating models and policies developed through their individual projects.

51. Co-ordination with, and links to, FAO Country Offices varies significantly from country to country. In Ghana, where a national consultant has been engaged, and responsibilities are being gradually devolved, co-ordination is strong. However, in other countries (such as Cameroon), opportunities are being missed for linking with and complementing the on-going work of FAO country programmes. The review team found significant variations in both the technical focus and capacity of staff across different FAO country offices, which also has a bearing on the degree to which improved vertical integration could be achieved. Clearly support will be required at the country office level if this challenge is to be effectively addressed. This is revisited in the recommendations.

52. Co-ordination with FAO regional offices is strong where programme staff are situated (Latin America and Asia). Where no full-time staff exist (such as the Africa regional office in Accra) regional co-ordination and synergies are weak. In such regions opportunities for greater engagement and synergy with regional and sub-regional offices and programmes are being missed.

53. A number of grantees and government representatives consulted during field visits by the evaluation team stated coordination, in particular at the country level would gain from being more institutionalised. Co-ordination measures on the ground have been rather weak and some opportunities lost for getting exchange of experiences and lessons between grantees and between sectors. Although important attempts to compile lessons learned have been undertaken at the regional level (West and Central Africa) and much appreciated by grantees, many important lessons are emerging at the country level that merit documentation and dissemination to other countries and regions.

4.2 Efficiency and effectiveness of institutional arrangements

Main findings – Efficiency and effectiveness of institutional arrangements

54. *FAO has a strong comparative advantage in the delivery of this programme by virtue of its global reach, perceived independence and track record. More could be done to capitalise on this in terms of engaging in policy level discussions at international levels on the future of the EU FLEGT Action Plan. The programme occupies an important niche, being one of the very few global initiatives offering financing directly to implementing organisations working on FLEGT / VPA. On the whole, the programme is complementary to other FLEGT initiatives and programmes, although policy conflicts between EUTR and VPA concepts are leading to differences of opinion and hampering co-ordination.*

4.2.1 FAO's comparative advantage

55. FAO offers many advantages in support of the EU FLEGT Action Plan as a large, international organisation, clearly independent of the European Commission (and broader European commercial timber interests) and with a long and trusted relationship with partner governments across the world. It provides a neutral forum for countries to negotiate international treaties, agreements and guidelines and provides support to countries to implement them. It is seen, particularly by government agencies in developing countries as a trusted partner, with no over political or economic interests and with a strong convening power. This may be particularly the case with government agencies that are considered “sensitive” to perceived external influence and who may not be so easily accessed by bilateral or multi-lateral donor agencies such as the European Commission or member states.

56. As a global organisation, FAO has an institutionalised and long-term presence in almost all developing countries – a presence that is not dependent on the whims and trends of donor agencies. These country offices provide an entry point for global initiatives such as the FAO FLEGT programme. With regional offices and programmes, FAO has the ability to engage with cross-border and regional issues and institutions. For example, in South East Asia, an area where much of the illegal trade in timber is driven by regional trade, FAO has established relations with regional forums and processes such as the Asia Pacific Forest Commission, ASEAN and other similar processes.

57. As an institution, FAO offers a mix of project-based as well as more normative support. As such, projects such as the FAO FLEGT programme are able to benefit from normative support activities that are on-going within the organisation (such as current initiatives on supporting forest governance more generally) As mentioned in section 3.1.2, FAO has a strong track record in supporting global and national forest governance initiatives, which in turn feed into and compliment the actions of the FAO FLEGT programme. The organisation has robust financial procedures and strong systems for drafting, reviewing and approving LoAs with external agencies.

58. FAO has traditionally been an agency that works with and supports member governments in developing countries and with limited relations with NGOs or private sector associations and organisations. This, however, is gradually changing and within FAO's forest department two other projects (in addition to the FLEGT programme) have provided small grants to NGO partners – the National Forest Programme Facility (now closed) and its successor, the Farm and Forests Facility (FFF). NGOs interviewed during this review expressed the view that becoming a recipient of an FAO grant conferred a certain level of recognition, given FAO's global presence and trusted status.

59. The degree to which the EU FAO FLEGT Programme has been able to leverage this comparative advantage is mixed. To a large degree the programme has been able to use the advantages offered by its own organisation. It has used FAO as an institution to convene meetings at national, regional and global levels related to FLEGT in a way that European Institutions (with much closer links to the EU FLEGT programme) may not. It has been able to draw on and benefit from other initiatives within the forest department (such as the FGM and FFF). As discussed in 3.1.2, however, links with FAO's country offices have been variable and in some cases poor, potentially resulting in a loss of effectiveness and efficiency. The programme, by virtue of its links with over 150 organisations across the world implementing FLEGT is in a unique position to present a diversity of views on FLEGT and VPA implementation.

60. While some important documents have been produced regarding lessons learned in the VPA process, these tend to be of a somewhat technical and operational nature. Some of the partners within the FAO FLEGT programme are beginning to ask important questions about the overall shape and approach to FLEGT and VPA – but these voices have yet to be communicated effectively to global platforms and forums.

4.2.2 The programme's niche and interaction with other external agencies

61. The programme occupies an important niche by virtue of the direct financial support it provides to government agencies, national NGOs and private sector associations in support of FLEGT / VPA implementation processes. It is demand driven and as such allows national organisations to develop proposals and frame objectives in their own terms. The programme operates with strict financial and administrative procedures and systems but these are not unduly cumbersome. Many of the organisations consulted felt that the EU FAO FLEGT programme application and reporting requirements to be simple and pain-free when compared to other sources of international donor funding. Although other FLEGT funding instruments exist, these tend to have higher entry thresholds, larger budgets and are in general more suited to international NGOs and service providers. This includes programmes such as the Department for International Development (DFID) Forest Governance, Markets and Communities (FGMC) programme and the European Commissions thematic programme on environment, natural resources and energy (ENRTP). The European Forest Institute (EFI) FLEGT Facility funds external

organisations through its “rapid response facility”, but again, there is little overlap with FAO. Typically EFI engages service providers to deliver pre-defined services (such as engaging FLEGT Facilitators, undertaking studies or supporting a specific process) through commercially tendered contracts. Budgets are typically above the threshold offered by FAO.

62. A variety of funding instruments exist for supporting non-state actors working on FLEGT. At national level, the EU Delegations sometimes generate local calls under the ENRTP, with a particular focus on VPA implementation (for example in Ghana and Cameroon). In such cases, there seems to be some overlap, as in many cases the same organisations are funded to do similar things and with similar budget ceilings. The situation is further complicated by the presence of regional or global projects, funded under the ENRTP global call, also working at national level. However, there is little or no evidence of overlap or duplication as information is shared between FAO and EU delegations regarding funding intentions.

63. Although not specifically stated, one of the implicit goals of the programme is to provide funding to small and medium organisations who otherwise would not receive funding from other sources. While this was found in some cases to be the case, it was only on very rare occasions that NGOs stated that the FAO grant was their first donor-funded project. In many cases, NGOs supported a fairly good track record of donor funding. Furthermore in the EU-FLEGT programme to date 11 out of 43 grants (25%) have been awarded to international NGOs, such as Worldwide Fund for Nature and Wildlife Conservation Society, a number of which have received two rounds of funding. Higher capacity NGOs are more able to generate higher quality proposals, deliver projects with better results and at lower financial risks. However, a broader question arises (discussed in more detail below) as to whether the support to NGOs is primarily about delivering high quality projects, or whether it has a goal of identifying, nurturing and strengthening small, largely un-funded organisations.

4.2.3 Complementarity with the European Forest Institute FLEGT Facility

64. The EFI FLEGT Facility and FAO FLEGT Programme are both funded by European Commission in support of VPA and FLEGT processes. At an organisational level, the work of both agencies is highly complementary. The Facility provides technical assistance to the European Commission (and its delegations) governments and other stakeholder groups in timber-exporting countries to support the negotiation and implementation of VPAs within the wider context of the EU FLEGT Action Plan. As such, this role is clearly differentiated and compatible with the role of FAO in providing direct assistance (principally financial but also technical support) to implementing organisations in timber producing countries.

65. In general, the relationship between the two organisations is good and information flow between EFI and FAO is smooth. Cooperation between the two institutions is particularly strong in Latin America where both representatives value each other's opinions and make the most out of these to work situations to the advantage of the sound implementation of the programme. However, in South East Asia, tension between the two institutions has arisen since the entry of the FAO programme into Asia (during the EU FAO FLEGT programme). The FAO programme operates on a demand-driven basis and cannot define or prescribe activities that are proposed by prospective grantees. Some prospective grantees in SE Asian VPA countries (including governments and private sector associations) have proposed initiatives that provide alternative pathways to legality

that may differ with those proposed within the VPA roadmap. Such proposals have created high transaction costs (and some friction) between FAO, EFI (and to some degree EC) as adjustments are requested that avoid risks of undermining VPA negotiations or implementation. The conflict can be traced back to differences of opinion and perspectives regarding approaches to legality assurances within the framework of VPAs and the EUTR. Ultimately, however, the underlying problem is that this emerging policy issue has yet to be addressed and reconciled at the international level by the EC, member states and other supporting agencies.

4.3 Adaptation, innovation and learning

Main findings – Adaptation, innovation and learning

66. *The programme is agile, responsive and adaptive, able to adjust to changing external circumstances and internal learning. Learning among and between programme beneficiaries in producer countries is relatively limited. Untapped opportunities exist for learning between Africa (where programme activities have been progressing for some time) Asia and Latin America (where activities are still relatively new).*

4.3.1 Learning and adaptation at programme level

67. A strength of both phases of programme support has been the ability to adapt the strategy and approach in light of lessons learned and on-going implementation experiences. Furthermore, the ACP FLEGT Support Programme underwent an external mid term evaluation in 2011 that generated a series of recommendations regarding its overall approach, many of which were adopted. Some examples of how the programme has made positive adjustments as a result of learning include:

- The move from requesting applicants to prepare full proposals to a two-staged approach that first requests shorter concept notes. This reduces transaction costs for applicants, as well as the growing workload placed on the programme due to increasing number of applications.
- The development of the “direct assistance” modality for governments, largely removing them from a position of having to compete with NGOs and private sector organisations
- The development of a differentiated approach to supporting VPA and non-VPA countries
- The move from requiring government endorsement to NGOs (in the form of a letter of support) to a much less restrictive requirement that simply requires non-governmental applicants to name contact persons within the relevant forest ministry or agency
- Creating an overlapping transition between programme phases to allow avoid long gaps at the beginning of new phases during which new projects are solicited and agreed.
- Ensuring overlap between implementation phases to ensure continuity of call for proposals (recommendation from MTR of the ACP FLEGT Support Programme)
- Supporting training for potential and actual grantees in project cycle management, in collaboration
- The development of a programme impact monitoring system, (which has yet to be implemented)

- Proposals to strengthen support to private sector associations in Phase III of the programme given their relatively limited involvement to date.

4.3.2 Learning by programme beneficiaries

68. The programme has encouraged learning and adaptation between programme beneficiaries through a range of means. With regard to broader communication efforts, these are discussed in more detail in Section 5.3.5. Regional meetings have been held to share and exchange experiences and lessons (such as the ones facilitated in West and Central Africa in 2012). Some examples exist of cross visits between grantees but this has not been particularly common, and generally only when it is explicitly included within project budgets (such as the exchange between Ghana and Uganda on public procurement).

69. Within countries, particularly those that have received support over both phases of implementation, considerable experience is being gained by stakeholders. While much informal networking takes place between peer organisations and in some cases, government or other external agencies have taken measures to foster exchange and learning, this has not been well supported by the programme to date. In countries where donor-funded VPA facilitators exist (such as Indonesia, Vietnam and Ghana) country level exchanges have occurred and have generally included those organisations being funded by FAO.

4.4 Monitoring and evaluation

Main findings – monitoring and evaluation

70. *The system for receiving, screening, selecting and reporting on projects is strong, transparent and effective. Systems for tracking grants through the use of a centralised database are robust, although projects receive relatively limited monitoring visits from FAO. The establishment of an impact monitoring system has been delayed despite this need being prioritised in the mid term evaluation.*

71. The programme undertakes two kinds of monitoring – monitoring of budgets, agreements, progress and finances on one hand and monitoring of programme results and outcomes on the other. These are considered separately below.

72. Firstly, routine monitoring and tracking of progress across countries and grantees is excellent. Both phases of programme support have used a database within the FAO “FORIS” system to track individual grants. The database is used to store, retrieve and analyse a wealth of programme information and data. All relevant information (LoAs, progress reports, financial reports) are uploaded to FORIS providing a robust and valuable system for storing information and keeping track of individual grantees. Furthermore, the database provides the flexibility to screen and search by country, region, grantee classification, call for proposal type and date, language and thematic area. The database is an impressive repository of information and an extremely valuable tool for keeping track of individual project progress. Field monitoring (through site visits and communications and follow-up) is largely undertaken by secretariat staff (in Rome, Bangkok and Panama). FAO Country office staff are in general, not involved in monitoring or backstopping implementation or progress, unless specific provision has been made for engaging a local consultant, as in the case of Ghana. This is discussed in more detail in 3.1.2

73. Secondly, the monitoring and analysis of programme level results and outcomes is limited. The mid term review of the ACP FLEGT Support Programme found that

“monitoring of outcomes and impact is weak”, and recommended the establishment of a *“simple standardised monitoring framework – starting from grant project level - that allows for measuring progress on a limited number of ‘critical performance indicators’ across the projects, including poverty and sustainable forest management indicators”*. The highly varied nature and country-specific context of projects implemented produces a wide diversity of outcomes presenting significant methodological challenges when assessing collective, programme level impacts. Since 2011, there has been progress towards the development of an impact monitoring system (and associated guidelines for grantees), although it has yet to be operationalized. The impact monitoring system, designed by external consultants in 2014, draws heavily on the FAO-PROFOR framework for assessing and monitoring forest governance¹⁰ as well as those developed by GEF to monitor capacity development in GEF projects.¹¹ The system uses a series of objective and quantifiable indicators (derived from independently available data sources) compiled by the programme as well as a subjective scoring system that is undertaken by individual grantees before, during and after project implementation and then aggregated at country and programme levels.

74. The system is being tested in two countries with the assistance of external consultants and it is too early to draw any firm conclusions regarding its wholesale adoption by the programme. Furthermore, the FAO FLEGT Programme is collaborating with an on-going initiative being spearheaded by the FAO forest governance team which is testing forest governance monitoring in Vietnam and Zambia and which may yield important lessons on how programme level impact monitoring could be scaled up. The current design of the monitoring system, although thoroughly designed and conceptually robust, appears over-ambitious given the current capacity of the programme to take on additional workload and without a significant effort to upgrade M&E skills among grantees. As such, either the programme will have to invest in engaging staff dedicated to M&E or an alternative “lighter touch” approach may be needed.

¹⁰ FAO and PROFOR, 2011. Framework for assessing and monitoring forest governance

¹¹ GEF, UNDP and UNEP. 2008. Monitoring Guidelines of Capacity Development in GEF operations

5 Analysis of results and contribution to stated objectives

5.1 Achievements at outputs level

Main findings – achievement of outputs

75. *The programme has delivered an impressive array of outputs that are generally of a high quality and play an important role in supporting FLEGT actions within both VPA and non-VPA countries. Government agencies and NGOs have been successful in securing support from the programme and delivering quality outputs. Private sector associations have been less well represented in the delivery of outputs - representing an important gap in the delivery of FLEGT / VPA processes. Some outputs are less amenable to the constraints of time and budget imposed by FAO support, notably policy development processes, iterative multi-stakeholder consultation processes and independent forest monitoring. There is little difference in the nature of outputs delivered in VPA and non-VPA countries.*

76. In this section, achievements at the output level are presented around the three key result areas defined in the EU FAO FLEGT programme document. Outputs are presented by stakeholder group using the theory of change framework presented in Figure 1. Given the wide geographical dispersal of outputs it has not been possible to summarise all outputs across both phases and all countries supported. Outputs at country level (for Result 1 and 2) are presented principally from African countries visited, where support has been provided over both phases and most outputs have been realised.

77. Overall, the two phases of support have been able to support a total 151 grantees covering 184 projects in 52 developing countries¹² and spanning a wide range of actions such as: information and communication work; legal reviews and development; the development of guidelines and manuals; independent forest monitoring; TLAS design and development; capacity development; community based actions that improve forest management, strengthen legality and link local producers to markets; support to private sector forest trade associations and the establishment of civil society platforms, networks and forums around forest governance. Differences between outputs delivered in VPA countries (Result 1) and non-VPA countries (Result 2) are not significantly different in nature – as both address FLEGT measures. Differences arise in the way in which projects are developed and the necessity for ensuring policy coherence, factors which vary from VPA to non-VPA countries.

5.1.1 Result 1: FLEGT processes in VPA countries

78. As presented in Figure 1, outputs have been delivered by three main stakeholder groups: government, civil society and private sector organisations. These are considered in turn below.

79. **Government agencies.** In the EU FAO FLEGT Programme, 33 out of the 87 (38%) proposals endorsed for funding are from government agencies. Of these 24 are funded through direct assistance while 9 are through proposals submitted during global calls. As presented in Figure 1, four principle outputs are being delivered by government agencies under this result area, as presented below

¹² Source: FAO FORIS database

- Capacity to understand, design and implement FLEGT actions is increased
- FLEGT policies, regulations, guidelines and laws developed and disseminated (including timber legality definitions)
- Links between different government agencies involved in forest law enforcement and trade strengthened
- Multi-stakeholder consultation and negotiation process developed

80. Government agencies in a number of VPA countries have used FAO funding to raise awareness and understanding on FLEGT both within government agencies and also for the general public as a whole. In Ghana, the Forestry Commission has obtained funding from EU FAO FLEGT programme to raise awareness and understanding within government agencies on the VPA process – particularly those organisations outside the forest sector. In Côte D'Ivoire, funding from the ACP FLEGT Support Programme was secured by the *Ministère des Eaux et Forêts* to convene 8 country-wide meetings introduce the VPA and FLEGT process to local level stakeholders, identify the major issues in forest governance in the country and build a national consensus on a VPA. These meetings provided a forum to solicit views from a wide range of local stakeholders. As a result, during a national workshop the decision was made by all stakeholders to enter into formal negotiations of a VPA with the EU. It was the first time that a country organised such wide consultations before engaging in the negotiation of a VPA.

81. Governments in a number of countries have accessed FAO funding to support the development of key VPA policies and regulations including TLAS and traceability systems. In Vietnam, funding from FAO was used by VNFOREST to provide technical expertise to develop verification checklists and reporting formats covering the verification of compliance by organizations and households and the verification of compliance of products and their supply chain. The expert support included the development of a risk-based verification system of companies to improve the effectiveness of verification. Clearly these are outputs that are central to the development and conclusion of a VPA.

82. Good progress was observed by the evaluation team in Cameroon and Vietnam in terms of developing collaborative linkages between government agencies involved in forest law enforcement and trade. In Cameroon, two non-forestry sector ministries have become engaged in the VPA process through support from the EU FAO FLEGT Programme. The ministry of labour has developed guidelines for the inclusion of workers rights into forestry operations (which in turn are included as a legality requirement under the TLAS). This has been accompanied by capacity building provided to labour inspectors in the 5 forest-rich regions where concessions are active. Ministry of Environmental concerns (which are required under environmental impact assessment provisions within national law and the TLAS) are being translated into simple guidelines and the capacities of environmental inspectors are being built so that enforcement can be strengthened at the level of individual concessions. These two projects have been effective in mobilising participation by non-forest sector ministries. In Vietnam, Wildlife Conservation Society (WCS) have secured funding from the programme to work with the government agency dealing with wildlife crime – an inter-agency institution that collaborates with police, customs, forestry, wildlife and environmental agencies. Also in Vietnam, the programme is collaborating with UN-REDD who are funding two staff members the United Nations Office for Drugs and Crime (UNODC) to work with the government on illegal logging (through training of law enforcement staff such as police and customs officers). Working at the regional level, COMIFAC (in Cameroon) have established rules, procedures and institutional arrangement as well as a computer database for the sharing of information

regarding monitoring of transit timber in the Central Africa. VNFOREST, the government agency responsible for forestry in Vietnam, obtained support from FAO that enabled them to convene a meeting with neighbouring Laos to discuss the legality of cross border trade. This meeting was considered worthwhile by governments of both countries and annual meetings are continuing without further FAO support.

83. Multi-stakeholder consultations on VPA policies have been supported by the programme. In Vietnam, VNFOREST used direct assistance support to subject draft TLAS proposals to multi-stakeholder consultations in Hanoi and Ho Chi Minh City. In Thailand, the Thai EU FLEGT Secretariat (TEFSO) within Royal Thai Forest Department secured USD 65,000 to support awareness raising on VPA as well as to consult on the legality definition. Some reservations were expressed by non-state actors in Vietnam and Thailand however, regarding the challenges of moulding what are essentially complex and medium-term iterative activities (negotiations and consultation processes) within the constraints of a 12 month project and with limited funds. Time and funding constraints may well have impacted on the quality of the product and degree to which meaningful stakeholder input could be obtained. However, it is important to note that laws and policies in Vietnam tend to be developed and concluded internally within government, and there is little or no tradition regarding consultation, so this “limited” consultation model does indeed represent an important step forward in terms of opening up law making to public input. In Thailand, in the absence of other forms of bilateral funding, FAO support is critical (if admittedly imperfect) in ensuring some form of consultation process is launched on the TLAS. In Honduras, valuable direct assistance support was provided to the government agency responsible for forestry - *Instituto Nacional de Conservacion, Desarrollo Forestal, Areas Protegidas y Vida Silvestre* – resulting in 10 consultation and awareness workshops being conducted on the VPA across the country with different stakeholder groups – including Indigenous Peoples living in remote areas.

84. **Civil society and local communities.** 43 of the 87 (49%) proposals endorsed during the EU FAO FLEGT Programme have originated from NGOs. As presented in Figure 1, four principle outputs are being delivered by civil society organisations under this result area, as presented below:

- Capacity to understand, design and implement FLEGT actions is increased
- Civil society platforms developed through which consolidated voice can be communicated
- New and innovative FLEGT approaches piloted at local level and results communicated to national stakeholders
- Forest crimes are reported as part of independent forest monitoring

85. NGOs have been extremely active in communicating information on VPAs. The final report for the ACP FLEGT Support Programme indicated that during this first phase of implementation, 111 information documents, 115 radio broadcasts, 134 press articles, 42 television broadcasts, 20 documentary films, 35 websites and facebook pages and 34 other “sensitization” activities, including music and theatricals were developed by Programme’s beneficiaries, the vast majority of whom came from the NGO sector. Of the responses in the online survey 39% of grantees cited the generation of knowledge products as the primary output of their support from FAO. In Cameroon, the capacity of community forest managers has been built through training events as well as trial legality verification surveys in community forests. In Ghana, over one third of projects funded focus primarily on information and awareness raising on VPA, FLEGT, timber legality

and forest governance, with the target groups being forest communities, forestry officials, traditional authorities, local government officials, timber companies, small and medium enterprises and the media. Training workshops, community meetings, radio and TV were the main platforms used. Notable grantees producing outputs in this area included FOE Ghana, Ghana Working Group on Forest Certification, DOLTA and RMSC. FOE Ghana have delivered important outputs relating to training of farmers groups and communities on the subject of social safeguards, participation in forest monitoring, forest governance and the broader VPA process. This has been reinforced through the production of a guide “Know Your Forest Laws” designed to raise legal literacy amongst communities. Related to this, FOE Ghana and the Ghana Working Group on Forest Certification have provided targeted capacity building support to forest fringe communities with a view to them negotiating social responsibility agreements with timber concessions. Communication products developed by grantees and reviewed by the evaluation team indicate that in general, these locally produced materials were of good quality and relevant to national FLEGT priorities. Outcomes related to these outputs (the degree to which they contributed to greater awareness, understanding and knowledge) is discussed in more detail below in Section 5.2.

86. If VPAs are to reflect the concerns of civil society and forest-dependent communities, a critical element of VPA negotiation and implementation is the establishment of platforms and forums where views and concerns can be effectively elaborated and communicated. Financial support from FAO has facilitated a number of platforms, working groups and associations in Cameroon, with the goal of supporting dialogue and sharing information within and between civil society groups, and to interface with other stakeholder groups. This includes the establishment of a group of NGOs to promote anti-corruption measures within the forest sector, developed by FODER. In Vietnam, an NGO platform facilitated by SRD, has been formed, with the goal of co-ordinating civil society concerns in the VPA process and inter-facing with government. Although progress has been limited, this represents an important output given the extremely limited political space in Vietnam for non-state actors. CRD, another national NGO received external technical advice to implement a social impact assessment of the VPA on forest dependent and vulnerable households as well as small and medium enterprises. Policy briefs developed by this project have been presented to both VNFOREST and the EU.

87. There are examples of where NGOs have obtained funding to support the development of proposals for legal and policy amendments related to FLEGT actions in VPA countries. For example, in Ghana, Nature and Development Foundation (NDF) has worked with government to draft implementation guidelines for the public procurement policy on timber and timber products. At the time of this evaluation, these guidelines had been included in the draft policy to be submitted to Cabinet by the minister responsible for public procurement. The degree to which these valuable outputs have been translated into tangible outcomes are presented below in section 5.2.

88. Independent Forest Monitoring (IFM) has been supported primarily in the Congo Basin through support to national NGOs. In Cameroon, support provided through the ACP FLEGT Support Programme to the NGO *Forêts et Développement Rural* (FODER) was used to develop civil-society (independent) monitoring of the forest sector. With support from the UK-based NGO Resource Extraction Monitoring, a regional NGO called Field Legality Advisory Group (FLAG) has been established in 2011, with a base in Yaoundé. With financing from the EU FAO FLEGT programme regional support is provided to

independent forest monitoring in countries such as DRC and Republic of Congo. As part of this work, FODER provides training for NGOs working on IFM across the Congo Basin. Although a specific thematic area has been created within the call for proposal mechanism with which to support IFM, applications have been relatively limited to date. As with policy and legal review work, if IFM is to be successful it requires sustained investment over a number of years. NGOs working on IFM that were met by the evaluation team expressed a concern that short-term funding from FAO limits their effectiveness to establish, scale up and sustain IFM processes.

89. **Private sector associations.** Only 7 out of a total of 87 endorsed (8%) proposals have been awarded to date for private sector organisations in the EU FAO FLEGT programme. Despite this, a number of NGOs have been supporting work in with the private sector, particularly small and medium forest enterprises. Four specific outputs are defined in the theory of change presented in Figure 1:

- Capacity to understand, design and implement FLEGT actions is increased
- Private sector platforms developed
- Associations representing forest enterprises (small, medium and large) are built
- Small and medium enterprises supported to enter formal sector and become legal entities

90. Regarding the first output, important results were seen by the evaluation team in Cameroon and Ghana. In Cameroon, the *Groupeement de la Filière Bois au Cameroun* (GFBC) developed a comprehensive set of 7 user guides (or manuals) on the 7 legality grids required under the VPA designed to enable members of the association understand and implement legality requirements. In Ghana, the Domestic Lumber Traders Association (DOLTA) have received funding from FAO to identify the level of knowledge and understanding of its members (predominantly SMEs within the sawmilling and timber trade sector). This is being used to identify training needs to develop targeted training on meeting legality requirements for domestic and exported timber. In Ghana, the Kumasi Wood Cluster (KWC), an association of loggers and saw-millers is promoting sustainable forest management with its members through targeting training and capacity building. Through FAO support, KWC have developed a training curriculum on reduced impact logging, timber legality assurance and sustainable forest management. A business plan has also been developed for the establishment of training courses on this subject on a cost-recovery basis and proposals are being discussed with the government Wood Industries Training College in Kumasi, but these plans have yet to be operationalized.

91. Limited progress has been made on the second and third outputs. Although DOLTA and KWC have registered increases in their capacity as a result of support to the project, this has not been an explicit goal of either of the actions. However, the involvement of small and medium enterprises in the programme has been instrumental in providing greater exposure of these organisations to on-going VPA processes and negotiations – an important factor given the prevailing questions of legality of SMEs in Ghana and other countries. One private sector organisation representing medium and large scale timber exporters in Ghana (Ghana Timber Millers Association) indicated an awareness of the programme, but stated that they lacked capacity to prepare and deliver quality proposals that were of a sufficient standard to qualify for funding. In Thailand and Vietnam, two private sector organisations were interviewed as part of this evaluation – the Thai Timber Association and VIFORES. Both organisations expressed an interest in obtaining support from FAO to strengthen their own organisations. Language and capacity

constraints (including qualified staff) constrained their ability to conceive, develop and deliver quality proposals.

92. Interestingly, a number of international NGOs have obtained funding for the delivery of outputs related to supporting private sector interests. For example, in Ghana, the Dutch NGO Tropenbos have implemented a series of innovative and successful pilot field level activities designed to transform illegal chainsaw operators into registered associations and enterprises that meet legality requirements. In doing so, they have built capacity of local timber milling associations. In Cameroon, WCS are working on mainstreaming wildlife and biodiversity considerations into timber concession management and legality requirements. In Ghana, Worldwide Fund for Nature (now Nature and Development Foundation) developed and disseminated a guide for West African timber traders for sourcing legal timber in Ghana and Liberia

5.1.2 Result 2: FLEGT processes supported in non-VPA countries

93. Overall, the nature of the outputs in non-VPA countries do not differ markedly from those delivered in countries implementing or negotiating VPAs. It is arguable that organisations working on FLEGT in non-VPA countries, unconstrained by the policy framework imposed by VPAs are able to deliver a greater range of outputs. However, the fact that few non-VPA countries were visited by the team meant that this was not possible to verify. Perhaps one key difference noted from non-VPA countries was the need to invest greater effort and time in raising awareness around FLEGT concepts and building demands from civil society and the private sector. As such, many funded proposals from non-VPA countries have been associated with awareness, information and communication. In Uganda, for example, two projects, jointly implemented by WWF and CARE have generated important knowledge and information outputs of national value. The studies have provided an important overview of illegal logging, the timber market, timber flows, including links to illegal timber flowing into Uganda from neighbouring conflict countries such as South Sudan and DRC. The work has also highlighted the fact that the majority of timber harvested and milled in Uganda is done with chainsaws, something that is by law criminalised in Uganda, thereby rendering the majority of forestry SMEs illegal. Much of the information gathered by CARE and WWF has been packaged into simple, easily read informational and policy briefs that have been widely distributed to policy makers and other key stakeholders. There is evidence that information generated from this study has been used in national debates in parliament as well as other national forums.

94. In a subsequent project, WWF have worked closely with the Ministry of Water Lands and Environment to develop guidelines for public procurement of timber as well as guidelines for timber harvesting. Following a study into taxation and licensing, proposals have been formulated regarding the pricing and incentives for loggers and timber retailers in ways that generate incentives for legality. All of these outputs are well conceived and if implemented could have important and positive impacts on reducing illegalities. Working at the local level, WWF are providing capacity and technical support to existing timber traders and saw-millers with a view to them becoming legally registered and recognised business entities. CARE has supported the establishment of a community-based platform designed to identify and report incidences of illegal timber harvesting.

95. The EU FAO FLEGT programme has supported important cross-border work in Guatemala and Belize, through support to NGOs in each of the two country. (Asociación Balam in Guatemala and Friends for Conservation (FCD) in Belize. In Belize, FCD

developed a special unit to combat illegal logging and provided training to magistrates and other members of the juridical system. In Guatemala, Asociación Balam supported patrols and mobile check-points in critical areas, and undertook and assessment of the current situation regarding illegal logging and cross border smuggling of timber.

5.1.3 Result 3: FLEGT processes are understood by relevant stakeholders

96. The programme has produced useful outputs related to knowledge products, information and awareness materials across both phases of support. Bi-monthly newsletters, developed jointly with the EFI FLEGT Facility have been produced continuously since February 2010. Given EFI's greater capacity with regard to communication, they have been the lead agency in developing this newsletter. All newsletters have had inputs from the FAO FLEGT programme, reporting on key events, progress and lessons learned. Given the broad networks of both organisations dissemination of newsletters is wide covering users in both timber producer and importing countries.

97. During the ACP Phase, 6 regional workshops were conducted on forest governance with the aim of analysing overall progress and sharing lessons learned in FLEGT. This was followed up in Central and West Africa with a more focussed assessment of lessons learned, generating an important publication called "The VPA Process in Central and West Africa: From Theory to Practice". Published in April 2014 after an extensive review process, this has been widely disseminated and read across the programme. In Vietnam, the document is currently being translated due to local demands to learn from African VPA experiences. The programme has also produced two working papers that explore future scenarios and trends regarding timber markets and the Congo Basin. In general, however, information and knowledge products generated by the PMU have been relatively limited, mostly focusing on providing clear and accurate information about the programme, key concepts, application and eligibility requirements and contributing to the FLEGT newsletter, produced jointly with EFI FLEGT Facility. A full list of knowledge products produced by the programme can be found in Annex 4.

98. With the addition of a part time communications officer (50% FTE), a more systematic approach to communication materials is planned with greater focus on more analytical work and the generation of knowledge products. Areas identified for 2015 and 2016 include key emerging issues of relevance to VPA and FLEGT, namely the involvement of the private sector in VPAs, regional approaches to fighting forest crimes, voluntary certification schemes and their application to FLEGT / VPA, conversion timber, public procurement systems and so on.

99. A number of training events have been supported over both phases of programme implementation. During the ACP FLEGT Support Programme, an estimated 7,500 persons were trained in 21 countries, either through specific training events hosted by the PMU or through activities designed and managed by grantees. Of particular note was technical training provided to stakeholders in Cameroon and DRC on VPA, FLEGT, TLAS independent forest monitoring and communication. This programme has been recently expanded through a collaboration with the University of Wolverhampton Centre for International Development Training (CIDT). CIDT have also delivered training courses on project cycle management in Central and West Africa.

5.2 Achievements at outcome level

Main findings – achievement of outcomes

100. *Important outcomes have been generated by the programme in many VPA and non-VPA countries. This includes improvements in national policy and legal frameworks, increased understanding and awareness around FLEGT and VPA concepts, increased collaboration, joint planning and decision making between state and non-state actors and increased reporting of illegal forest activities. Projects that were designed to be strategic and catalytic in nature appear to be generating the most significant outcomes. There is strong evidence of FAO support resulting in follow-on actions financed by other donor agencies, with the potential to scale up and multiply outcomes over a wider area.*

101. The theory of change presented in Figure 1 includes three broad outcomes that are in turn derived from the revised logframe for the EU FAO FLEGT¹³. These are presented below and used in following analysis:

- Improved policy, legal, institutional and regulatory frameworks
- Participatory and collaborative planning and decision-making processes
- Increased implementation, compliance (with country or international legal requirements) and independent monitoring.

5.2.1 Outcome area 1: Improved policy, legal, institutional & regulatory frameworks

102. In line with the programme logic defined in the revised logframe of 2014, a key aspect of this outcome area is the generation and use of knowledge products and lessons learned in ways that inform and influence decision-making regarding legality and broader FLEGT policies and frameworks. An examples of how knowledge products are leveraging important outcomes can be seen in the work being done by the Vietnamese NGO the Centre for Sustainable Rural Development (Text Box 1)

103. A number of examples exist of where the programme has supported policy development processes – often through piloting of new models or undertaking applied research work. In Ghana, the programmes is contributing to the development and testing of different artisanal milling models and is now feeding these experiences into the policy discussions on the role and legality of domestic timber markets in Ghana. WWF Uganda and CARE Uganda, with two separate projects, worked together to generate accurate information on the dynamics of timber flows in the region as well as the extent of illegal timber trading. These reports, translated into policy briefs and other communication documents have played an important role in bringing forest governance and trade to the attention of civil society, policy makers and politicians, increasing demands for legal and policy reforms. With funding for a second project, WWF Uganda is working with the Ministry of Water and Environment to review different options for taxation of forest products in ways that incentivize legally sourced and traded timber. In Guatemala, the Asociación Balam undertook a study on the management of forests by indigenous peoples and as a result, have given new prospects for their participation in forest governance and decision-making.

104. In general, the generation and dissemination of knowledge products has been a strength of the programme, building local understanding, knowledge and awareness around FLEGT issues – which in many contexts have been new concepts. Some

¹³ Topper, E. 2014. Impact monitoring for the EU FLEGT programme. Final Report. March 2014.

unintended outcomes relating to dissemination of information has been distortion of the message, due to the particular interests or interests of the NGO or private sector organization concerned, or due to incomplete knowledge or understanding of the FLEGT concepts being communicated. As such, examples were seen (for example in Ghana) where different players from government, NGO and private sector associations were communicating different messages regarding VPA and TLAS concepts.

5.2.2 Outcome area 2: Participatory and collaborative planning and decision-making processes.

105. The two phases of the FAO FLEGT programme have achieved strong results in this outcome area. Platforms or forums have been established in many countries that bring together representatives from either civil society or the private sector and provide them with new opportunities to interact with government authorities and decision-making processes. In Vietnam, for example, where the government does not have a strong track record in consulting with non-state actors, FAO has worked with other players (such as FERN) to strengthen an NGO forum that has met with government and presented its concerns regarding the VPA process. In Uganda, multi-stakeholder, district-based forest governance platforms were established in western Uganda by CARE Uganda, and continue to operate today despite the completion of FAO funding support. These platforms have been used to raise forest governance issues with district leaders. In Ghana, a number of local community stakeholders in the programme districts are using awareness and knowledge gained from programme interventions to actively negotiate their Social Responsibility Agreements (SRAs) with forest concessionaires.

Text Box 1: Using social impact assessment to influence legality discussions in Vietnam

The Centre for Sustainable Rural Development (SRD), a Vietnamese NGO received support from FAO to undertake Social Impact Assessment (called Livelihood Impact Assessment). This work, co-funded by DFID and FERN, assessed the potential impacts of the VPA on three potentially vulnerable groups, namely: farmers who grow and harvest timber without land tenure certificates, ethnic minorities who depend on forests and small-scale wood processing households. The findings indicate that there will be a transitional period as timber producers and wood processors adapt to comply with the legality requirements and strengthen their capacity to adjust to the new market environment. Large-scale processors and exporters are likely to benefit from a regulation that eases export to European markets, but small-scale timber growers and processors could find the cost of compliance reduces their income and makes them more vulnerable. These findings were shared with NGOs through the VNGO FLEGT Network in Vietnam, and were developed into a policy brief presented to EC and Vietnam government negotiators. As a result of this work, modifications are being made to legality definitions in ways that safeguard the interests of small and medium enterprises.

Source: Field interviews conducted by the evaluation team

106. A key outcome of the programme across different countries has been collaborative opportunities provided by the programmes and harnessed by stakeholders. In Cameroon, the programme has supported increased collaboration between NGOs (in this case Wildlife Conservation Society) and large-scale forest concession holders regarding the management of wildlife. Platforms described above have facilitated new linkages and joint decision making between government and civil society in many countries. In Cameroon, the programme has been able to reach out beyond government agencies in the forest sector, to engage ministries of labour as well as environment, and thereby have ensured the integration of workers rights, health and safety and environmental safeguards within the VPA framework. In Uganda, Ministry of Water and Environment has

established new relations with Ministry of Local Government and selected district councils to support improved timber procurement by local governments with support from the programme. In Guatemala, the Asociación Balam project has deepened coordination between central government, local governments and civil society through round tables and further strengthened the capacity of the various participating organizations and government agencies and departments. An interesting outcome from this project has been increased collaboration between the governments of Belize and Guatemala. An MoU has been proposed to formalise a joint commitment to address the illegal cross-border timber trade.

107. An important outcome related to increased collaboration has been the creation of new partnerships and the development of trust between stakeholder groups who previously had little contact or trust. The Forest Sector Support Department of the Ministry of Water and Environment in Uganda stated that the programme had created opportunities for engaging civil society in constructive dialogue around forest governance. Prior to the programme, discussion around “forest crimes” was polarised and characterised by accusations, press-releases and critical public statements but little constructive dialogue aimed at finding solutions. In Ghana, government officials recognized the contribution of the programme for creating new space for dialogue with private sector and civil society. Small and medium enterprise members of the Ghanaian association DOLTA, previously seen by government simply as illegal operators are now viewed as partners, with a view to finding solutions on transforming illegal chainsaw operations to regulated small-scale saw millers. This is being reinforced at forest level by complementary actions implemented by Tropenbos (see Text Box 2).

Text Box 2: New partnerships between old foes are turning the tide on illegal logging

With support from FAO (as well as an EC grant through the global ERNTP call, Tropenbos Ghana have been working with illegal chainsaw millers who have historically been felling timber illegally within the Abonyre Forest Reserve in Goaso District, Western Region. The chainsaw millers have been helped to form an association and establish legal saw mills, and a deal has been brokered with the concession holder, Logs and Lumber Ltd (LLL), whereby members are buying wood currently not being harvested by the concession holder, as well as waste wood, deemed unsuitable for large-scale milling. In addition, the newly formed millers association (the Akodie Artisanal Millers Association - AAMA) are undertaking patrols within the concession and have uncovered a number of illegal logging operations – some of which were being undertaken with the participation of Forestry Commission staff as well as field-level staff of the concession holder. As a result of successes obtained at this site, the concession holder is planning to scale up this experiment to 9 other sites in the region.

Source: Field interviews conducted by the evaluation team

108. One unanticipated negative outcome – particularly in those countries such as Ghana and Cameroon where large numbers of proposals are being submitted – was competition between applicants, particularly NGOs. This created a reluctance to share experiences, lessons and innovations for fear that other competing NGOs may use this knowledge to compete for subsequent rounds of funding.

5.2.3 *Outcome area 3: Increased implementation, compliance and independent monitoring.*

109. Of the outcomes reported by implementing projects in the online survey, only 5% out of the 159 responses reported outcomes related to implementation and compliance. This figure is low, given the importance of such activities in achieving real impacts in

terms of reduced illegalities and increased law enforcement actions. One possible explanation for this is due to the short-term nature of funding from the programme, and that activities such as independent monitoring typically require multi-year funding before any impacts can be realised. Despite this, examples of outcomes in this area were witnessed by the evaluation team during country visits.

110. In Uganda, government forestry officials indicated that a verbal request to the Local Government Ministry to institute measures designed to support legal timber procurement had triggered action by the district procurement committee to institute compliance measures. CARE (in Uganda) has supported the development of a mobile phone platform that facilitates reporting of illegal activities in the western part of the country – the results of which are uploaded to a publicly accessible website. In Cameroon, support provided to *Centre pour l'Environnement et le Développement* (CED) has resulted in a internet linked database on the results of community-based independent monitoring, which is available to the general public. In Ghana, actions implemented by Tropenbos to engage artisanal chainsaw operators in regulation and formalisation of small-scale enterprises. Support provided to COMIFAC through the ACP FLEGT Support Programme generated useful knowledge on transit timber in Gabon, Cameroon and Central Africa Republic. In addition to increasing understanding of regional timber flows, the project has strengthened traceability. Government forestry officials in Cameroon have instigated an online pre-registration portal that tracks transit timber passing through the country.

111. Overall, stronger outcomes were achieved when interventions were designed to be strategic and catalytic in nature, leveraging significant change. These were generally projects that were designed to generate vertical linkages between models tested and piloted at local level and national level stakeholders or platforms. Weak design, coupled with short-term funding limitations has meant that in some cases, particularly those actions implemented at community level, outcomes have been limited and short-term in nature.

112. There is strong evidence of FAO support resulting in follow-on actions financed by other donor agencies, which scale up and multiply impacts. One NGO in Cameroon, who received their first donor-financing from FAO stated that FAO support represented a “stamp of approval” from the donor community and a “passport” for future funding. In Uganda, although CARE did not receive funding for a second phase of FLEGT support, they were able to use the experiences and models gained through FAO support to leverage around US\$ 4.7 million from the Danish government to implement follow-on actions. FOE Ghana stated that they had used the community radio concepts first developed with the ACP FLEGT Support Programme to access bigger funds for a FLEGT project – CiSOFLEGT which covers Ghana, Cameroon, Cote d’Ivoire and DRC. Also in Ghana, the Kumasi Wood Cluster (who did not receive a second tranche of funding) secured support from ITTO to continue relevant activities launched under FAO support. KWC also developed a partnership with CIDT to develop forest governance training modules for west and central Africa. The *Centre Africain de Recherches Forestières Appliquées et de Développement* (CARFAD) community forestry project used support from the ACP phase to secure a bigger long-term support from the EU Delegation in Yaoundé. The project has supported forest dependent communities and indigenous peoples to orient commercial production within community forests towards complying with legality requirements and trade with national and international timber buyers.

5.3 Achievements against UN Cross-cutting themes

Main findings – achievements against UN-cross cutting themes

113. *Gender has not been given a high priority by FAO in its two phases of FLEGT support and as a result, there is limited attention to gender within the projects reviewed. Although not explicit, the programme has supported a rights-based approach by advancing procedural rights, and helping rights holders to hold duty bearers to account. Capacity building, while not a stand-alone goal of the programme has been achieved through a learning-by-doing approach, supplemented by training events facilitated by the programme. Information and knowledge products generated by the programme have been of a high quality and used widely.*

5.3.1 Gender equity

114. In 2012, FAO developed a Policy on Gender Equality that aims to achieve “equality between women and men in sustainable agricultural production and rural development for the elimination of hunger and poverty”. A series of measures are presented to achieve these goals such as gender mainstreaming, undertaking gender analyses in project design, generating gender-disaggregated monitoring data, and the development of gender-based programme standards to monitor adherence of FAO-programmes to the overall strategy¹⁴. The EU FAO FLEGT Programme document states that “specific attention will be paid to gender issues throughout the programme, especially in information and knowledge management and pilot interventions that will seek a gender balance in the distribution of benefits¹⁵”. Section 2.5 of the methodology section of the project guidelines, states that applicants, when describing their methodology should refer “where relevant” to “gender parity issues.” This guidance is not included in the corresponding guidelines for direct assistance to governments and gender is not used as a criterion for scoring prospective project applications.

115. Findings were mixed as to how the Programme has supported the integration of gender in the implementation of projects. Just over a third (34%) of organisations responding to the online survey stated that gender had been given a “high priority and specific actions taken to integrate gender concerns” with 45% stating the gender had been given “limited attention” and 14% stating that gender was “not relevant” to their projects. Generally, gender was not found to be a high priority in the programme and has received limited attention to date. Some of the interventions being supported by the programme are arguably gender neutral (such as the technical aspects of timber legality definitions and timber legal assurance systems). However, a number of grantees are working at a community level or with small and medium enterprises, where gender concerns are clearly present.

116. Of those organisations (government, private sector or NGO) working at community level, gender was given some consideration, but usually from a more pragmatic (rather than principled) perspective of increasing participation and seeking to increase participation of women. In most cases, implementing organisations were primarily interested in forest management, trade or conservation outcomes and there was limited capacity to understand and address gender mainstreaming at an organisational level. In the few cases where gender had been given a more explicit focus (such as the

¹⁴ FAO. 2012. FAO Policy on Gender Equality: Attaining Food Security Goals in Agriculture and Rural Development

¹⁵ Annex I to EC Contribution Agreement. Page 5

CARE-managed project in Uganda and the SFMI project in Vietnam) this was largely because of organisational priorities of the implementing agency, rather than because of requirements from the programme. More could be done to bring this programme up to international best practice on gender, particularly with regard to community level actions – including strengthening the role of women in decision making bodies (for example community forest management committees) and increasing participation in small and medium forest enterprises and their respective associations.

5.3.2 Human Rights Based Approaches

117. Although FAO has no internal policy document that commits itself to a rights based approach in its work, it has advocated for key rights (such as the right to food) in various policy documents at an organisational level. The FAO FLEGT programme reflects this position, by not explicitly committing itself to a rights based approach in its work, but implicitly, through many of its actions, promoting aspects of procedural rights relating to transparency, disclosure, information and participation in decision making. A number of projects that work with rural communities, work through a rights based approach, by empowering rights holders hold duty bearers accountable for their actions (both in the private and governmental sectors). This would include work supported under independent forest monitoring and work related to advocacy and voice for marginalised, forest-dependent communities. The programme also works closely with duty bearers (mostly government, but in some cases also private sector timber interests) to meet their obligations more effectively. A good example of this can be seen in Cameroon, where the FAO FLEGT programme supports the Ministry of Labour and Social Security to strengthen attention to workers rights (including aspects of wage, health and safety, living conditions and contract terms) within the context of the VPA.

5.3.3 Civil Empowerment and Partnerships

118. Of the three stakeholder groups targeted by both phases of the FAO FLEGT programme, NGOs have been the most effective in securing funds, accounting for just over 50% of all endorsed projects from the ACP FLEGT Support Programme and 48% of endorsed projects from EU FAO FLEGT programme to date. Given that most of the organisations funded are national NGOs, this alone represents an important contribution to supporting such organisations, contributing indirectly to civil empowerment. Although FAO funds were often seen as valuable and important, most organisations supported already had a track record of donor funding and as such, FAO funds were rarely of critical importance to NGOs survival.

119. Looking at the activities supported by the programme, many NGOs reported that funds had been used in the establishment of platforms or forums, at which NGOs were given a voice with which to engage with and influence FLEGT processes. 22% of respondents in the online survey reported that as a result of the programme, they had increased their participation in FLEGT decision-making processes, which represents an important civil empowerment outcome.

5.3.4 Capacity Development

120. Capacity development has not been an explicit goal or outcome of either phases of the FAO FLEGT programme, although over time, increasing emphasis has been placed in this area. Furthermore, a number of grants have been developed specifically with the goal of capacity development in mind, particularly within government. Work undertaken on the more complex aspects of legality definitions, timber legality assurance systems,

traceability and chain-of-custody systems are all undertaken to develop procedures and capacity within government and other stakeholder groups to support an effective and transparent timber trade. When interviewed, many NGOs stated that the programme had strengthened their capacity in more technical areas related to FLEGT through a “learning by doing” approach, although the programme had relatively limited opportunities for more formal training and capacity development. In the online survey, 31% of respondents stated that the programme had provided their organization with a “significant” increase in capacity with 20% stating that capacity gains had been “moderate” and 10% stating it was “limited”. Furthermore, when asked to describe key outcomes of the programme, 38% of organisations specified capacity development as one such area.

121. Training has been provided in central Africa on subjects such as financial management, project cycle management (including proposal writing), forest governance and communication. One example of where targeted capacity development had been supported by the programme can be found in the training provided by CIDT /University of Wolverhampton on project cycle management that was run in several countries across west and central Africa. Many grantees appreciated the efforts made to synthesise lessons learned in central Africa, but would welcome more opportunities for cross country learning and peer-to-peer exchanges.

5.3.5 Information management and knowledge dissemination

122. Information and knowledge management have been explicit outcomes of the both phases of programme support (appearing as one of four “results” in the ACP FLEGT Support Programme and one of three results in the EU FAO FLEGT programme). A range of useful and well-produced outputs have been generated by the programme including key lessons learned documents, news letters (together with EFI FLEGT Facility), as well as “white papers” and other technical working documents. Financial support to implementing organisations has resulted in a significant body of information and communication materials being produced within target countries. These outputs have been summarised in section 5.1 of this report

123. The PMU has had less control over the quality of materials produced by third parties and unsurprisingly, results have been rather mixed. Although the materials obtained by the review team from in-country visits appear to be of good quality, concerns have been raised to the evaluation team by government agencies as well as other FLEGT service providers (such as EFI FLEGT Facility) regarding the quality, accuracy and consistency of information produced by third parties supported by the programme. FLEGT actions (particularly within the context of VPAs) are often complex and technical by nature, and are therefore prone to misinformation without close supervision and quality assurance – something that the programme is unable to provide given its low staffing capacity and the dispersed nature of projects. Furthermore, language constraints (particularly in South East Asia where national languages fall outside the five “official languages” of FAO – English, French, Spanish, Arabic and Chinese). Furthermore, materials produced by implementing agencies have tended to be generated in standard printed formats, rather than experimenting with other media (such as radio, drama, social media, newspaper and other alternative channels of communications).

6 Analysis by evaluation criteria

6.1 Relevance

124. The programme has shown, and continues to show high levels of relevance across all countries supported. The growing number of applications, sent from countries around the world and from government, NGOs and private sector organisations testifies to its utility value. Illegal logging and the related trade in timber products are concerns across the tropics. Even in countries that do not export large volumes of timber (such as Uganda), growing awareness from civil society is highlighting the negative impacts of the illegal timber trade on governance, development and forest management. Increasingly, forest governance and illegal logging is entering the vocabulary of government forestry agencies and interest is growing from within government on how these deep-seated problems can be addressed. Thus in both VPA and non-VPA countries, the programmes objectives and strategies being pursued are highly relevant. Funding provided to implementing agencies fills important financing gaps, complements other on-going actions and generates catalytic outcomes. Governance reform takes time, involving legislative and institutional change, participatory planning and decision making and greater collaboration between different stakeholder groups. The programme, as current designed, is able to meet these demands.

125. For FAO, both phases of the programme have been relevant and consistent its own strategic objectives being pursued at a global and country level. In particular, the two phases of support to date have supported FAO's Strategic Objectives 2 ("make agriculture, forestry, fisheries more productive and sustainable"), SO 3 ("reduce rural poverty") and SO 4 ("enable inclusive and efficient agricultural and food systems"). For the European Union, the programme is an important strategy for implementation of its FLEGT Action Plan. Strong co-ordination between EU Delegations and the programme secretariat ensure that proposals are adjusted to ensure integration and relevance to on-going FLEGT processes and plans.

6.2 Effectiveness

126. The programme is effective in delivering its planned outputs. Stakeholders consulted feel that the programme is an effective tool to finance actions that other more rigid financing mechanisms may left uncovered. The 12-month limit on financing means that longer term actions (such as independent monitoring and policy review processes) cannot be effectively addressed by this programme without repeated funding to individual organisations pursuing these objectives. Staff members working on the programme are capable, skilled and effective in their work. The programme is effective in co-ordinating with complementary organisations working at the national, regional and international levels of FLEGT and VPA processes. A well designed and robust system established by FAO allows real-time tracking of progress, activities and finances across grantees in all countries. The programme has been less effective, however, in monitoring overall programme results and outcomes despite a recommendation to this effect in the mid term evaluation of ACP FLEGT Support Programme. Currently, the programme is well on its way to meetings its own planned outputs. Under the first result area, the programme aimed to deliver 30 projects, a target which has already been exceeded: with 60 projects and direct assistance actions approved to date in VPA countries and 33 projects and direct assistance actions approved in non-VPA countries.

6.3 Efficiency

127. The programme is perceived by donors and partners as being economically efficient and representing good value-for-money. A lean PMU in Rome, supplemented by two full time staff in regional offices and national consultants contributes to the programme efficiency. However, there are concerns that excessive centralisation of the programme and limited staff may lead to problems in terms of verification of project activities on the ground and due-diligence in the selection of the projects. This has been addressed to some degree by the decentralisation of two staff members to Latin America and South East Asia regional offices. Increased efficiencies have been sought at the national level through an increased reliance on staff within FAO country offices and the use of national as well as regionally based consultants. Although decentralisation within the FAO has its administrative challenges, it is clear that increased incorporation within the FAO network would bring added-value to the programme.

6.4 Impact

128. The theory of change presented in Figure 1 defines three impact areas – forest governance and legality improvements; livelihood benefits for forest dependent communities and improvements in forest condition and environmental services. With regard to the first impact area (**governance and legality**) evaluation findings from Ghana and Uganda points to some important local level impacts in terms of reduced levels of illegal logging within government-managed forest reserves. Within the context of the Tropenbos implemented project (see Text Box 1), both the concessionaire and the illegal chainsaw lumber operators reported an estimated 75% decrease in illegal chainsaw lumber activities in project-supported areas. This concept has the potential for translating into national level reduction in illegal chainsaw lumber activities which is reported to account for 85% of the domestic market should the concept be up taken nationally. Similarly, a concession holder reported of an observable reduction in illegal activities in the Asenayo Forest Reserve where RMSC implemented a community collaboration project under the programme. In Western Uganda where CARE-supported activities on empowering communities to report forest crimes through a mobile phone communication platform, the project reported increased reporting of illegal activities at district-level forums, and a reduction in illegalities over time. Overall, indications of impact are strongest in Africa, where activities have been implemented over two phases of programme support and in many cases, activities within particular countries have reached a critical mass in terms of number and duration of action. With regard to the second impact area (**livelihoods**), impacts are being realised in the context of field-level actions such as support to small and medium forest enterprises (largely owned by individuals and families) in countries such as Uganda and Ghana. Communities supported by FOE Ghana indicated livelihood improvements through the signing of Social Responsibility Agreements with timber concessions as well as trees planted (and registered) on their own lands. In Cameroon, support to community forestry initiatives is resulting in improved incomes from sustainable and legal harvesting and sale of forest products. The Kadey Association of Community Forests – (ASFOCKA) stated that revenues from timber harvesting by members had increased from CFA 25 to 40 million since 2010. With respect to the third area (**forest condition / environmental services**), there is little evidence to show how the programme has contributed to this indicator. Anecdotal information gathered by the team from Ghana and Uganda indicates signs of forest recovery due to reduction in illegal logging. In Ghana, both local communities as well as the concession holder reported

improvements in forest management in the Asenayo Forest Reserve, which should lead to improvements in forest condition.

129. Despite these local success stories, the degree to which these actions are being translated into broader national level impacts (such as reduced levels of national illegal logging) appear limited at present. In general, NGOs have been successful at working with government staff within respective ministries, with a view to influencing legal and regulatory reforms and important outcomes have been achieved in this regard. However, in general, there has been limited understanding among civil society actors of the broader political economy aspects of forest governance, manifested by limited skills in political engagement and high-level advocacy. Thus, while many projects receive government administrative support for the technical aspects of FLEGT reforms, failure to engage political players and address underlying governance failures is leading to limited support at higher levels.

6.5 Sustainability

130. Projects that have been strategically designed to trigger or leverage longer-term actions, through “catalytic” actions have been able to deliver outcomes beyond their project life. This has included projects where deliberate measures have been designed and implemented to influence the actions and policies of key institutions. 20% of organisations responding to the online questionnaire stated that FAO-funded actions had been used to influence the actions and policies of other implementing agencies. As discussed in section 5.2, FAO support, although small, appears to have been instrumental in assisting organisations leverage other sources of FLEGT funding, thereby strengthening sustainability prospects. 27% of organisations responding to the online questionnaire stated that they had been able to secure additional funding beyond the project life to sustain work started with FAO support. In some projects, inadequate attention was given to questions of sustainability. For example, in Ghana, Nature and Development Foundation (NDF) received funding to support government to undertake management plans for selected forest reserves. As a core government responsibility, this sort of “gap filling” work, although important, may in fact reduce demands on government agencies Forest Commission to take up their management planning and law enforcement obligations. Also in Ghana, the Resource Management Support Centre (RMSC) undertook awareness raising at community level on illegal logging and then supported them to monitor illegal logging activities. However, RMSC admitted that activities had come to a standstill following the end of financial support from FAO and no measures taken to incorporate these costs within the recurrent budget of government agencies or other actors.

7 Conclusion

131. This section provides overall conclusions on performance based on the eight key questions that were defined in the terms of reference for the evaluation and presented in section 1.2

132. Has FLEGT-related information and knowledge been effectively collected, analysed and disseminated across and between the targeted countries? The programme has played two important roles in this regard. Firstly, the programme has itself collated and disseminated FLEGT related information and knowledge through interaction and learning events conducted with grantees. This has resulted in a number of valuable knowledge products, particularly from central Africa where the programme has worked longest. Secondly, the programme has supported governments, civil society and private sector organisations to collect, analyse and disseminate information and knowledge products. Much useful work has been done here, but reports from the field indicate that more work needs to be done to support grantees in the production of these knowledge products, to ensure that information remains “on-message” and to explore new and innovative ways to transmit information (other than through the standard approaches of written reports and workshops). Furthermore, with the number of grantees and direct assistance grants increasing in both South East Asia and Latin America opportunities exist for more inter-regional lesson learning to ensure that valuable lessons from Africa are shared and disseminated elsewhere.

133. Have the FAO small grant schemes and direct assistance been effective in VPA-countries as well as the other targeted developing countries? Evidence collected from in-country visits, interviews and from the online questionnaire indicate a high effectiveness of both small grant schemes and direct assistance in both VPA and non-VPA countries. With relatively small amounts of funding and low levels of external support governmental, civil society as well as private sector organisations have been able to develop and implement relevant and effective actions to support the implementation of FLEGT processes within their respective country or regions. Grants have been most effective when they have been used strategically and catalytically, and in ways that strengthen opportunities for replication, adoption and scaling up by other like-minded organisations. Longer-term investments such as legal and policy reviews as well as independent forest monitoring are less suited to the time and budgetary constraints imposed by the programme and therefore have been less effectively addressed by the programme.

134. Have the FAO small grant schemes and direct assistance complemented and bridged the gaps in forestry governance processes? The programme occupies an important niche – namely the provision of targeted support (both financial and technical) to implementing organisations working on FLEGT. With a support going to a total 151 grantees covering 184 projects in 52 developing countries, no other programme has been able to come close to supporting initiatives so widely across all major developing countries involved in timber exports.

135. Have the FAO small grant schemes and direct assistance created a platform for inclusive planning, consultative policy-making and empowerment of non-state actors? The programme has supported many multi-stakeholder processes around FLEGT, through which voices and positions can be effectively articulated. Civil society organisations in

particular have been able to establish inclusive platforms through which a consolidated voice can be heard. Participation by the private sector in the programme has been below expected levels and as a result the inclusion of concerns from this sector have been lower than desired. Voices from small and medium enterprises (a group that have been negatively impacted by VPA processes in some countries) have been able to secure funding to advocate their position in countries such as Ghana and Cameroon, but more work needs to be done in this regard. Low levels of participation from the private sector is caused by a number of reasons, not least the complex and changing environment (political and market) that private sector entities operate in within producer countries. Capacity gaps within national associations, as well as limited if any experience in managing donor funds also reduces uptake and applications from this important stakeholder group.

136. Have the FAO small grant schemes and direct assistance leveraged VPA negotiation and/or implementation in VPA countries and fostered good forestry governance in the targeted non-VPA countries? In VPA countries, where the intensity of programme activities has been highest, many projects have had a direct contribution to enriching and deepening VPA negotiation as well as implementation. Concerns from stakeholder groups have been effectively communicated in countries such as Ghana and Cameroon and increasingly in Vietnam. New models, developed in the field in Cameroon and Ghana are being seen by government as promising new approaches for improving the legality of small and medium forest enterprises. In non-VPA countries, there is less clear evidence of improvements in forest governance, due to the limited number of projects in these countries and the lack of prevailing enabling policies. In Uganda conditions are being created for forest governance impacts, but political will is now needed to ensure that these positive signs are translated into action at the policy and field levels.

137. To what extent does the FAO small grant scheme and direct assistance have a strategic fit with FAO work at country and regional levels? Many of the FAO country offices visited by the evaluation team have country programme frameworks (CPFs) that include elements of sustainable natural resource management including forestry. FAO HQ has developed a clear strategic plan into which all programmes (whether implemented at global, regional or national level) must contribute. Furthermore, FAO is undergoing a programme of decentralisation from headquarters to the field. Despite this there was little evidence of measures taken by the programme to integrate programme activities within those of country offices and as such opportunities for policy level and institutional linkages and synergy are being lost.

138. Have the FAO small grant schemes and direct assistance been vetted, monitored and evaluated properly? The programme is well managed, ably staffed and has established transparent, effective and robust systems for soliciting, screening, selecting and monitoring progress of grantees across both VPA and non-VPA countries. A technical committee reviews, comments upon and makes recommendations to the PMU and steering committee, while a thorough process of due diligence ensures that organisations have a suitable track record and internal capacity to enable them to implement activities effectively. The evaluation of outcomes and their contribution to overall programme level impacts (namely the implementation of the EU FLEGT Action Plan) has proven a challenging task and limited progress has been made by the programme in this regard to date. Proposals have been made for programme-level outcome and impact monitoring but this is likely to place increased workload on both grantees and programme staff if this information is to be effectively reported, captured and aggregated.

139. *Are the FAO advisory services, guidance and training on FLEGT related issues effective?* Technical advisory services and training have not been an explicit objective of the programme. The presence of the European Forest Institute's FLEGT Facility in all VPA countries has ensured that technical support in the negotiation and implementation of VPAs has been fully addressed and as such, FAO's technical advisory services have been less than would have been otherwise. However, FAO provides valuable support at the country level in the broader aspects of forest governance and important work is being provided in collaboration with partner programmes such as UN-REDD, Forest Governance Monitoring, Forest and Farm Facility as well as supporting law enforcement efforts through UNODC. Training events in Central and West Africa have been undertaken through service providers such as CIDT, which have been useful in building skills in project cycle management and forest governance.

8 Lessons learned

140. Many of the lessons learned relating to the implementation of VPA and FLEGT processes have been well documented in various publications¹⁶ and there would be little value in repeating these here. Instead, more “process-related” lessons are presented regarding the design, establishment and implementation of a global FLEGT support programme.

141. **The need for delivering technically robust outputs at minimal financial risk has to be effectively balanced with supporting low-capacity national NGOs:** The programme has illustrated the important aspect of balancing trade-offs, between the necessity for delivering high-quality, technically robust projects on one hand (for example through use of INGOs and high-capacity service providers) and supporting low capacity (“un-bankable” or “emerging”) local NGOs on the other, many of whom have not yet received external funding. (Empowering civil society). Supporting only high capacity organisations risks excluding a broader base of arguably more legitimate, but lower capacity organisations. The former ensures that projects are delivered that maximise opportunities for strong technical outputs, with minimal risk and managerial oversight from the programme, while the latter may have associated impacts on strengthening in-country civil society capacity and voice, but with higher administrative and financial risk to the programme. The lesson learned by the programme is that with minimal staffing capacity and associated administrative and financial support at the programme level, the degree to which smaller and more “emerging” NGOs can be supported remains limited.

142. **Demands from government agencies in producer countries for oversight and co-ordination of projects need to be balanced with the need for ensuring civil society independence and autonomy:** NGO and private sector applicants are required to provide the names of persons within relevant government ministries (forestry agencies). References are used to verify that the government is aware of the proposal and that it has been discussed within the national forestry development context. Some government personnel met with during the review expressed concern that this requirement was too loose and that instead, government approval or endorsement was needed. While this would potentially ensure that all non-state activities are fully integrated with and aligned to government priorities, it risks filtering out those NGOs that were seen by government as critical. Balancing this trade-off has to be carefully managed to avoid loss of ownership by government as well as declining relevance, while maintaining the important and independent role played by non-state actors in FLEGT negotiations and implementation.

143. **The strengths of a bottom up, demand driven approach have to be reconciled and balanced with the need to develop and maintain a strategic and country-driven focus.** One of the great strengths of the programme has been its demand-driven nature and that applicants can develop their own interventions in ways that meet their own organisational needs as well as those of the wider FLEGT agenda. At the same time, this evaluation has pointed to the risks that this approach brings in terms of an absence of programmatic coherence and strategic alignment. Time, effort and resources are needed if a more coherent and programmatic approach is to be engineered at country level, which

¹⁶ See for example: FAO 2012. Compendium on experiences from the VPA process in West and Central Africa and FAO 2014. The VPA Process in Central and West Africa: From Theory to Practice

necessarily generates more transaction costs for the programme, its applicants and in-country partners.

144. While programme outputs and outcomes may be broadly similar between VPA and non-VPA countries, the condition and context for implementation varies significantly: The programme has illustrated how the presence of a VPA influences and shapes the programme response. In countries with an on-going VPA, there is a much greater need for co-ordination and complementarity, as applications need to support and contribute to the higher level policy framework being developed by VPA negotiations. This, to some degree, restricts the scope and activities of non-state actors. This greater transaction cost and reduced flexibility is balanced however, by the fact that non-state actors have a framework in which they can work and secure higher-level outcomes related to policy and governance. In a sense, the VPA creates political will, into which non-state actors can contribute. In non-VPA countries, the opposite tends to be the case: there is higher flexibility and freedom to experiment and implement different actions (as NGOs are less encumbered by the presence of a VPA action plan) as well as a reduced need to ensure alignment with the higher level policy framework. However, the absence of a VPA, means that FLEGT stakeholders (whether civil servants within forestry administrations, NGOs or private sector) need to create political will from their own actions, which in turn places greater demands for NGOs to implement effective advocacy and lobbying around forest governance issues.

145. On the challenges of implementing effective impact and outcome monitoring: A multi-country, demand-driven and multi-stakeholder programme, by nature delivers a huge variety of different interventions implemented at community, sub-national, national and regional levels. The outcomes and impacts of such actions are also highly varied, which makes the monitoring of collective impact (country or programme-level) extremely challenging without imposing an unduly cumbersome system on already stretched programme staff or grantees. Lessons learned from this programme point to the need to develop a more “light-touch” outcome monitoring system that is still able to point to key impacts being developed at the country or programme level.

146. The need for nationally-relevant, country-driven projects has to be effectively balanced with standardised approaches for screening and reviewing project applications from different countries: This review has pointed to the challenges of developing nationally-relevant project proposals, that respond to the complex and evolving needs of FLEGT / VPA negotiations and processes with the need to maintain a standardised, transparent, and independent framework for vetting, screening and selecting projects. There is a need to balance the two objectives of ensuring transparency with maximising local relevance. By pursuing one of these objectives too rigorously, there is a risk that the other objective will be undermined and as such, a delicate balance is required – one which, on the whole, the programme manages to maintain.

9 Recommendations

147. Eight recommendations are presented below following the findings and conclusions presented above. Recommendations are presented in a way that proposes the overall direction needed, but without giving a high level of detail on specific actions required – rather a series of options that could be considered by the PMU and programme steering committee. Many of the proposals made have implications in terms of staffing, capacity and resources, and will need to be considered in this light. Furthermore, some proposals may need to be implemented progressively over time through a gradual approach as it may be impractical or unrealistic to make radical changes at short notice. Finally, given that many policy decisions relating to the shape and direction of the EU FLEGT Action Plan will be made in the coming months, it will be necessary to maintain the flexible and adaptive approach (described in Section 4.3), allowing the programme to adjust in response to changing policy directions at higher levels.

Recommendation 1 – to FAO and to the PMU

The programme should develop a more strategic and programmatic approach at country level by investing in co-ordination, information, and learning events before, during and after call for proposals are announced. Strategic partners should be engaged to work more closely with private sector associations and on capacity building of national NGOs. Longer term, strategic grants could support this approach. Joint proposals should be encouraged as well as proposals that maximize opportunities for scaling up interventions, national engagement and other catalytic actions. Proposals from international NGOs should include a clear element of support or capacity building to national NGOs or associations.

148. This evaluation has pointed to the need to develop a more strategic and programmatic approach to interventions supported at country level, in ways that increase the relevance and application of individual projects, strengthen links between actors and actions supported and strengthen opportunities for “upstream” impacts related to institutional change and improved policies. If this is to be achieved, an investment will be required to undertake more strategic co-ordination of players within country. This could be undertaken by FAO staff, but would be more effectively managed through some form of longer term, strategic partnerships with service providers. For NGOs and private sector organisations, service providers can be identified with experience in mentoring, coaching, training and co-ordination and a longer-term role provided to them¹⁷. Strategic partners can be used to identify and where relevant, coach organisations with regard to project cycle management, finance and administration as well as M&E skills. Longer-term grants could be used to support such partners and processes. Specifically, strategic partners could be used to:

- Help prospective applicants to meet up before call for proposals to identify key areas in need of support, within the current “state of play” of FLEGT/VPA negotiations or processes

¹⁷ Potential partners for national NGOs could include Well Grounded or FERN, while partners for private sector organisations could include Association Technique Internationale des Bois Tropicaux (ATIBT) or The Forest Trust (TFT)

- Facilitate meetings with implementing partners to ensure exchange of experiences, co-ordination and synthesis of lessons learned
- Facilitate meetings with past and present implementing organisations to identify and extract key policy messages of relevance to the evolving FLEGT legal and governance framework
- Provide targeted capacity building to NGOs and private sector associations on organisational as well as technical issues (such as advocacy)

149. In countries where the programme has yet to develop a critical mass of projects there is a need for more deliberate outreach process to inform and engage potential applicants about the programme. Specific steps will be needed in some countries (such as Thailand and Vietnam) to identify private sector organisations of different sizes, but particularly those working with small and medium enterprises and ensure that they are fully briefed and aware of the programme. In other countries (such as Cameroon and Ghana) there is a need to “widen the net” of implementing organisations in order that new and emerging organisations are informed and supported. Overall, there is a need to focus support of this programme to a fewer number of countries and to aim to reach a critical mass of projects per country supported.

150. In VPA countries, where demands for synergy, alignment and coherence with emerging FLEGT regulations are high special measures may be needed to maximise relevance of project proposals. This could involve the screening and selection of concept notes through the international panel of experts, but the development of full proposals to be done in collaboration with an in-country committee composed of government, the EU Delegation, EFI FLEGT Facility (where available), FAO, NGO and private sector representatives. This would ensure that proposals are “tuned” to reflect in-country priorities. Co-ordination meetings, hosted by government, prior to calls for proposals could also ensure that NGO and private sector applications remain relevant and finely tuned to emerging national needs. Given government capacity it may be necessary to provide external facilitation to support such processes.

151. A more programmatic approach can be developed through the option of joint applications in subsequent call for proposals. This could include government and NGOs collaborating (for example with government outsourcing certain aspects to NGOs, while government focuses on policy and institutional aspects), or private sector and NGO collaboration (for example around training and capacity development of private sector organisations). If considered appropriate higher budget ceilings could be considered for joint proposals (given that multiple organisations would be applying). By submitting joint applications, and implementing joint projects, organisations will be able to build on each other’s expertise and needs and foment cross-fertilization of interests. This should also contribute to building a stronger strategic coherence of funded actions and help remove stakeholder groups from their programmatic “silos”.

152. Actions should be favoured that are catalytic by nature with the potential for leveraging greater impact, rather than “business as usual” projects with no clear plans for transferring knowledge, linking to policy or influencing higher level processes. Where appropriate, selection of proposals should be directed towards those applications that demonstrate clear plans and processes for advocacy and influencing actions with a view to sustaining activities beyond project funding. This will be particularly important when funds are proposed to test, pilot or develop specific models related to FLEGT / VPA implementation. This is particularly relevant for NGO networks, platforms or

associations, which are arguably better placed to pursue national advocacy initiatives than individual NGOs.

153. To avoid the situation where international NGOs (INGOs) are competing for limited funds with national NGOs, INGO proposals should contain clear linkages to and partnerships with national NGOs, including measures to build their capacity with a view to them taking over lead implementation roles in the future. Alternatively, INGOs should demonstrate their specific critical role in the country where they are applying for funds, and that there are no local NGOs able to fulfil that specific role.

154. The question of reaching a “critical mass” of projects has been raised throughout this evaluation. As such, it will be important to focus and concentrate financial resources in those countries where there is a strong demand for FLEGT and VPA implementation. This will avoid the problem of having one or two projects in many countries, which reduces opportunities for collective impact and increases transaction costs for the PMU (particularly with regard to travel). This will involve the development of transparent criteria for selection of countries, and should continue to work with VPA countries (ie those implementing or negotiating VPAs) and “non-VPA” countries (including those considering VPAs and those who have explicitly decided against VPAs).

Recommendation 2 – to FAO and to the FAO PMU

The programme should develop measures to expand participation from private sector associations in VPA and non-VPA countries. This will involve developing a better understanding of private sector needs, interests and constraints, developing a separate modality for supporting the private sector through working with private sector representative organisations within priority countries, engaging strategic partners with skills and experience in working with private sector and expanding entry points to private sector support.

155. If private sector engagement is to be increased in the third phase of FAO FLEGT support a more robust understanding is needed regarding the drivers and disincentives of participation by the private sector in FLEGT and VPA processes. Recent research conducted by FAO and EFI in Cameroon suggests assumptions used by donor agencies are over-simplistic and a more nuanced approach will be needed that takes accounts of increasingly complexity within the market. A proposal has been made in the Phase III programme document to create a direct assistance modality for private sector associations, rather like the one developed for government. The review team propose an approach that would work through a alternative project modality, with one full time staff member responsible for delivering support to the private sector. Furthermore, support could then be provided to these intermediary organisations to develop tailored services for their member companies to address issues in line with the priorities of the FLEGT agenda. Some analysis has already been done on identifying the type of needs, that companies have in dealing with the FLEGT agenda. This could serve as a basis for the project manager to develop a project Programme strategy and service offer, based on a more traditional model of private sector support programmes.

156. Support is needed in raising awareness of private sector entities on new legality requirements, as well as ensuring that the interests of the private sector (including small and medium enterprises) are represented in negotiations. However more will need to be done in terms of identifying, coaching and mentoring prospective private sector

associations to overcome the current capacity gaps and barriers to their engagement. The development of strategic partnerships with private sector support agencies such as TFT and ATIBT could be one way in which such assistance could be channelled more effectively to local organisations in producer countries. Furthermore, it will be necessary to expand the potential entry points to small-scale private sector support, to include syndicates, unions and quasi-governmental bodies such as chambers of commerce. Working more directly with government bodies involved in trade (such as ministries of commerce) could also support private sector engagement. Given concerns from private sector that FLEGT measures may increase transaction costs by placing additional requirements on legality assurance, as well as social and environmental safeguards, the programme should foster initiatives that have the potential for reducing private sector transaction costs while meeting VPA requirements. Finally, developing a thematic area within the call for proposals on private sector engagement (and in particular small and medium enterprises) might help further incentivise private sector engagement and remove the perception that the call for proposal is mostly directed towards NGOs.

Recommendation 3 – to FAO and to the FAO PMU

The programme should strengthen political engagement and advocacy and lobbying processes by NGOs working in the programme

157. The review has pointed to the need to support non-state actors engage more directly and “intelligently” with governance and political processes rather than assuming that change can be leveraged with civil service and administrative organs of government. This could involve the development of focused training for NGOs on analysis and assessment of governance constraints (such as root cause analysis) as well as the development of focussed advocacy strategies. Working with and reaching out to NGOs with more explicit human rights based or legal backgrounds could further strengthen the development of a broader approach to holding government and private sector organisations to account. Where rights have been encroached (through infringements by logging companies) support could be provided to community groups and grass-root organisations for public interest litigation processes.

Recommendation 4 – to FAO and to the FAO PMU

The programme should strengthen attention to gender issues within the programme

158. Greater attention to gender issues is needed in Phase III of support. An initial activity for the inception phase should be a comprehensive gender analysis that can assess more specifically how and where gender issues could be mainstreamed within the programme. Useful inputs to this could be gained from DFID who are conducting a similar review for their FGMC programme. This could include options such as including gender considerations as scoring criteria for all forms of support (call for proposals and direct assistance), supporting gender training for grantees and developing guidelines for gender-based monitoring (where relevant). Opportunities for increasing gender-based approaches appear higher within the context of activities that are carried out at community levels.

Recommendation 5 – to FAO and to the FAO PMU

The programme should strengthen the role of FAO Country Offices and support the overall process of decentralization being pursued by FAO at a global level

159. One of FAO's comparative advantages is its almost global presence at country level. However, the programme has yet to capitalise fully on this. There is therefore a need to increase the integration of the programme within FAO Country Office structures in line with the planned decentralisation agenda being pursued by FAO HQ. The FAO Country Offices can play an important role in various key areas of project management when the number of grantees within a given country rises above a handful of projects (reaching a critical mass of around 5- 10 projects). Potential roles could include supporting the selection process, in particular with regard to due-diligence and screening. Occasional visits to grantees to review progress would also cement relationships locally. They may also be better placed to promote the programme to a wider audience of beneficiaries and further strengthen sector dialogue with the Government as well as ensure a higher level of coordination with initiatives on the ground including with the FFF Programme. This will necessitate the allocation of additional resources to Country Offices and in some cases the hiring of a National Programme Officer or National Consultant. This recommendation will have to be implemented gradually over time, starting with those country offices that show interest and where significant numbers of projects are operational. At the regional level, efforts could be made to strengthen the integration of regional (regular programme) staff – for example with the allocation of modest financial sums to enable such staff to undertake monitoring work while on other in-country tasks. Including regional staff in programme steering committee meetings or other convened events could also strengthen ownership and participation of regional and sub-regional offices in programme activities.

Recommendation 6 – to FAO and to the FAO PMU

The programme should strengthen the exchange of experiences and lessons learned between projects, countries and regions.

160. In the transition between the second and third phase of funding, there is a need to strengthen lesson-learning processes across and between regions. Many useful experiences have been gained obtained across the 52 countries supported to date. As new projects develop in Asia and Latin America, there is a need to ensure cross-fertilisation of these experiences and lessons learned in west and central Africa. Potential “innovation areas” observed by the evaluation team that could benefit from wider dissemination include the Livelihood Impact Assessment (LIA) process used in Vietnam, specific approaches and tactics relating to advocacy and influencing (across many countries), independent forest monitoring being developed in Central Africa, using public timber procurement as a tool for incentivising governance reforms (Uganda and Ghana), cross-border collaboration (Guatemala and Belize), formalising small and medium forest enterprises (Ghana, Cameroon and Uganda). Facilitating exchange visits, regional meetings and other lesson learning processes could support this as part of a more coherent strategy for knowledge management.

Recommendation 7 – to FAO and to the FAO PMU

The programme should strengthen outcome and output monitoring as well as articulate how the programme has contributed to broader FLEGT/VPA impacts. This will require the elaboration of a clear theory of change and agreed logical framework

161. The programme is taking steps to strengthen its impact monitoring. However, current impact monitoring proposals appear ambitious and potentially beyond the reach of the secretariat at current staffing levels as well as grantees. As such a “lighter touch” approach to M&E is needed that pursues multiple lines of inquiry and uses different approaches, rather than a single approach that can be aggregated across the whole programme. Impact monitoring consultants can be engaged to work with grantees at the country level to identify and track outcome-to-impact pathways, through the use of “outcome harvesting” approaches. Online surveys (such as survey monkey) can be designed and sent out on an annual basis to explore aspects of outcome, attribution and impact. During the inception phase of the new FAO FLEGT Programme, efforts should be directed to establishing and agreeing a clear theory of change, results chain and logical framework with a consistent terminology that defines activities, outputs, outcomes and impacts as well as indicators. Collaboration with the EFI FLEGT Facility’s work on developing impact-monitoring procedures should be sought as useful lessons and ideas could be exchanged.

Recommendation 8 – to FAO, FAO PMU and EFI FLEGT Facility

The programme should ensure that private sector concerns and interests regarding the need for interim legality assurance measures in countries that are negotiating VPAs are communicated to higher-level policy forums with a view to identifying possible opportunities that do not undermine VPA negotiations

162. While differences of opinion may exist between individuals within EFI FLEGT Facility and FAO with support to EUTR within the context of VPA negotiation and implementation processes, the issue goes beyond the two institutions – and ultimately to the level of the EU FLEGT Action Plan (and its next iteration). As such, the problem needs to be resolved at a policy (rather than at inter-institutional) level. The programme together with FAO as an institution will need to become more directly involved in the various working groups and forums in Brussels that are working on private sector, EUTR and the future of the EU FLEGT Action Plan. Specific questions that need addressing include the development of short-term measures and actions that can be promoted that meet private sector legality demands under EUTR but do not undermine the broader goals of VPA negotiations.

Annexes:

Annex 1: Summary of Terms of Reference

Annex 2: Brief Profiles of Team Members

Annex 3: List of documents reviewed

Annex 4: List of knowledge products developed by the programme

Annex 5: List of stakeholders and institutions consulted

Annex 6: Summary of online questionnaire

Annex 7: Summary of outputs: planned versus achieved