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4.7 Comparative evaluation of zero deforestation governance

TIM CADMAN, TEK MARASENI, TAPAN SARKER and HWAN OK MA

Introduction

This article assesses seven deforestation initiatives. The governance quality of a range of non-state zero deforestation initiatives, as assessed by stakeholder surveys, reveals a general level of satisfaction, but not overwhelming support. Respondents in developing countries felt that initiatives included their interests, but respondents in developed countries were less enthusiastic, and all respondents were concerned about the lack of resources provided for their participation. This assessment suggests that greater effort is required to build participatory capacity among under-resourced stakeholders, and to reach out to those with policy and community interests who feel excluded. Governance standards may also be required to demonstrate the legitimacy of these schemes.

Initiatives to combat deforestation

Voluntary standards have become a defining feature of contemporary environmental regulation (Clapp 2005; Mackendrick 2005). Standard setting in the forest policy arena has been identified as one of the best ways in which to address how the inevitable trade-offs that arise from interactions between civil society and the market play themselves out (Overdevest 2004). Various initiatives to combat deforestation have been developed since the UN Conference on Environment and Development in 1992 (the Rio Summit) and the Statement of Forest Principles, which was built on the concept of sustainable forest management and which uses criteria and indicators for evaluating sustainability and legality and certification and labelling of related forest products. In addition, the UN REDD+ programme aims to reduce emissions from deforestation and forest degradation in developing countries and has helped to bring forests into the global climate regime (Cadman et al. 2015). More recent efforts have



GREATER EFFORTS ARE REQUIRED TO BUILD THE PARTICIPATORY CAPACITY OF UNDER-RESOURCED STAKEHOLDERS.

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focused on deforestation-implicated supply chains, including the corporations that invest in and benefit from such activities.

The principal commodities driving deforestation are livestock and soybeans in Latin America, and palm oil and timber for pulp and paper in Southeast Asia. Although Africa produces similar commodities and also has high rates of deforestation, Brazil and Indonesia are the two largest sources of commodity-driven deforestation globally.

Several supply-chain programmes have arisen as a consequence of post-Rio Summit corporate and intergovernmental commitments. They include the Tropical Forest Alliance's TFA2020, created in 2010 with the aim of eliminating deforestation from agricultural production within ten years, and the New York Declaration on Forests in 2014, with the overall objective of reducing emissions from deforestation. The aims of supply-chain initiatives vary; some seek to achieve zero (gross) deforestation or zero (net) deforestation, or more simply, to ensure that supply chains are deforestation free.

The main method of assessment is to monitor company activities and report on the implementation of commitments to avoiding impacts on forests. Some initiatives are information platforms that engage directly with member companies and report on their own actions, whereas others report on corporate performance using data from a range of sources (Climate Focus 2016).

Initiatives assessed

The seven initiatives evaluated were selected because they were active across all major commodities (livestock, palm oil, soy and timber), were supply-chain oriented, and used criterion-type assessment and reporting methodologies:

- The Forest Trust, established in 1999, works with companies to provide a reporting and transparency platform against 14 commodities, using the information generated to track commodities and report on their environmental impacts.
- The Sustainability Consortium is also a membership-based organization. Since 2009 it has used a range of key performance indicators to evaluate companies.
- The Forests Program of the Carbon Disclosure Project (CDP) was initiated by the Global Canopy Project in 2009 as the Forest Footprint Disclosure Project, and made the transition to CDP in 2013. Companies in diverse sectors involved in forest-risk commodities may become signatories and report their performance.
- Forest Trends uses publicly available information for its Supply Change project. Since 2014 the project has collaborated with sources such as the CDP to track companies' commodities, commitments and extent of certification.
- Also since 2014, the Global Canopy Project's Forest500 initiative assesses the public commitments of companies, financial institutions and key players it identifies as leading actors in deforestation-implicated supply chains against a range of categorized indicators.

- The Supply Chain Transparency Network is another GCP programme. Since 2015, it has worked in collaboration with the Stockholm Environment Institute to encourage information sharing around reducing deforestation across supply chain initiatives, rather than directly targeting companies. The two organizations are also working on an online platform to track all commodities.
- In 2016, the Rainforest Alliance began developing an Accountability Framework, in collaboration with business and NGOs, to provide a more comprehensive, principles-based approach to monitoring corporate sustainability commitments by 2020, reflecting the objective of the Tropical Forest Alliance (Climate Focus 2016).

Approach

The various interactions between the actors seeking to address deforestation represent the main elements of what can be termed the governance systems of these initiatives. The structures and processes that these systems use to steer or coordinate stakeholder interaction provide important information about the efficacy and legitimacy of these initiatives. Initiatives gain legitimacy from the extent to which activities within them are consistent with a range of governance values and from how comprehensive these participatory and deliberative values are (Cadman et al. 2016).

A review of international relations and public policy literature reveals that participation within governance systems is meaningful if a broad range of interests is represented, is inclusive, treats stakeholders equally, and makes resources available — technical, institutional and financial support — for stakeholder involvement where capacity is limited. Responsible behaviour by participants is also important, and is determined by the degree of accountability and transparency that actors demonstrate to each other. Deliberation is productive if decision-making is democratic, with specified methods for reaching agreement, and, where agreement cannot be reached, for settling disputes. Implementation of these initiatives needs to aim to change the behaviour of actors that cause deforestation, and must ensure that the solutions are resilient, adaptable and long-lasting. In this way, the legitimacy of these initiatives has a close linkage to the quality of governance (Cadman 2011).

In a similar way, many forest sector programmes apply principles, criteria and indicators (Table 1) to operational activities that may be equally applied to the governance and institutional aspects of forest management (ITTO 2015). As a consequence of the Rio Summit and Agenda 21, principles, criteria and indicators are now widely used to evaluate environmental performance, including sustainable forest management (Rametsteiner et al. 2009). This enables consistent assessment by ensuring that each aspect under consideration is correctly positioned, avoiding overlap or duplication. Principles are the central values to be determined, usually divided into criteria, or categories for assessment. Since neither principles or criteria can be directly measured, they are characterized into indicators, or parameters, that can be assessed in a hierarchical framework (Lammerts van Beuren and Blom 1997).



Table 1. Principles, criteria and indicators

Principle	Criterion	Indicators
Meaningful participation	Interest representation	Inclusiveness, equality, resources
	Organizational responsibility	Accountability, transparency
Productive deliberation	Decision making	Democracy, agreement, dispute settlement
	Implementation	Behavioural change, problem solving, durability

Source: Cadman 2011 (reproduced with permission from Palgrave Macmillan)

Participants for this research were drawn from a 2015 study of the political economy of sustainable development (Cadman et al. 2015), and supplemented by calls posted on LinkedIn; the survey closed on 30 December 2016. The respondents came from 27 countries. Most countries had only one or two respondents: the USA had the largest number (ten), followed by Nepal (five) and the UK (four). Africa provided the largest number of respondents (14), followed by North America (11), and Asia (eight). Of the 47 individual respondents, 31 were from the global South (developing countries) and 16 were from the global North (developed countries). The largest sectors they represented were environment (21), academic (12), social (6), other (4), government (3) and economic (1). See Tables 2a and 2b.

Analysis

A number of caveats to the results should be noted, including the relatively small number of respondents and the uneven spread of respondents across sectors. The survey should be seen as a small “n” sample only, and largely anecdotal. The distribution of respondents also varied across the selected initiatives; some (such as the Rainforest Alliance’s Accountability Framework) are relatively new while others (such as The Forest Trust) are more established. Results for each initiative are broken down for analytical purposes into global North and global South.

Looking first at the overall results (far right-hand column), respondents appeared to be generally satisfied with the governance quality of these initiatives, with a score of 32.82 out of 55, or 60% (with rounding) — but not overwhelmingly impressed. Respondents from the South were more favourable (35.37 or 64%), compared to the North (30.27 or 55%), and the higher score from developing country respondents compared to their developed country counterparts is consistent across the initiatives. Interestingly, despite the small sample and the predominance of environmental stakeholders in the global North, the results concur with findings from another survey of market-based instruments in the sustainability arena with larger respondent numbers (Cadman et al. 2015).

Table 2a. Assessment of meaningful participation of seven deforestation initiatives
 maximum score: 25 minimum score: 5

Criterion	a. Interest representation Maximum score: 15; minimum: 3				b. Organizational responsibility Maximum score: 10; minimum: 2			Principle score
	Inclusive-ness	Equality	Resources	Criterion score	Account-ability	Transparency	Criterion score	
The Forest Trust Program (1999) – range of respondents: 13–15 North; 28–30 South								
Global N	3.00	3.07	1.40	7.47	2.57	2.71	5.28	12.75
Global S	3.57	3.17	2.28	9.02	3.17	2.93	6.10	15.12
The Sustainability Consortium Programme (2009) – range of respondents: global North: 13–15; 27–29								
Global N	2.40	2.57	1.47	6.44	2.29	2.43	4.72	11.16
Global S	3.55	3.46	2.36	9.37	3.21	3.11	6.32	15.69
CDP Forests Programme (2013) – range of respondents: global North: 13–16; S: 29–30								
Global N	3.19	3.00	1.50	7.69	2.80	3.13	5.93	13.62
Global S	3.93	3.41	2.41	9.75	3.48	3.34	6.82	16.57
Forest Trends Supply Change Programme (2014) – range of respondents: global North: 12–15; 30–31								
Global N	3.13	3.00	1.67	7.80	3.00	3.31	6.31	14.11
Global S	3.68	3.33	2.27	9.28	3.33	3.20	6.53	15.81
Global Canopy Project Forest 500 Programme (2014) – range of respondents: global North: 12–15; 28–30								
Global N	2.93	3.00	1.47	7.40	2.71	2.64	5.35	12.75
Global S	3.53	3.21	2.31	9.05	3.34	3.31	6.65	15.70
Stockholm Environment Institute and Global Canopy Project Supply Chain Transparency Network (2015) – range of respondents: global North: 12–15; 27–30								
Global N	2.93	2.79	1.60	7.32	3.36	3.43	6.79	14.11
Global S	3.40	3.36	2.32	9.08	3.36	3.18	6.54	15.62
Rainforest Alliance Accountability Framework Program (2016) – range of respondents: global North: 13–16; global South: 27–30								
Global N	3.14	2.67	1.44	7.25	2.87	2.87	5.74	12.99
Global S	3.70	3.50	2.25	9.45	3.43	3.29	6.72	16.17
Total average								
Global N	2.96	2.87	1.51	7.34	2.80	2.93	5.73	13.07
Global S	3.62	3.35	2.31	9.29	3.33	3.19	6.53	15.81
All	3.29	3.11	1.91	8.31	3.07	3.06	6.13	14.44

Notes: fields in blue are the highest-scoring indicators; light brown the lowest; scores in dark brown did not meet the threshold value of 50%; November–December 2016.

Table 2b. Assessment of productive deliberation of seven deforestation initiatives
 maximum score: 30 minimum score: 6

a. Decision-making maximum score: 15; minimum: 3				b. Implementation maximum score: 15; minimum: 3				Prin- ciple Score	Total, Tables 2a and 2b
Democracy	Agreement	Dispute settlement	Criterion score	Behavioural change	Problem solving	Durability	Criterion Score		
The Forest Trust Program (1999) — range of respondents: global North: 13–15; 28–30									
2.69	3.46	3.15	9.30	3.50	3.50	3.29	10.29	19.59	32.34
2.86	3.14	3.10	9.10	3.50	3.48	3.45	10.43	19.53	34.65
The Sustainability Consortium Programme (2009) — range of respondents: 13–15 North; 27–29 South									
2.75	2.69	2.46	7.90	2.36	2.50	2.93	7.79	15.69	26.85
2.86	3.19	3.12	9.17	3.43	3.48	3.44	10.35	19.52	35.21
CDP Forests Programme (2013) — range of respondents: 13–16 North; 29–30 South									
2.57	3.15	2.64	8.36	2.80	2.67	3.27	8.74	17.10	30.72
2.93	3.34	3.00	9.27	3.52	3.59	3.48	10.59	19.86	36.43
Forest Trends Supply Change Programme (2014) — range of respondents: 12–15 North; 30–31 South									
3.00	3.00	2.77	8.77	2.50	2.50	2.64	7.64	16.41	30.52
2.93	3.17	3.20	9.30	3.50	3.50	3.40	10.40	19.70	35.51
Global Canopy Project Forest 500 Programme (2014) — range of respondents: 12–15 North; 28–30 South									
2.62	3.00	2.54	8.16	2.79	2.64	2.93	8.36	16.52	29.27
2.83	3.14	3.00	8.97	3.46	3.57	3.29	10.32	19.29	34.99
Stockholm Environment Institute and Global Canopy Project Supply Chain Transparency Network (2015) — range of respondents: 12–15 North; 27–30 South									
2.85	3.25	2.85	8.95	2.93	3.15	3.00	9.08	18.03	32.14
2.89	3.30	3.14	9.33	3.46	3.52	3.32	10.30	19.63	35.25
Rainforest Alliance Accountability Framework Program (2016) — range of respondents: 13–16 North; 27–30 South									
2.79	2.92	2.71	8.42	2.93	2.93	2.80	8.66	17.08	30.07
2.86	3.14	3.04	9.04	3.48	3.57	3.32	10.37	19.41	35.58
Total average									
2.75	3.07	2.73	8.55	2.83	2.84	2.98	8.65	17.20	30.27
2.88	3.20	3.09	9.17	3.48	3.53	3.39	10.39	19.56	35.37
2.82	3.14	2.91	8.86	3.15	3.19	3.18	9.52	18.38	32.82

Notes: fields in blue are the highest-scoring indicators; light brown the lowest; scores in dark brown did not meet the threshold value of 50%; November–December 2016.

Results differed between initiatives. The CDP Forest Programme received the highest score (36.43 or 66% — global South) and the Sustainability Consortium the lowest (26.85 or 49% — global North). Universally, Resources was the lowest-rated indicator (North and South), and Inclusiveness was generally the highest among Southern respondents (with the exception of the GCP Forest 500 programme and the SEI/GCP Supply Chain Transparency Network). This is in contrast to respondents from the North, where only one initiative received the highest rating for inclusiveness (Rainforest Alliance Accountability Framework).

A common theme was the disconnect between corporate promises and on-the-ground action. One Environment-North respondent noted that the metrics used by the initiatives could be misleading as they were often “based on company self-reporting against policies, not on actual implementation.” One Government-South respondent added that research in least developed countries was very rare and should be a priority to ensure sustainable development. Another (Environment-North respondent) thought that all of the “frameworks appear to have high-level buy-in, which should help with their durability,” but considered that “funding — especially for the non-profits — will remain a challenge.” Several USA-based respondents (all Environment) expressed disappointment in the level of inclusion of NGOs in the CDP’s information generation and dissemination activities. As one put it, “since we are not an investor, a large company, or part of the supply chain, there are limited opportunities for engagement.” Others commented on The Forest Trust, with one (Environment-South) arguing that because it “acts mostly like a consultant, but also promotes its own labels, lines between a sustainability standard, an independent auditor, and a consultant paid by companies are blurred, creating potentially a conflict of interest.” A UK-based respondent (Environment-North) suggested that there were similar problems in the Rainforest Alliance, since it “depends on commissions from companies seeking to minimize reputational risk and gain competitive advantage.”



Conclusions

Given the ongoing loss of the world’s forests, the policy community response, and the number of initiatives that have arisen in recent years, efforts to tackle deforestation look likely to continue for some time to come. Regarding initiatives “from” the North “for” the South, greater efforts are required to build participatory capacity among under-resourced stakeholders, and to reach out to those policy community interests who feel excluded to date. Perhaps it is time for those initiatives that promote the sustainable management of forests and the removal of deforestation-implicated commodities from global supply chains to develop a higher quality of governance and standards in relation to their own activities.

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