
Global Policy Developments and Initiatives on Tropical Forests and Sustainable Industries

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Dr. Sonya Dewi is the Director of Asia Programme at CIFOR-ICRAF. She is also a Principal Scientist in Landscape Ecology. During her more than twenty-five years of professional career as a scientist, she has sought the integration between conservation and development agendas at the landscape level and trade-off minimization between economic benefit and environmental degradation. She has conducted studies in several countries including Indonesia, India, Viet Nam, and Brazil. Land science has continuously been the basis of her multi-disciplinary research. She has used spatial analysis to develop empirical models and tools called LUMENS (Land use planning for multiple environmental services) to understand and project land use changes and their impacts on regional economy, ecosystem services, and biodiversity. She has been actively promoting the integration of climate change mitigation-adaptation and food security issues into the landscape and jurisdiction governance. LUMENS has been applied to support multi-stakeholder negotiations through facilitation, policy engagement, and capacity-strengthening programs in several districts and provinces in Indonesia. The tool has been used in the development of Green Growth Plans for six provinces in Indonesia and Viet Nam.

ABSTRACT

The volumes, diversities, and evolutions of global policies on tropical forests and sustainable agricultural industries are vast, so a systematic grouping is useful. Sotirov et al. (2020) used actors (state, non-state, and state and non-state) and degree of compulsion (legally binding and non-legally binding) to group global policies into six types. The talk will discuss only five global policies across actors, particularly those currently in major public discourses with high potential impacts.

From state actors-legally binding policy group, we discuss the UNFCCC's Paris Agreement and REDD+ and UNCBD's Kunming-Montreal Global Biodiversity Framework. The strengths and weaknesses of the Paris Agreement and REDD+ are primarily drawn from Muthee et al. (2022). To create transformation, policy and institutional framework needs to be supported by evidence-based decision-making, integrated approaches, multistakeholder inclusiveness at local and national levels, and investment and incentives for increased participation. As for Kunming-Montreal GBF, the National Biodiversity Strategy and Action Plan is a critical issue for countries to develop their policy framework for national implementation of CBD, including compliance with legislations and regulations, benefit sharing for traditional knowledge, practices and innovations. The IPBES Report emphasizes that relational as well as instrumental values of nature should guide the formulation.

The EU Deforestation-free Regulation, a legally binding global policy applicable to state and non-state actors, was recently enacted to curb the expansion of agricultural land from forests for soy, beef, palm oil, wood, cocoa, coffee, and rubber production, providing a solution to deforestation and forest degradation problems by encouraging the EU to act as a responsible consumer. The crucial issue is the definition of forest and deforestation, which requires technical and institutional reviews and capacity strengthening to support smallholder farmers to comply. From the same group of actors but not under international hard law is the Jurisdictional Approach (JA) to sustainability. Three types of JAs are discussed by Seymour et al. (2020); the critical issues are lack of financing and technical capacity for evidence-based decision-making, silo governance, and lack of monitoring and evaluation (M&E) systems. A case study shows that, to some extent, the three types are interconnected and can be addressed in a phased approach to creating long-lasting (Dewi et al., 2023). The sustainability standard in the global value chain is voluntary and contributes to global commitment as preferential sourcing. Often, this becomes an exclusion tool for smallholders who lack the capacity to comply. The crucial issue is to embed diverse valuation, reduce inequity, and foster common but differentiated responsibility (CBDR) principles across various scales (Leimona et al., 2023).

We conclude that for global policies to be transformative, global policy and national sovereignty must be aligned; CBDR should be the basis of policy and actions, including external financing/incentives; multiple valuations of nature are necessary: instrumental and relational; the one-size-fits-all concept is recognized as not optimal (i.e., geopolitics, local contexts matter); multistakeholder governance such as JA is fostered with inclusive, integrated, and informed principles; and data, technical capacity, tools and transdisciplinary approach in the co-production of landscape/jurisdiction sustainable pathways are promoted.



Global policy developments and initiatives on tropical forests and sustainable industries

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Outline

- Taxonomy and scoping of global policy on tropical forest and sustainable industry
- State actors: UNFCCC and UNCBD
- State and non-state actors: EU DR and Jurisdictional Approach (not international)
- Non-state actors: sustainability standards
- Take home messages




Taxonomy of International forest governance and policies


Actor	Sustainable Development Brundtland Report—UNCED in Rio/Rio + Process—Millennium Development Goals (UN Agenda 2000 and Sustainable Development Goals)	
	Authority/Degree of Compulsion	
	Legally-Binding	Non-Legally Binding
State actors	Type I: Multilateral treaty regimes (International hard law) UN conventions and treaties • Global Forest Convention (billed) • CBD • UNFCCC (KP, PA) • ITTA/ITO • CITES, UNCCD	Type II: Non-binding multilateral agreements (International soft law) International Arrangement on Forests (IAF) • Chapter 11 Agenda 21, Forest Principles • SFM Cd regional processes • IPF/IFF, UNFF • UNNREL, UNF, UN-SPF
	Type III: Transnational regulatory governance (Hybrid regimes) FLEGT: Timber legality regime • EU FLEGT VPAs • EUTR: US Lacey Act, AL-TPA REDD+: Climate and forest regime	Type IV: Transnational public-private partnerships (Collaborative institutions) The Bonn Challenge The Tropical Forest Alliance New York Declaration on Forests
State and non-state actors	Type V: Transnational non-state market driven governance (Private regulation) Forest supply chain sustainability certification • FSC (NGOs and industry), PEFC (industry) Food supply chain sustainability certification • NSPO (palm oil), RTRS (soy), GRSB (beef)	Type VI: Transnational private sector partnerships (Industry self-regulation) Sustainable supply chain initiatives (industry) • Consumer Goods Forum
Non-state actors		

UNFCCC: Paris Agreement and REDD+
UNCBD: Kunming-Montreal GBF

EU Deforestation-free regulation, Jurisdictional Approach

Sustainability standards

(Sotirov et al., 2020)




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(Sotirov et al., 2020)



Policy mechanisms established within UNFCC and UNBD

Convention	Policy Mechanisms	Link to the tropical forest conservation
UNFCCC	Paris Agreement and REDD+	Legally binding international treaty. Implementation period: 2020-2030. Measures: REDD+, a result-based payment mechanism
	Bonn challenge	Voluntary and flexible mechanism to bring 150-35- M ha restored by 2020 and 2030. Measures: Forest Landscape Restoration within and outside forest. New York Declaration of Forest incorporated Bonn Challenge targets in 2020
	Kyoto Protocol and CDM	International agreement to reduce CO2 emission from industrialized nations. Implementation period: 2008-2020. CDM is one flexible mechanism.
UNCBD	Kunming-Montreal GBF	International agreement, ratified in COP 15, December 2022. Target 2030 (30 by 30) and vision 2050.
	Aichi Biodiversity Targets	Strategic Plan for Biodiversity (2011-2020) with 20 global targets (#5: reduce natural habitat loss; incl. forests; #7: promote sustainable biodiversity conservation)
	Nagoya Protocol on Access and Benefit-sharing	International agreement for benefit sharing from genetic resources utilization in fair and equitable ways.
	National Biodiversity Strategy and Action Plan	Policy framework of national implementation of CBD, incl compliance to legislations and regulations, benefit sharing for traditional knowledge, practices and innovations


(Modified from Muthee et al., 2022)



Paris agreement

Strength/benefits	Weaknesses/challenges
<ul style="list-style-type: none"> Promotion of international and intergenerational climate justice Global inclusivity of all nations toward emission reduction Enhanced emissions reduction reporting and review Promoted more climate diplomacy unlike its predecessor (KP) 	<ul style="list-style-type: none"> Uncertainty in review mechanisms, political rationale and climate stabilization targets Gaps in mainstreaming negotiations, decisions, policies and actions from multilateral to national levels International diplomacy and geopolitics hurdles

(Muthee et al., 2022)



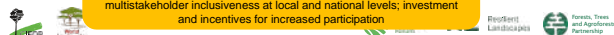
REDD+

- Strength/benefits**
- Reduced (slowed down) carbon emissions compared to the baseline scenario.
 - Increased funding for sustainable forests conservation and reducing agriculture, forestry, and other land-use sector emissions
 - Promoting biodiversity habitats conservation
 - Poverty reduction for the locals and indigenous communities

Weakness/challenges

- Lack of adequate frameworks for carbon emissions monitoring, measurement, reporting, and verification
- Unbalanced representation (mainly local and indigenous people) and human rights breach
- The legitimacy of the REDD+ development process
- Domestication of international and multilateral agreements at local and national levels
- Weak political support and governance structures (including insufficient policy and institutional frameworks at national and local levels)
- Weak monitoring, reporting and verification mechanisms at local and national levels
- Additionality, leakage/displacement of activities, BAU formulation, permanence, social safeguard are not adequately addressed

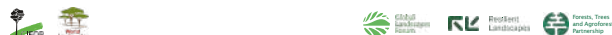
Crucial issue is: policy and institutional framework supported by evidence-based decision making, integrated approaches and multistakeholder inclusiveness at local and national levels; investment and incentives for increased participation



Kunming-Montreal GBF (Dec 2022 – COP 15)

- 23 global 2030 targets
- 4 broad topics: biodiversity conservation and restoration, nature's contribution to people, access and benefit sharing and tools and solutions for mainstreaming and implementation
- Main target and goals halt extinction of known threatened species and significantly reduce extinction risk
 - ensure at least 30 per cent of areas of degraded terrestrial, inland water, and coastal and marine ecosystems are under effective restoration (Target 2)
 - ensure at least 30 per cent of terrestrial, inland water, and of coastal and marine areas are effectively conserved and managed (Target 3)
 - reduce the rates of introduction and establishment of other known or potential invasive alien species by at least 50 per cent, by 2030 (Target 6)
 - reduce pollution risks and impacts of pollution from all sources to prevent harmful impacts on biodiversity (Target 7)
 - minimise the impact of climate change and ocean acidification on biodiversity (Target 8)
 - mainstream biodiversity into decision-making across government and business (Targets 14 and 15)

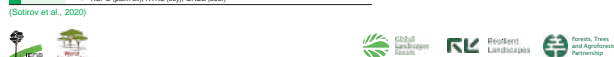
Crucial issue is: National Biodiversity Strategy and Action Plan: Policy framework of national implementation of CBD, incl compliance to legislations and regulations, benefit sharing for traditional knowledge, practices and innovations and How IPBES Report can guide the process



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→ EU Deforestation-free regulation, Jurisdictional Approach



EU-DR

- On 29 June 2023, the [Regulation on deforestation-free products](#) entered into force (Regulation (EU) No 2023/1115), and confirmed by the [European Green Deal](#), the [EU Biodiversity Strategy for 2030](#) and the [Farm to Fork Strategy](#).
- The main driver of these processes is the expansion of agricultural land that is linked to the production of commodities like soy, beef, palm oil, wood, cocoa, coffee, rubber and some of their derived products, such as leather, chocolate, tyres, or furniture
- As a major economy and consumer of these commodities linked to deforestation and forest degradation, the EU is partly responsible for this problem and it wants to lead the way to solving it.
- Under the [Regulation](#), any operator or trader who places these commodities on the EU market, or exports from it, must be able to prove that the products do not originate from recently deforested land or have contributed to forest degradation
- As of 29 June 2023, operators and traders will have 18 months to implement the new rules. Micro and small enterprises will enjoy a longer adaptation period, as well as other specific provisions.



Forest definition

- The FAO forest definition that the EU takes as its basis has three components

- ecological criteria based on (potential) tree-cover (with embedded issues on defining trees),
- disqualifying agricultural tree cover,

- allowing temporarily unstocked forest lands to remain forest for at least 5 years after clear-cutting or natural disasters, as long as they are expected to be regenerated. The third issue is also relevant for 'forest products', such as derive from plantation forestry: these can be certified as sustainably managed forest even if clear-felling/replant cycles are followed. The use of such lands for agricultural products (as may be evident in geolocations of traded products) cannot in itself be legal proof of 'deforestation' but can indicate transitional agroforestry practices.

- the institutional perspective ('it is forest as long as forest authorities say it is') dominates over vegetation-based perspective. As long as dues are paid to forest authorities, products traded as agricultural commodities can be harvested – as is practiced in 'community forestry' areas in Indonesia

Crucial issue is: technical and institutional reviews in defining forest and deforestation; inclusivity and capacity strengthening to support smallholder farmers



Jurisdictional Approach

Addressing problems of:

- Project-based approach:** leakage, additionality (measurement, BAU vs others), permanence, social safeguard
- Certification:** exclusion, externality, benefit sharing, leakage
- Internal vs external,** common but differentiate responsibilities

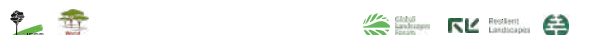
(Seymour et al., 2020)

Improving overall governance

- Inclusive:** relevant stakeholders within the vertical and horizontal processes should be actively involved so that the aspirations, concerns and constraints can be identified early enough;
- Integrative:** coherence between the programs and activities across sectors and institutions as well as synchronization of expected outcomes is to be achieved;
- Informed:** robustly data driven, information and valid models so the ex-ante impact that would occur if a GG scenario is implemented

M&E is inherent to the process through agreed targets and goals

(Dewi et al., 2023)

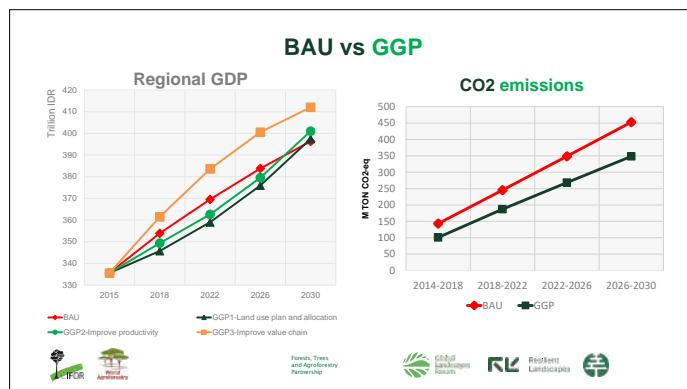
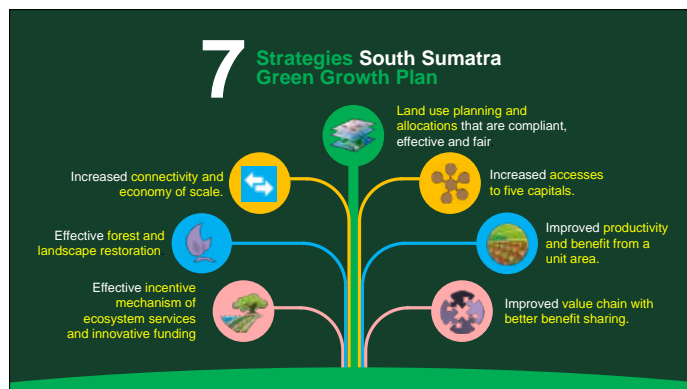


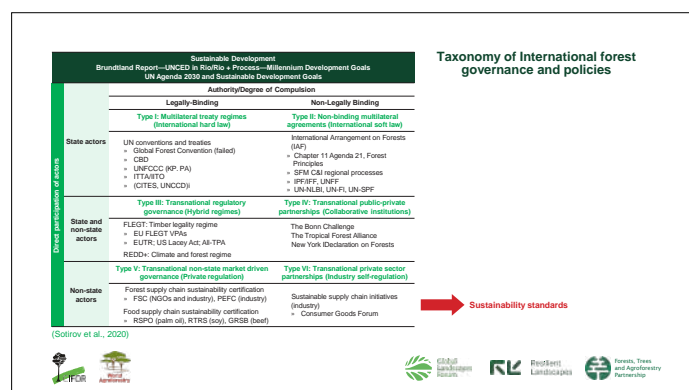
Type of intervention	Challenges
Creation of external incentives	Slow realization of REDD+ finance and institutions for domestic allocation
	Lack of clarity on how to implement preferential sourcing and other performance-based incentives
	Few green investment transactions linked to jurisdictional performance
	Reluctance of national government to embrace domestic fiscal incentives linked to sustainability
Implementation within jurisdictions	Difficulty sustaining momentum through political transitions
	Lack of trust among stakeholder groups
	Tendency to focus on development objectives at the expense of environmental objectives
	Lack of capacity, data, and sometimes will, on the part of lower-level bureaucrats needed to integrate sustainability into planning
	Data constraints on spatial planning
Facilitation of connections across jurisdictions and levels	Heterogeneity of district interests and needs
	Misalignment of national policies across agencies and sub-national priorities
	Confusion and reporting burdens resulting from the proliferation of performance indicator frameworks

(Seymour et al., 2020)



GG expected outcomes	Macro indicators
Sustained economic growth	1. Growth of Gross Regional Domestic Product 2. Employment 3. Income
Inclusive and equitable growth	1. Ratio of income and firm profitability 2. Ratio of smallholders' managed land and concessions
Social, economic and environmental resilience	1. Rate of agroforestry expansion 2. Linkages between land-based and other sectors 3. Profitability of smallholder-managed land use system
Healthy and productive ecosystems providing services	1. Deforestation rate 2. Tree cover gain 3. Sedimentation 4. Surface runoff 5. Habitat fragmentation 6. Fire prone areas
Greenhouse gas emission reduction	1. Gross emission from mineral soil 2. Gross emission from peat areas 3. Sequestration rate





Certification in GVC

- Global South vs Global North
- Internalizing the externality

Crucial issue is: avoid silo, exclusivity, inequity, promote CBDR

(Leimona et al., 2023)

- Current voluntary certification actively contributes to global commitments but operates at a niche market scale;
- A significant portion of the consumer price differential is absorbed by various actors within the certification value chain, except for the producers themselves;
- Certification initiatives may have unintended consequences when supply chains adhering to sustainability principles do not receive recognition or certification;
- Sometimes voluntary evolves to become mandatory as in the case of EU-DR;
- The empirical application of the *common but differentiated responsibility* principle across various scales demands further exploration as opposed to internalizing the externality;
- Causality, exclusion, compliance and monitoring, excess supply, and emerging markets in developing countries need further research.

Governmentality on global policy for sustainable forests

Neoliberal valuations of forests and power relations that preclude more sustainable futures:

- Silo and fragmentation in policies
- CBDR – e.g., reducing consumption in higher economic countries, reduce exploitative colonial relations of Global North to Global South,
- Power relations causes exclusion – involve IPLC agenda
- Lack of focus on youth in post-2020 governance and recovery plans
- Weaknesses in tropical forest governance to be addressed
- Legislation (such as EU DR) could be problematic if implementation is poor and values are not shared. Global views of legality may not fit with local perceptions
- Consider alternative to economic growth: degrowth

(Modified from Smallwood et al., 2023)

Take home messages

- To be transformative, global policy and national sovereignty need to be aligned
- CBDR as a basis of policy and actions, incl. external financing/incentivizing
- No one-size fits all – geopolitics, local contexts matter
- Multistakeholder approach – joining up governance with JA, LA as potential measures: inclusive, integrated and informed
- Data, technical capacity, tools and transdisciplinary approach in coproduction of landscape/jurisdiction sustainable pathways

Rethink North–South research partnerships in international partnerships which required researchers to identify their own degrees of privilege in an unjust world and to redress power dynamics
(Uehara et al., 2023)

Thank you

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CIFOR-ICRAF brings more than 75 years of experience in harnessing the power of trees, forests, and agroforestry landscapes to address the most pressing global challenges of our time – biodiversity loss, climate change, food security, livelihoods and inequity. CIFOR and ICRAF are both international organizations and CGIAR Research Centers.