

# Improving Forest Governance 2015

Closing thoughts

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# The EU FLEGT Facility

- Established in 2007; funded by the European Commission and 8 EU Member States
- Hosted by the European Forest Institute (EFI)
- Supports the EU, Member States and partner countries implement the EU FLEGT Action Plan
- Provides technical assistance to governments and other stakeholder groups in partner countries to negotiate and implement VPAs:
  - facilitates information sharing, capacity building and regional collaboration on FLEGT
  - informs interested countries about the FLEGT Action Plan and VPAs
  - supports national dialogue in interested countries on whether to pursue a VPA
  - advises partner countries on technical aspects of VPAs
  - assists in developing frameworks for legality assurance systems
  - assists in strengthening partner countries' capacity to meet VPA requirements
- Strengthens synergies between initiatives stemming from the EU FLEGT Action Plan and REDD+

# Some tropical forest trends...

Forest land is more valuable than timber

- Conversion to other uses (agriculture, infrastructure)

Consumption in middle-income countries increasing

- Northern markets' impact on trade reduced

Increased use of temperate and plantation-grown wood

- Decline of relative market share of natural tropical timber

Recognition of contribution of forests to slowing climate change (REDD+)

- Opportunity to give forests higher value

Forests and forest land still largely controlled by the state

- **Improved governance is essential for sustainability**

# How to measure governance?

## Voice and Accountability:

- the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media

## Regulatory Quality:

- the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development

## Rule of Law:

- the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence

## Government Effectiveness:

- the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.

## Control of Corruption:

- the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

## Political Stability and Absence of Violence/Terrorism:

- the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism

# Voice and Accountability

- Can stakeholders participate in deliberating forest policy?
- Are whistle-blowers safe?
- Are stakeholders free to organise?
- Are there processes for addressing resource conflicts?

# Regulatory quality

- Do laws and regulations address forest policy goals (environment, social, economic)?
- Are they still relevant to current forest situation (e.g. laws designed for concessions applied to community forestry)?
- Are they fair to all stakeholders (can small producers compete with large corporations)?
- Is competition for resource rights open and fair?
- Do trade regulations, taxes or subsidies distort the sector?

# Rule of Law:

- Is organised forest crime a problem?
- Are the authorities even-handed in investigating and prosecuting crime?
- Are judicial proceedings fair and effective (do the “big fish” get caught and convicted?)
- Is confiscated timber disposed of properly?
- Are agreements and contracts adequately protected?
- Are individual and community forest rights protected?

# Control of corruption

- Do state officials or politicians have interests in forest businesses?
- Are bribes needed to acquire forest rights?
- Are “facilitation payments” needed for routine approvals (e.g. to get plans approved, logs measured)?
- Is information about who has forest rights and conditions linked to rights easily accessible?
- Is information on payments to governments (land rentals, stumpage etc.) easily accessible?



# Government effectiveness

- Are government budgets approved on time?
- Are government decisions effectively implemented?
- Can government agencies transact efficiently with the public?
- Is public infrastructure adequate?
- Are public services such as health, education, sanitation provided?

# Political Stability and Absence of Violence

- Is there orderly transfer of power?
- Is there armed conflict?
- Are there political “disappearances”?
- Are there ethnic tensions?
- Are there terrorist threats?

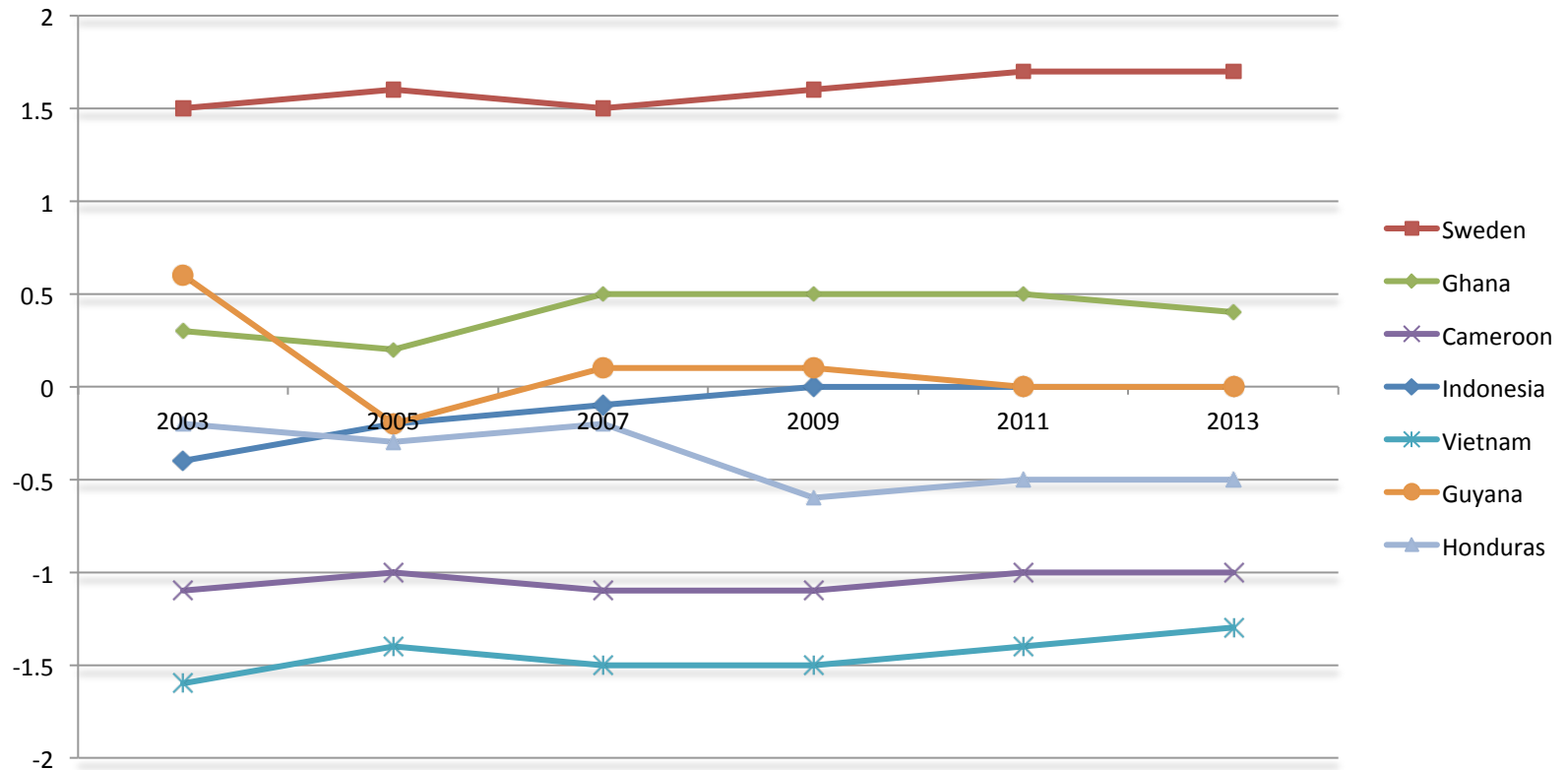
# Some examples of trends...

- ✓ Voice and accountability
- ✓ Regulatory quality
- ✓ Control of corruption

Comparing Ghana, Cameroon, Indonesia, Viet Nam, Honduras and Guyana, with Sweden

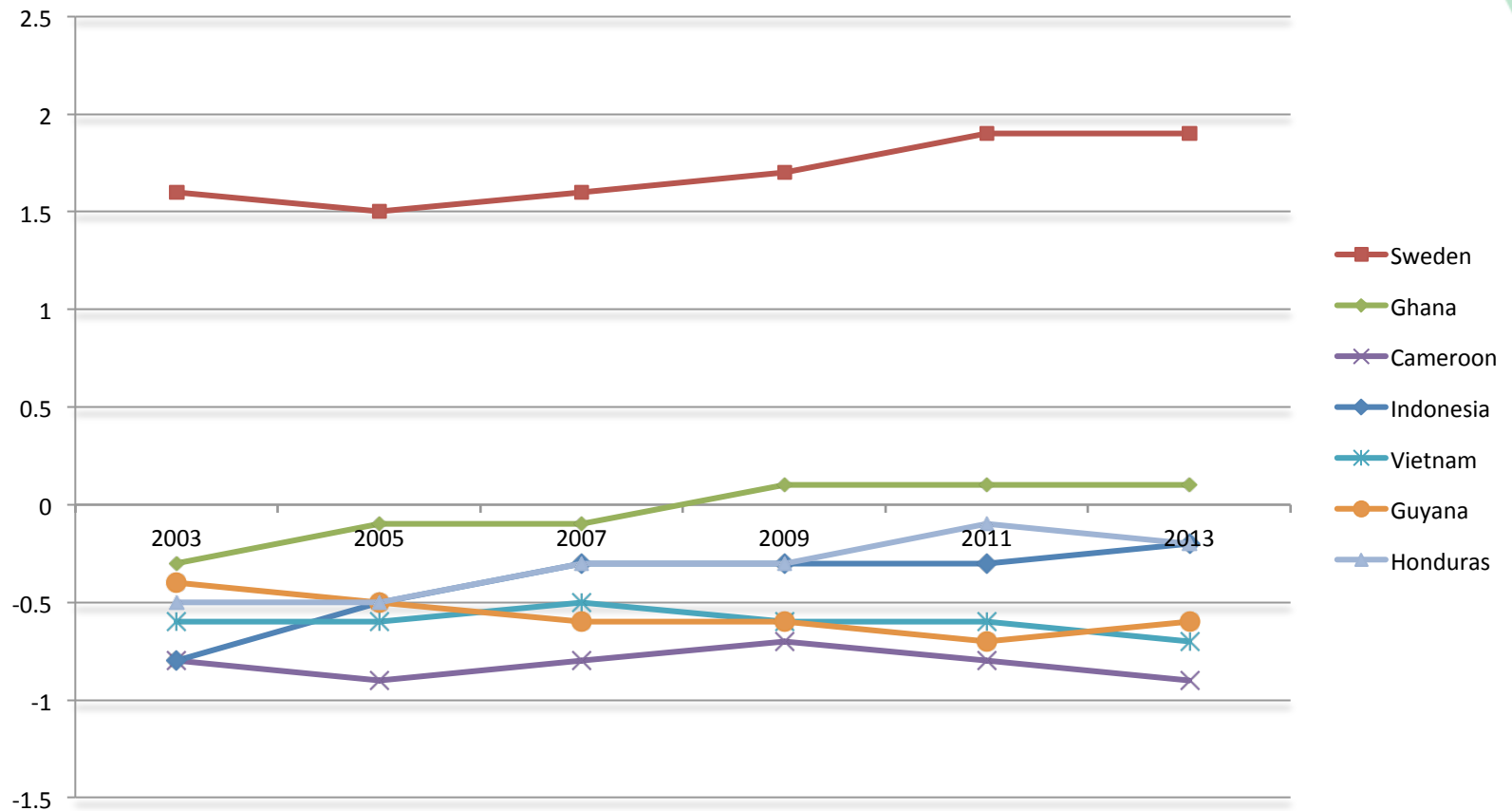
# Voice and accountability

...the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media



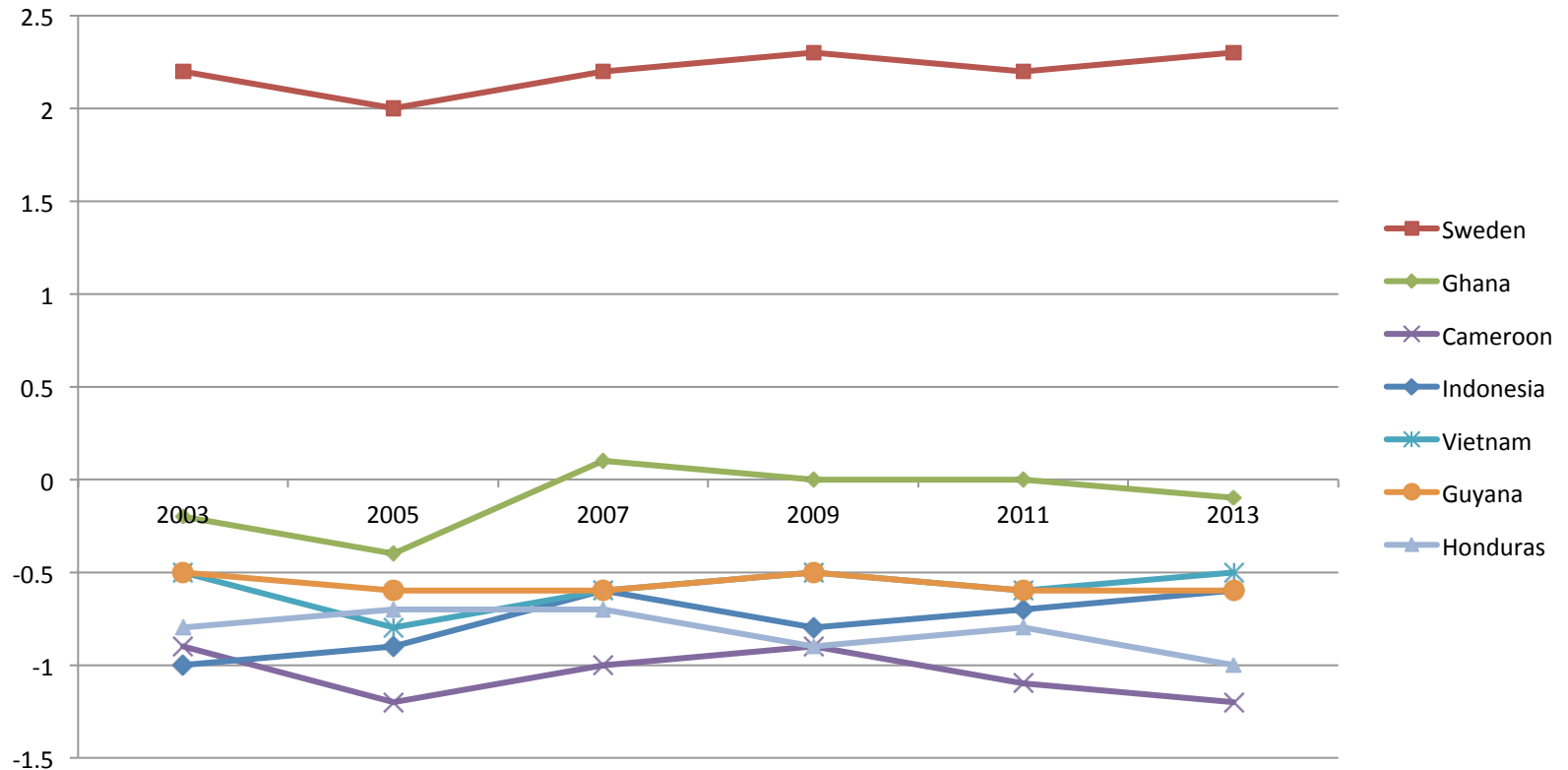
# Regulatory quality

...the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development



# Control of corruption

...the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.



# Questions:

- Do these trends apply to *forest* governance?
- Is forest governance *improving* in your country?
- If not what can *you* do to make a difference?

# A new Chatham House report:

Governance reforms in many producer countries have slowed. Getting back on track will require a step change in political commitment and willingness to tackle more difficult governance issues ... Priorities:

- Establishing properly resourced and empowered anti-corruption agencies
- Enabling civil society monitoring of the forest sector, including creating an institutional framework to respond to findings;
- Strengthening enforcement efforts in producer countries, including through capacity-building of the judiciary
- More concerted efforts in the EU and US to implement illegal timber legislation;
- Fulfilling commitments to ensure transparency in producer countries, including the forestry and agriculture sectors their' submissions to the Extractive Industries Transparency Initiative (EITI)
- Requiring logging companies to disclose payments to governments of countries in which they are operating, and developing rigorous standards for company reporting on forest impacts.





Thank you!  
..and Safe Travels

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