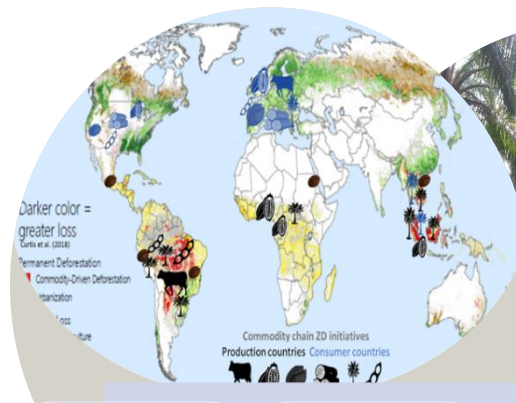


# The outcomes of deforestation-free commodity value chain approaches

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Verina Ingram, Jelle Behagel



# Aim

*To trace the impact and success of approaches advocated to reach the objective of zero deforestation value chains (ZD-VC)*

Focus on 6 high-risk commodities associated with deforestation

## Research questions:

What's the role of large-scale and smallholder commodities in driving deforestation?

The discourses around these approaches?

Which current approaches/initiatives and geographic focus?

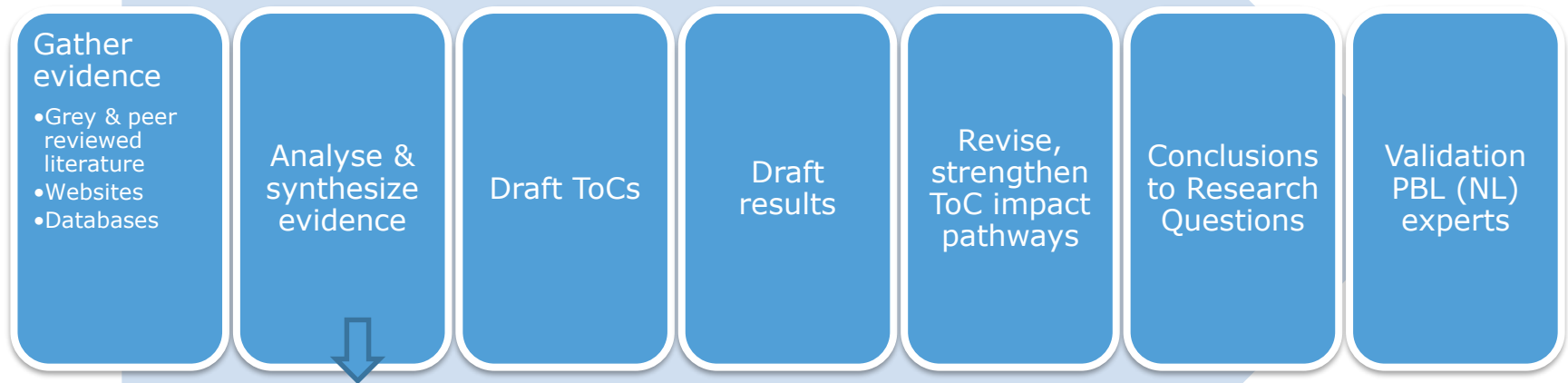
What theories of change (ToC) are embodied in these approaches?

Outcomes and impacts successfully tackle deforestation?

What future research is needed?

# Methods & approach

## ■ Value chain & geographic nexus conceptual approach

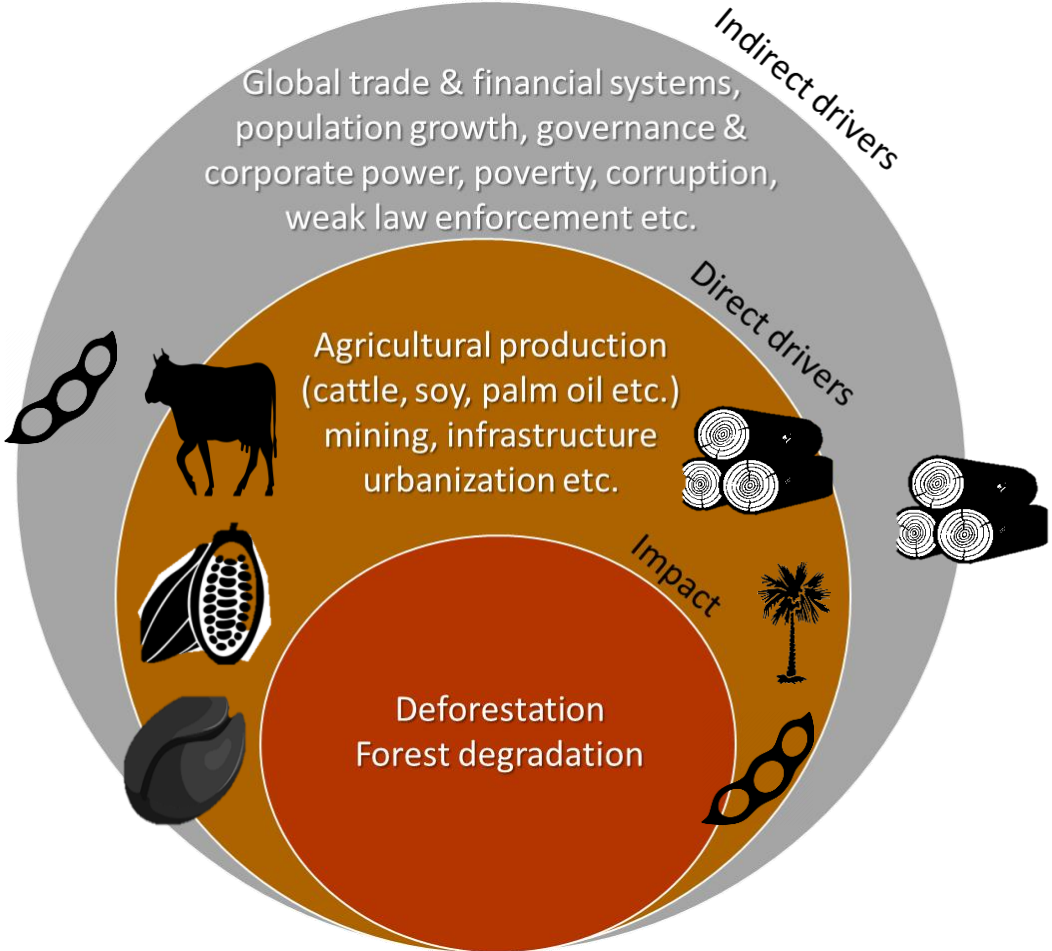


- **Discourse analysis** => approaches
- **Evidence analysis** => [database of 46 ZD initiatives](#)
- Map **ToC** per commodity and summarise qualitatively
- Elaborate 10 **criteria** to assess effectiveness of ZD VC approaches






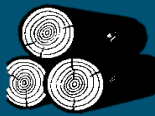
# Criteria to evaluate the success of ZD commitments

- 1. Baselines and (de)forestation definitions provided**
- 2. Deforestation & degradation of high conservation value (HCV, HCS, native & old-growth) forests is prevented** from a baseline.
- 3. Effective governance** of production system, ecosystem services and value chain
- 4. Collective action**
- 5. Market benefits**
- 6. Smallholder participation, support and fairness**
- 7. No leakage**
- 8. Free, Prior and Informed Consent (FPIC)**
- 9. Transparency, monitoring and accountability**
- 10. Effectiveness, efficiency and equity**

# Results: Q1 Commodities drive deforestation directly, indirectly and positively.....



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Commodity/ Role	Cattle <sup>L</sup> 	Coffee <sup>S</sup> 	Cocoa <sup>S</sup> 	Soy <sup>L</sup> 	Palm oil <sup>LS</sup> 	Timber <sup>LS</sup> 
Direct driver deforestation		+++	+	+++	+++	+++
Indirect driver deforestation	++	+++	+		+++	+++
Historical deforestation*	++	+	+++	+++	+++	+++
Current deforestation#		+	+		+	+
Spillage	+		?	++	?	
Plantations@		+	+		+	+++
Agroforestry/mixed cropping@		+	+		+	+

**Results: Q2 Five main political discourses steer the preferences for ZD-VC approaches**

**Neoliberal market**

**Legality and responsibility**

**Limits to growth**

**Local livelihoods**

**New colonialism**

*Common themes:* Specific problem definitions, causal mechanisms favouring specific solutions, focus on deforestation and single commodity VCs, historical deforestation and baseline cut-off dates



# Results: Q2 Five main discourses: what they don't say or ignore...

- Degradation and fragmentation
- Reforestation, restoration, afforestation and compensation
- Spillage between commodities in and landscapes and across the globe
- the new deforestation frontiers (non-traditional commodity producing countries)
- “New” consumers i.e. consumers & states outside Northern Europe



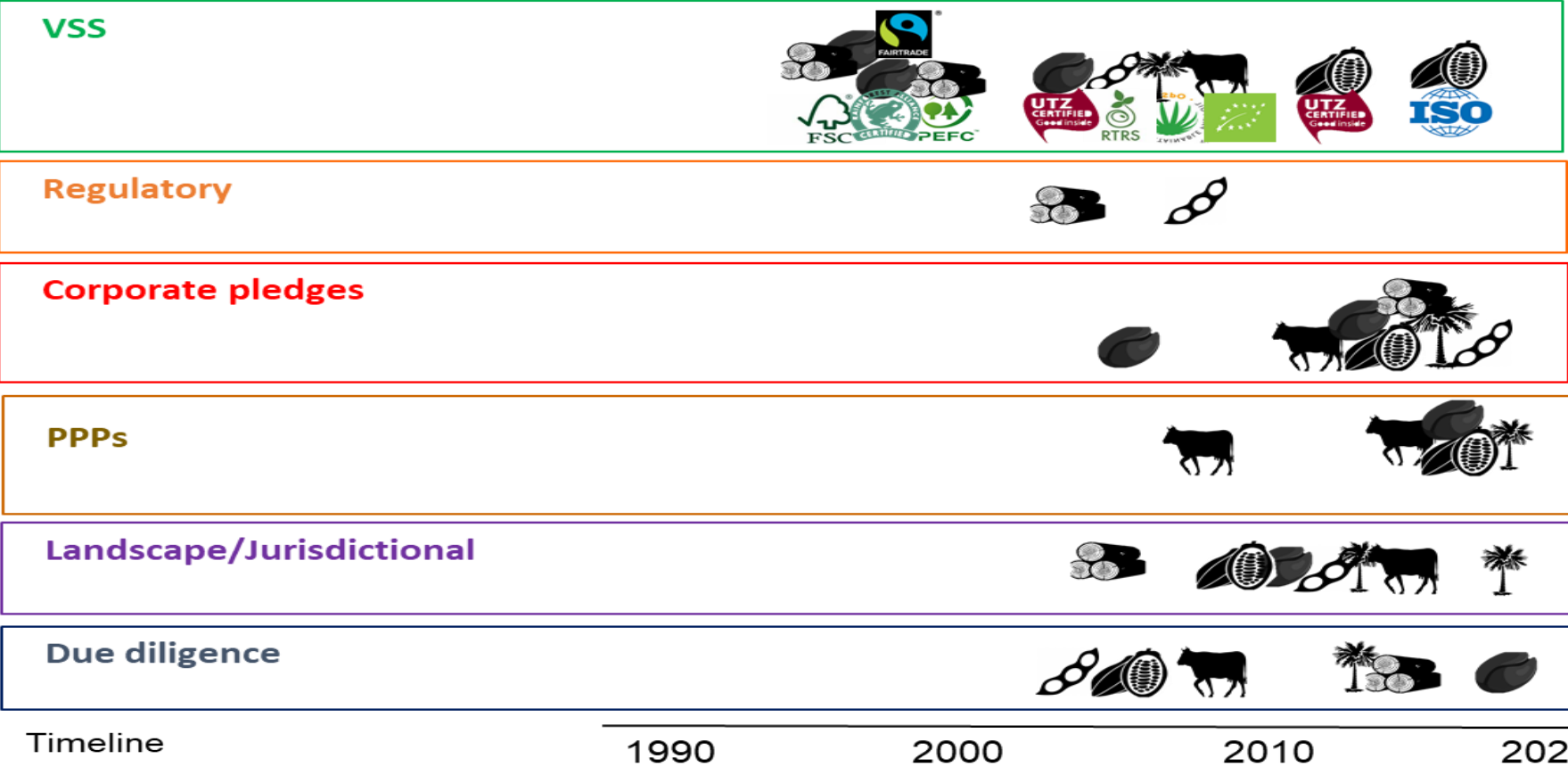


# Results: Q3 Six current approaches and geographic focus on different scales

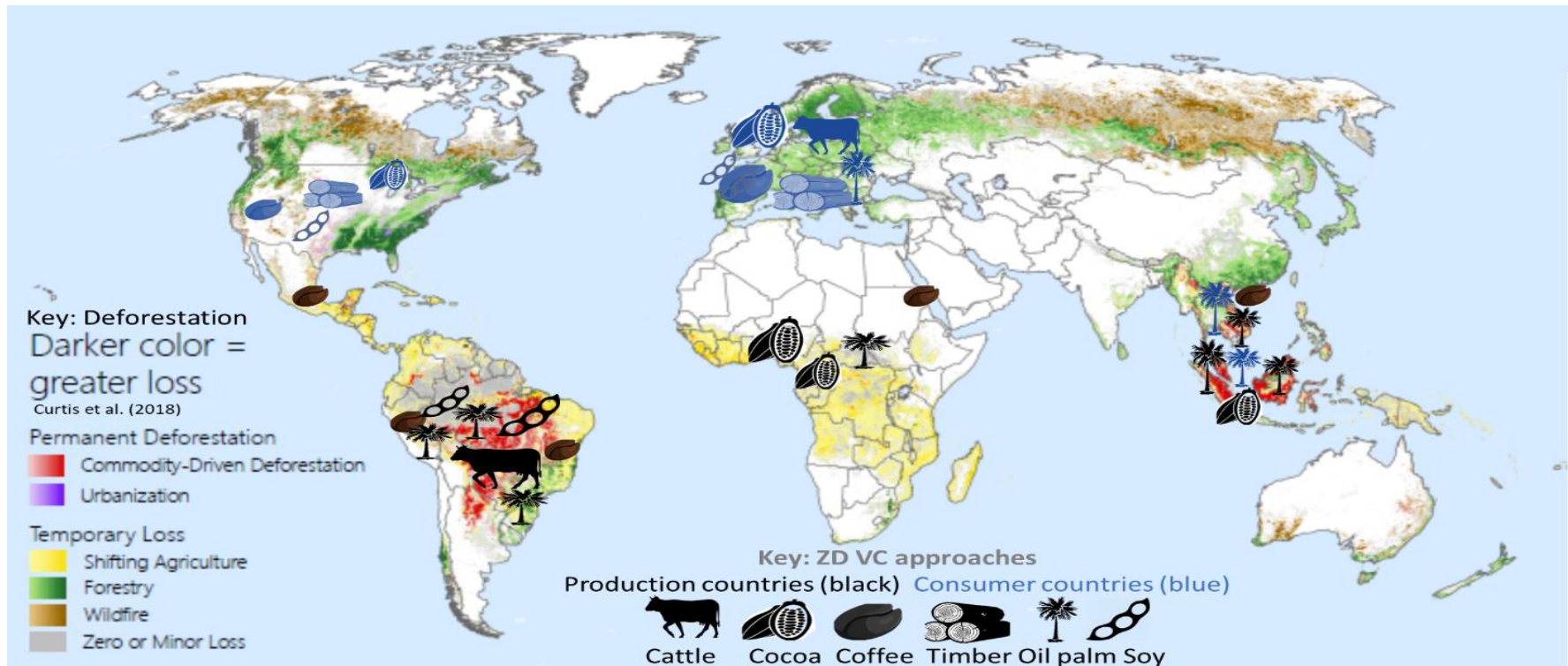
- **Regulatory** - state regulations, government policies of landscapes and chains
- **Landscape & jurisdictional** - spatial/scale, administrative boundaries
- **Voluntary sustainability standards VSS** - third party certification, corporate labels
- **Corporate pledges** - corporate social responsibility, self-regulation, declarations
- **Public-private partnerships PPPs**- Corporate/CSO/NGO/government platforms, networks, associations, partnerships, agreements, moratoria
- **Due diligence mechanisms** - individual and joint legal or voluntary actions, investigations or exercise of care to avoid committing offences. Included traceability mechanisms, third-party campaigns & investigations, voluntary disclosure initiatives and moratoriums.

# Results: Q3 Timeline partly affects evidence available about what works, where and how

## Approach

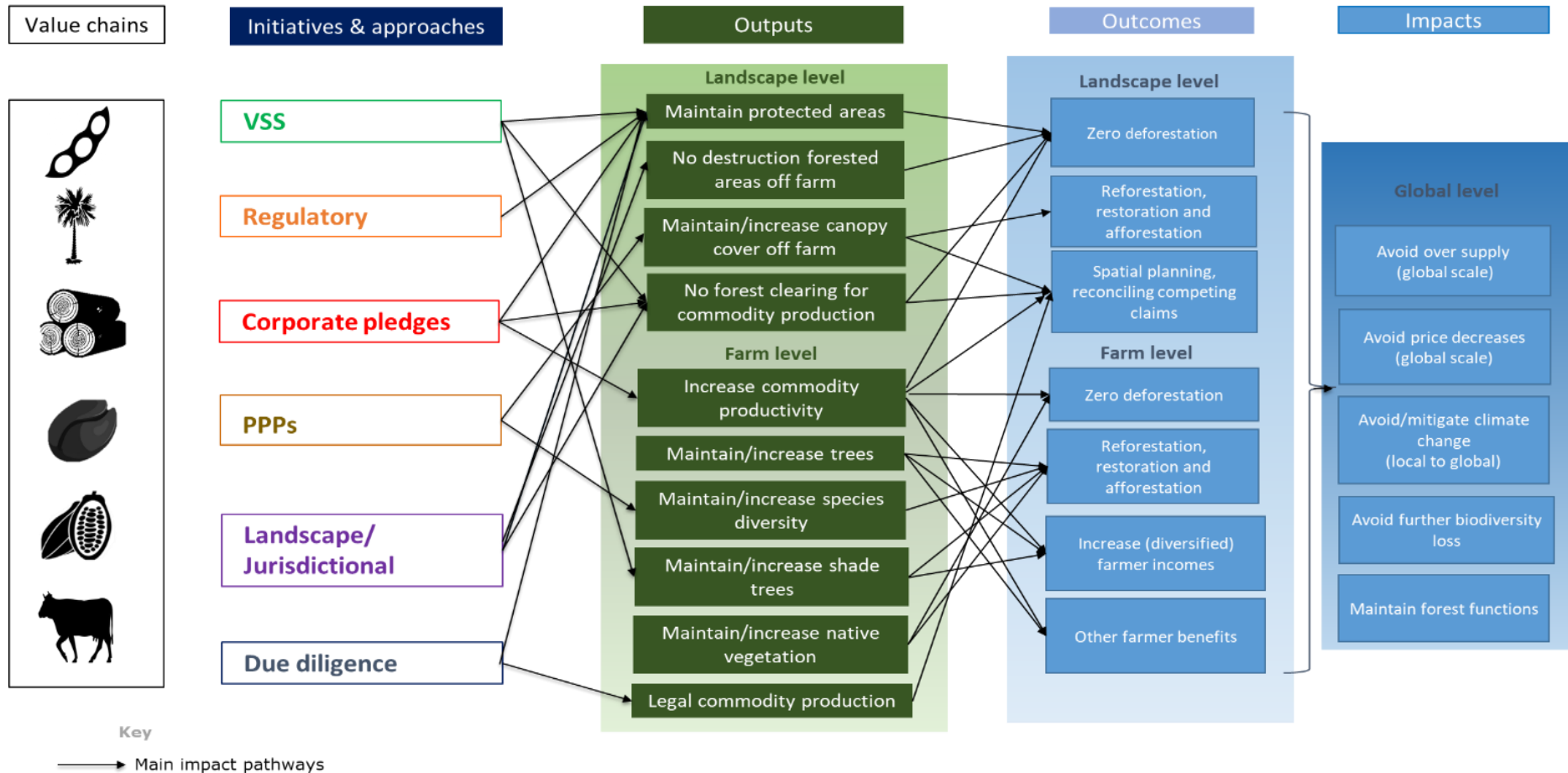


# Results: Q3 Current approaches and geographic focus on different scales



- Geographic focus: already-known, historically deforested hotspots.
- Value chain approach mainly by consumer countries with higher & increasing forest cover.
- Hotspots: New tropical frontiers, temperate forests

# Results: Q4 ToC in approaches & initiatives



Bias in Theories of Change in ZD-VC approaches towards farm-level avoided deforestation

# Results: Q5 Outcomes & impacts of approaches need to be demonstrated

- Outcomes and effectiveness (except VSS and regulatory approaches) - not systematically reported.
- Evidence not aggregated for production regions,
- tenuous causal links on avoided deforestation and prevented leakage
- Evidence mainly small-scale VSS farm level outcomes.
- Little evidence on how ZD commitments halt or slow deforestation rates
- ZD initiatives do not address leakage
- Little use of restoration, afforestation, reforestation.
- Approaches converging

# Results: Q5 Which approaches are most successful?

- Six approaches - but no one approach has successfully halted commodity-related deforestation

Table 1 ZD initiatives that meet success criteria per commodity value chain

Criteria	Cattle	Cocoa	Coffee	Palm oil	Soy	Timber
Baseline year defined	VSS	VSS	VSS	VSS	VSS	VSS
(De)forestation definition		VSS	VSS	VSS R	VSS	VSS
No deforestation or degradation of HCV forests	VSS S CP	VSS	VSS	VSS	VSS CP	VSS R
Effective governance	L/J DD PPP	L/J PPP	PPP	L/J PPP	L/J DD PPP	L/J PPP
Collective action	L/J PPP	VSS PPP	VSS PPP	VSS PPP	L/J PPP	VSS PPP
Market benefits	L/J VSS	VSS PPP	VSS PPP	VSS	L/J	VSS
Smallholder support	L/J	VSS PPP	VSS PPP	VSS	L/J	VSS
Smallholder fairness		CP	CP	CP		CP
No leakage	L/J DD				L/J	
Free, prior & informed consent process	CP DD				DD CP	VSS
Transparency, monitoring & accountability mechanisms	CP DD VSS	VSS	VSS	VSS	DD CP VSS	VSS
Effectiveness, efficiency & equity	L/J DD					

Key: VSS = Voluntary sustainably standards CP = company pledges R= Regulation PPP = public private partnerships DD= due diligence mechanisms L/J=Landscape/jurisdictional

# Results: Q5 Effectiveness of the six approaches

Overview of the evidence and effectiveness of different approaches to commodity driven zero deforestation

Commodity	Zero Deforestation Value Chain Approach					
	VSS	Landscape/ Jurisdictional	PPP	Corporate pledges	DD	Regulatory
Cattle	Very effective	Partially effective	No effect	Not effective	Not effective	No or little evidence
Cocoa	Very effective	No effect	No effect	Very effective	Very effective	No or little evidence
Coffee	Very effective	No effect	No effect	No effect	No effect	No or little evidence
Palm oil	Very effective	No effect	No effect	Very effective	Very effective	Very effective
Soy	No effect	Partially effective	No effect	Very effective	Very effective	Very effective
Timber	Very effective	No effect	No effect	No or little evidence	No effect	Very effective
<b>Summary</b>	Very effective	Partially effective	No effect	Very effective	Very effective	Very effective

Key:

Very effective	Partially effective	No effect	Not effective	No or little evidence
Very effective	Partially effective	No effect	Not effective	No or little evidence



# Results: Q6 Action research needs

Common language and structure to characterize interventions

=> *Planning and analysis of interventions and outcomes*

Collective experiences of interventions across commodities and forest-agriculture landscapes

=> *Systematic understanding of VC intervention impacts*

Stronger evidence to develop robust ToC on scales, commodities & interactions

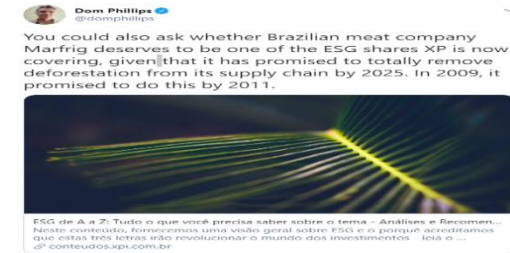
=> *Satisfying multiple views embedded in political discourses around ZD VCs*

Forest areas at high risk of deforestation

=> *Support financial institutions investment choices*

Value of reforestation, restoration & afforestation by ZD commitments, how it minimises risks and impacts affect markets => *Support financial institutions investment choices*

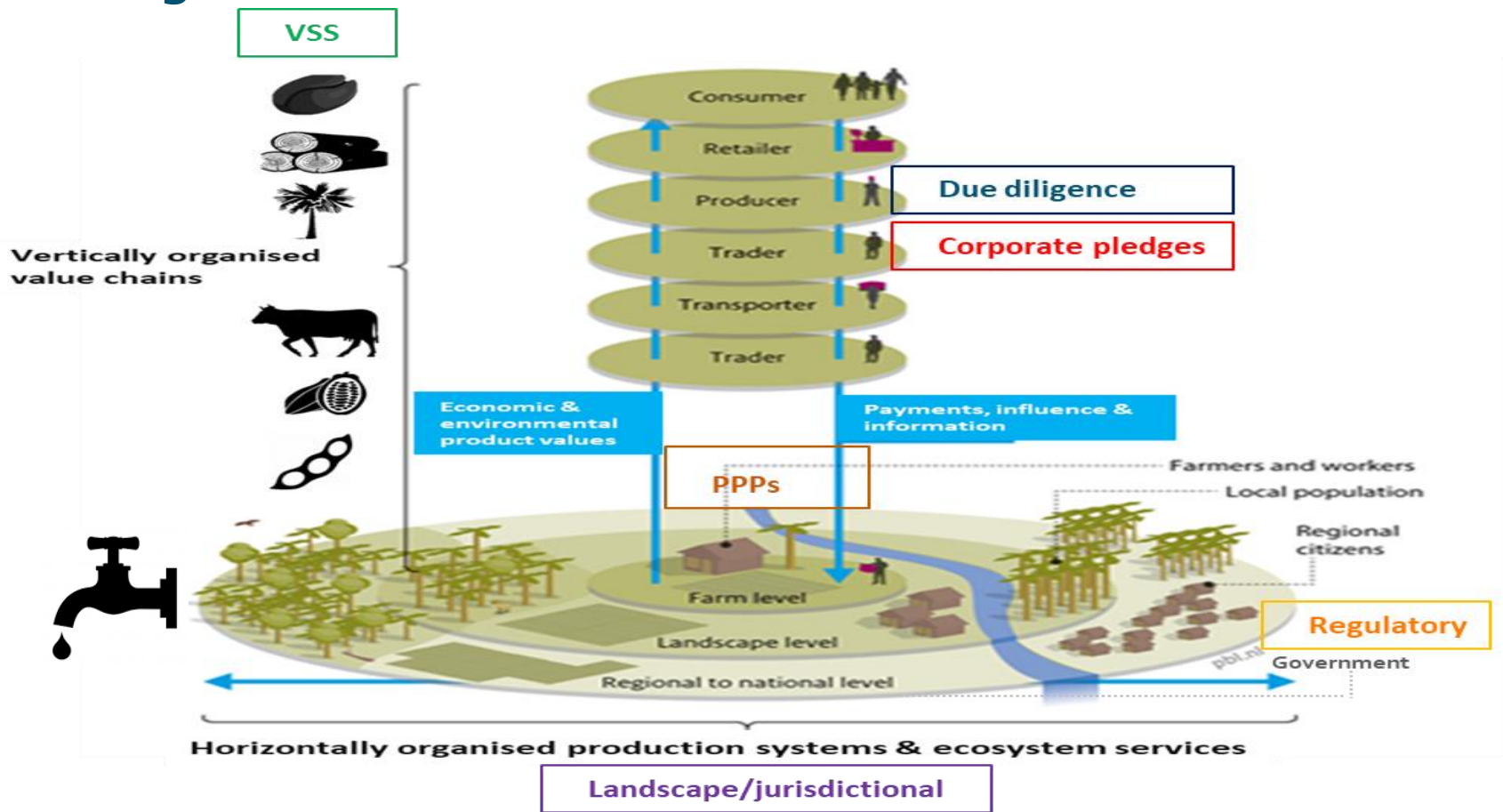
# Recommendations for 'successful' ZD VC approaches



## Combine the best of different approaches?

1. **Geographic focus on deforestation** – taking account of leakage to address indirect drivers practically
2. Focus on **deforestation hotspots** – new frontiers
3. Include agroforestry, **reforestation and afforestation and restoration** in approaches as mitigation and compensation measures
4. **Evidence base** (academia, NGOs + business) needed for
  - Which **approaches work** – e.g. combined “the best of” regulatory & certification, align & integrate corporate pledges with legality approaches
  - **definitions** ‘forest’, ‘deforestation’ & cut off dates comparable across regions and between commodities;
  - clarifying ZD standards and incentives to gain preferential market access & finance;
  - **financers driving role;**
  - **Critical review CSR reporting & public commitments;**
  - **Traceability and monitoring** to evidence causality claims

# Conclusions: Recommend well-designed, interlinked approaches in a multi-level and multi-actor setting



Inspired by: van Oorschot et al (2016), Ruijs and Egmond (2017)

# Questions & feedback?



Verina Ingram, Jelle Behagel, Aynur Mammadova, Xanthe Verschuur (2020). The outcomes of deforestation-free commodity value chain approaches. Forest and Nature Conservation Policy Group, Wageningen University and Research. Wageningen. The Netherlands



# Conclusions: ZD-VC initiatives largely business as usual: risk-based, combined approaches needed

1. Commodities drive deforestation generally, but specific drivers not well studied, and differ per region. Understanding intricacies is needed to design ZD approaches with local positive outcomes and prevent deforestation leakage outside intervention area.
2. VSS (cocoa & timber) partially effective, regulatory approaches effective (cattle & palm oil). Less evidence for landscape approaches, PPPs and corporate pledges, partly due to lack of reporting. Combined the “best of” approaches needed ?
3. DD mechanisms focus on regulatory, VSS, PPPs & corporate pledges. If add traceability and monitoring, theoretically can increase success, but evidence is missing.
4. Almost no ZD approaches address leakage and spill over.
5. Most ZD approaches focus on regions with historical deforestation, less attention current deforestation hotspots and high-risk commodities.
6. Stronger evidence to develop robust ToCs to show ZD-VC approaches work – responding to different value frames and discourses

# Recommendations

- Research and conceptual work needed to establish **shared assessment strategies** for ZD-VCs across commodity markets, scales and approaches.
- Develop **baseline-cut off date standards** (how far back to measure deforestation?), **deforestation measures** (forest cover?), and **accounting methods for forest gain/loss** (including or excluding reforestation/afforestation/restoration efforts?) to lead to evidence that resists systematization and evidences claims of effective ZD approaches.
- ZD approaches should be **scrutinized for the societal and political values** inherent in them and the theories of change they ascribe to.