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Sustainable Development Goals and forests

Integrating perspectives, priorities and experience from Asia

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SNV SMART DEVELOPMENT WORKS

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Executive summary

The outcome document of the 2010 Millennium Development Goals Summit requested the Secretary-General to initiate thinking on the global development agenda beyond 2015. In July 2014, the Open Working Group of the UN General Assembly prepared a zero draft containing a proposed set of Sustainable Development Goals (SDGs), which forms an important input to the negotiation phase under the auspices of the UN General Assembly. Final agreement on the post-2015 framework and the SDGs is expected at a high-level summit in September 2015. It is the purpose of this report to integrate the perspectives, priorities and experiences from Asia in helping to ensure that the goals gain the right contribution from forests while optimally fostering their sustainability.

As a background to this report, a study was carried out by IIED to assess the UNs Open Working Group (OWG) zero draft on SDGs from a forest perspective. This study examines the links between the proposed goals and targets and forests. Experience with the Millennium Development Goals, as well as country experiences, clearly highlight how a focus solely on forestry targets, is insufficient and unable to sufficiently address the right enabling environment — through rights, systems, capabilities and metrics. A combined set of goals and targets is therefore proposed as a 'forest module', which is considered essential for forests to deliver sustainable development. In this paper we follow a similar approach and assess the proposed SDGs from a forest perspective from the viewpoint of Asia. In order to do this, the paper first presents some of the major trends in forest policy and their impact. This allows us to assess whether forest policies have been effective and what are the critical issues which need to be overcome for forests to deliver sustainable development. This, along with case studies of best practices from Asia, provides the necessary information to make recommendations on the zero draft from an Asian forestry perspective.

Asia accounts for approximately 13.6 per cent of the world's forests, with the total forest area increasing slightly over the past 25 years, due primarily to the major forest replanting programmes in the People's Republic of China, India and Vietnam. Over the past three decades, there has been a re-orientation within the forestry sector across the region; this has supported a shift away from being focused narrowly on timber production for economic growth towards more sustainable forest management (SFM) goals. In terms of delivery on SFM, the report draws the following conclusions:

- Forest cover: Southeast Asia had the largest area of forest loss, particularly in Indonesia but also Cambodia, Lao PDR and Myanmar. Forest clearance for agriculture remains the most important cause of deforestation in most of the Asia-Pacific region. In the past, smallholder cultivation, especially swidden, was the major cause of deforestation. Economic and demographic changes, however, have led to a decline in such cultivation and an expansion of industrial agricultural crops – for example, coffee, rubber and oil-palm – responding to the demand from national and international markets. Although sustainable forest management remains the basis for most forest policies, its actual implementation remains elusive, with extraction of timber often exceeding the levels of sustainability.

- The Asia-Pacific region is rich in biodiversity; however, a drive towards economic growth, fuelled through the export of agricultural commodities, is placing ever greater pressure on forested areas causing forest habitat loss and the significant loss of biodiversity. Even in those countries where the forest cover has increased, commercial hunting and Asia's burgeoning illegal wildlife trade has emptied many of these forests, leading to the empty forests syndrome.

- Forest health and vitality: forest degradation remains a major but less visible problem, as changes in forest condition and quality remain unidentifiable in national forest statistics. The limited data available suggest a decline in the per hectare growing stock in most countries in the region. Fire, logging and the increased incidence of pests and disease are the main factors contributing to this trend.

- Enhancing forest protective functions: across Asia there have been large public programmes to enhance the protective capacity of the forests, often as a response to natural disasters. The results of these programmes have been mixed and have often been a significant drain on public funds.

- Contribution to the economy: between 1990 and 2006, the Asia-Pacific region's share in global forest sector value added, especially wood-based panels, paper and paper board and furniture, increased from about 20.5 percent to 24.4 percent. Some countries have been more successful in developing their forest products sector, for example China and Vietnam. The overall contribution to GDP remains close to one percent for the region; however official statistics seldom provide a complete picture, especially in view of the significant share of unrecorded production and trade taking place.

- Poverty alleviation: efforts to support poverty alleviation have tended to be through conferring rights to land, forests and forest products to local communities, in order to allow them to benefit from the forest resource base. Although there are growing efforts across the region the reforms have in many case not been sufficient to ensure greater benefits to local communities.

- Legal, policy and institutional framework: although all countries are promoting sustainable forest management, its actual implementation remains elusive. A major challenge is countries' capacities and commitment to implement these policies and to address the non-forest sectors which are ultimately deciding how lands (including forests) are used.

Across Asia, the overall picture is one of a greater commitment to the principles of Sustainable Forest Management (SFM) but a continued lack of delivery, particularly on social and environmental principles. For achieving SFM it will be necessary to reach Goal 15 of the OWG zero draft: 'Protect and promote sustainable use of terrestrial ecosystems, halt desertification, land degradation and biodiversity loss and all of the associated targets'. A focus solely on forestry targets, however, is insufficient to foster an enabling environment for forests to deliver sustainable development. Various interrelated factors explain poor forest policy effectiveness and indicate what types of improvement are needed in policies, legislation and institutions to expedite achievement of SFM, combat illegal logging and respond to challenges likely to face forests and forestry up to 2020. In this report, we distil these down to two major underlying factors or 'systemic issues' which need to be tackled. These are:

1. The slow progress in introducing the necessary governance reforms in the forestry sector, which includes the necessary devolution of power and ownership to local communities – 'forest governance'; and

2. the continued prioritisation of land for immediate economic growth needs over forest protection and associated lack of integrated management of land and investment into the forestry sector – 'balancing economic, social and environmental objectives'.

Although forests are only explicitly mentioned in Goal 15 of the OWG zero draft, it is necessary to identify and understand the many different outcome targets under diverse goal areas that could contribute to addressing these two systemic issues. By doing so, we produce an 'SDG forest module for Asia'. Although many of these targets do not explicitly mention forests, they are vital to deliver on the goal of sustainable forest management.

With respect to addressing forest governance, changes in legislation and institutions have often lagged behind forest policy changes. This can lead to a situation where the changes needed are not introduced and may result in partial or temporary, and in some cases no, change to the status quo. Under these circumstances, there may be continued resistance to the actual devolution of rights to communities, to addressing illegal logging and/or to challenge the powerful vested interests that prosper from the existing institutional arrangements. The zero draft covers a number of key issues and includes targets which go some way in addressing these forest governance concerns. These include:

- Goal 16: Achieve peaceful and inclusive societies, access to justice for all, and effective and capable institutions. This includes targets to: promote the rule of law and ensure equal access to justice for all (Target 16.3), reduce corruption and bribery (Target 16.5), increase inclusive, participatory and representative decision-making (Target 16.7) and develop effective, accountable and transparent institutions at all levels (Target 16.6).

- Also fundamental to tackling the issue of forest governance is to: ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance (Target 1.4, 2.5, 5.5).

- Target (16.a, 16.4) to strengthen relevant national institutions, including through international cooperation, for building capacities at all levels, for combating terrorism and crime. A major initiative in an effort to combat the trade in illegal logging is the Forest, Law Enforcement, Governance and Trade initiative.

- Over the long term, there will be a need for administrative reform in the forest sector, which can be helped through training and education (Targets 4.7, 4b). This can develop organisational capabilities for natural resource management, enterprise development and climate change preparedness. This can help to build up the capacity of the forestry sector to be able to respond to the needs for Sustainable Forest Management as can regional and international collaboration on and access to science, technology and innovation, and enhance knowledge sharing (Target 17.6).

One clear omission in the zero draft is that land tenure rights do not specify collective rights as well as individual rights to own land and property. Collective rights allow community-level governance of tenure that is relevant for many Indigenous people and local forest-dependent communities.

Meeting these goals and targets above could play a significant role in addressing poor forest governance. The fact remains, however, that these targets *are not* explicitly recognised as necessary to deliver on SFM and Goal 15 in particular, and may therefore not be adopted by the relevant forest agencies. The idea of the forest module goes some way to explicitly highlight the critical importance of these other goals and targets in meeting SFM. For decision-makers, however, it is likely that such a diverse mix of goals and targets and their links to better forest governance and SFM may not be clear. The forest module can therefore be used as a roadmap to further define and explain the importance of these others factors in attaining the goal of SFM. It must also be highlighted, however, that some goals and targets are clearly more critical in achieving SFM and it is therefore recommended that a prioritisation of the key goals and targets is carried out on a country by country basis. It is recommended that not only are the goals and targets understood, but the inter-connectedness between them is clearly highlighted, in order to understand the critical linkages necessary to deliver on forest protection and SFM. In Section 4, we present some of the best practices from Asia that have gone some way in addressing these governance issues. These include community forestry in Nepal, community enterprise development in China and the growth of various initiatives to combat illegal logging and promoting sustainable trade across Asia.

With respect to addressing the second systemic issue of ensuring appropriate balance between economic, social and environmental objectives, a number of other goals and targets were identified from the zero draft as key in delivering more integrated resource management. These include the following:

- The necessity to promote a more sustainable development pathway is picked up in Goal 12: promote sustainable consumption and production practices would seem central; in particular more integrated policies and planning in countries (Target (12.1 and 13.2) and sustainable development

principles in business practices (Target 12.6) public procurement (Target 12.7) as well as the need for broader systems of national accounting (Target 17.19).

- There are a number of key ingredients that can help better balance the incentives for forest conversion for agriculture and forest protection; for example, through the granting of community based forest management (Target 1.4) and accessing possible funds and markets to pay for forest goods and services (Target 15.b). This includes through payments for ecosystem services (PES) and REDD+ payments.

- Over the longer term it is also critical that there is a growing understanding and appreciation of environmental and social objectives. This requires that there is a sharing of knowledge and technical capacity to work on sustainable development. This issue is picked up in (Target 12.8) information and awareness on sustainable lifestyles and to strengthen education, scientific and technological capacities to move towards more sustainable patterns of consumption and production (Target 4.7, 12a and 17.9).

In many countries there are already good plans on sustainable development but the issue is the actual commitment to these plans and their implementation. A clear omission is cross-sectoral implementation mechanisms in order to balance economic, social and environmental objectives, and there is little mention of integrated land use planning. Without cross-sectoral institutional mechanisms, it is difficult to see how these plans will be put into practice; and integrated land use planning is a prerequisite for balancing competing land demands for food, fuel, fodder and fibre.

There is also a potential conflict of goals and targets. For example, Target 8.1 states the expectation of at least seven per cent per annum GDP growth in the least-developed countries. For least developed countries this often requires prioritising export-led agriculture, however, which has often come at the expense of natural forests. In the context of Asia, given the importance of international trade in some agricultural commodities as primary drivers of deforestation (for example, coffee, rubber and palm oil) and in changing land property rights, this necessitates the need for more sustainable patterns of consumption and production. There is a lack of targets on how this can actually be achieved, however.

The language in Target 17.19: by 2030, build on existing initiatives to develop measurements of progress on sustainable development that 'complement' GDP, is weak. The prevailing priority in most countries remains immediate economic gains over the longer term environmental and social goals. The question, therefore, is what is needed to change this underlying paradigm and how can it be captured in the goals and targets. It is therefore recommended that new ways to measure development in the country are used, which fairly balance other social and environmental objectives. One option is to adopt natural capital accounting so that countries' sustainability efforts can be consistent, accurate, and comparable over the long term. Only by recognising a broader understanding of what constitutes growth or development can social issues, such as inequality and poverty, as well as environmental issues be adequately addressed.

1. Introduction

The Sustainable Development Goals (SDGs) will set the global development agenda beyond 2015. Development of the SDGs is entering an important phase. The UN's Open Working Group (OWG) on SDGs has been preparing a proposed set of goals and targets since September 2013. The intergovernmental negotiations will aim for the UN General Assembly to adopt the new framework by September 2015. IIED, with partners, is working to help install forest-related targets and indicators into the post-2015 development framework.[1] To this end, they are gathering evidence and enabling dialogue with key constituencies in Africa, Asia and Asia on how best to frame the inclusion of forests in the post-2015 framework. A number of reports have been commissioned from the different regions, integrating their perspectives, priorities and experiences.

In order to stimulate thinking, IIED has produced a [briefing](), providing an initial [assessment]() of the SDG framework from a forest perspective. The SDGs are assessed against both the core concepts of sustainable development, as well as core enabling conditions derived from known frameworks of inclusive and sustainable forest management (in relation to social justice, inclusive economic opportunities, multi-functional landscapes, capacity and knowledge). This work is an initial step towards identifying the potential for a 'modular' or 'integrated' approach that highlights the relevance of multiple goal areas to forests, and to highlight critical targets for retention, missing issues, synergies and trade-offs. The modular or integrated approach is outlined within section two, on methodology.

The purpose of this report is to understand perspectives, priorities and experiences from Asia in support of an integrated approach for forests within the SDGs, and to support dialogue and advocacy opportunities. The intended audience includes country experts and negotiators, both from within and outside Asia. The paper assesses the OWG zero draft and proposes introducing an approach which, if adopted, could ensure that the goals gain the right contribution from forests while optimally fostering their sustainability.

The paper is divided into four sections. Following a description of the forest module methodology, we distil the current situation in Asia. In particular, we examine what the major trends in forest policy are and whether they have been successful, and what the key factors are that inhibit success. With this understanding, section three examines the OWG zero draft to assess whether this is sufficient to address the range of factors identified in section two. Suggestions are made in terms of what changes may be needed to tackle and incorporate the complexities of the situation of forestry in Asia. In the fourth section, we showcase some of the opportunities and ideas that can feed into useful implementation guidance, including existing examples of best practice from Asia. Finally, conclusions are provided.

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[1] IIED has been contracted by the Climate and Land Use Alliance (CLUA) to implement a project entitled 'Trees can score goals: Evidence synthesis, dialogue and advocacy to help integrate forests in the post-2015 development framework.'

2. Methodology

As a background to this report, a study was carried out by IIED to assess the OWG zero draft on SDGs from a forest perspective. This report, 'Sustainable Development Goals from a forest perspective: transformative, universal and integrated,' proposes an approach which could ensure that the goals gain the right contribution from forests whilst fostering sustainability.[2] Experience from the Millennium Development Goals highlights that the limited outlook provided by these goals and targets was insufficient;[3] in particular, it has been argued that these goals did not sufficiently address the right "enabling environment" — through rights, systems, capabilities and metrics — for forests to deliver sustainable development.[4] Drawing on existing frameworks, such as globally applicable criteria for Sustainable Forest Management (SFM), the report highlights four categories of 'enabling conditions' for forests to deliver sustainable development. These are:

1. Social justice within secure forest stewardship arrangements: just and secure forest rights through equitable forest governance and negotiated land use planning.

2. Fair, accessible and responsible market systems: inclusive economic opportunity and resource efficiency for all forest products and services, influenced by sustainable lifestyles and trade.

3. Organisational capabilities to manage multi-functional landscapes: to enhance the quality and quantity of ecosystem services, sustainable land use practices and resilience of the poor.

4. Incentives and practical metrics: to build partnerships that effectively resource and monitor progress at national and international levels.

The report examines the links between the proposed OWG zero draft goals and targets, and forests; first identifying targets towards which forests can make a direct contribution, and secondly, targets that are critical to provide the basic enabling conditions needed to promote sustainable development. This combined set of goals and targets is proposed as a 'forest module', which is depicted in Figure 1 below and is considered essential for forests to deliver sustainable development.

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[2] Macqueen, D., Milledge, S. and Reeves, J. (2014). SD goals from a forest perspective: Transformative, universal and integrated? IIED Discussion Paper, International Institute for Environment and Development, London, UK.

[3] UN (2004) The Millennium Development Goals Report. United Nations, New York.

[4] Milledge, S., Macqueen, D., Reeves, J. and Mayers, J. (2014), Sustainable Development Goals: a forest module for a transformative agenda, IIED Briefing Paper: Issue July 2014, International Institute for Environment and Development, London, UK.

Figure 1: A modular approach to the contribution of forests to diverse development outcomes and required enablers
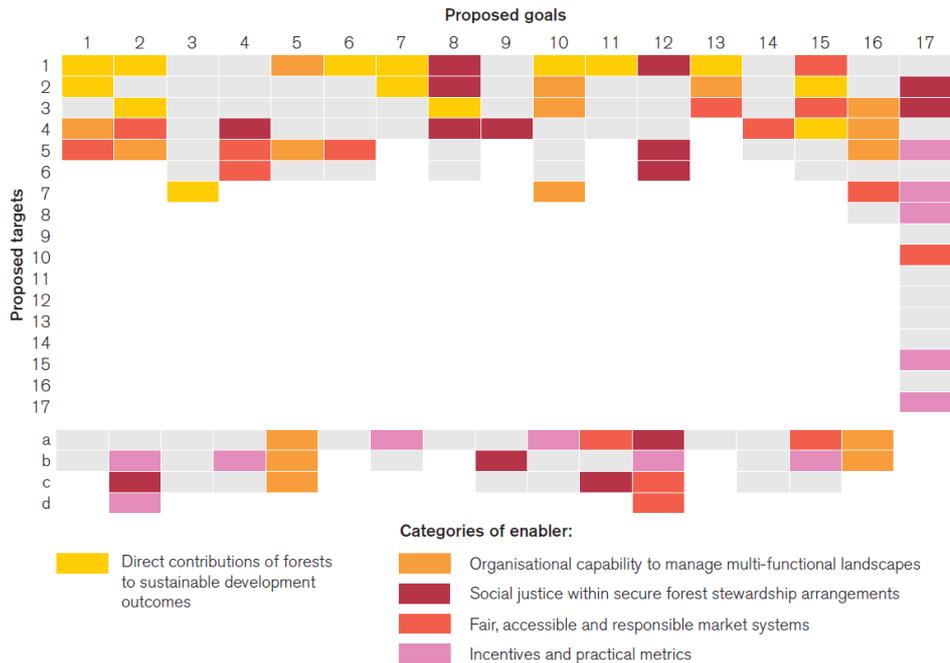
In this paper we follow a similar method, to assess the SDGs from a forest perspective from the viewpoint of Asia. In order to achieve this, we first need to better understand the major trends in forest policy in Asia and assess whether they have been effective. This will allow us to distil the major impediments or 'systemic issues' hampering the forest sector in achieving sustainable development in Asia.

To better understand the forestry sector in Asia, this paper draws upon the *Second Asia-Pacific Forestry Sector Outlook Study* (APFSOS ll). Produced in 2010, this provides a comprehensive understanding of the forestry sector in Asia and outlook to 2020. As part of the completion of APFOS II, country outlook studies were prepared by member countries of the Asia-Pacific Forestry Commission. Most countries also provided comprehensive reports and updated documentation on national policies, strategies and actions. National focal points were assigned, who ran a number of national level outlook consultation processes, collecting country-level data and information, clarifying issues, verifying statistics and coordinating submissions of country outlook papers. The study therefore provides a robust basis from which to understand the forest perspective from Asia. Targeted interviews were also held to update information and fill any perceived gaps in knowledge.

3. Perspectives from Asia

Asia accounts for approximately 13.6 per cent of the world's forests,[5] with the total forest area increasing slightly over the past 25 years (see Bar Chart 1). During this period, while the region of East Asia witnessed major replanting programmes, primarily as a result of large-scale afforestation in the People's Republic of China, India and Vietnam; Southeast Asia had the largest area of forest loss, particularly in Indonesia but also Cambodia, Lao PDR and Myanmar (see Map 1).

Bar Chart 1: Forest cover in Asia (million hectares 1990-2010) FAO
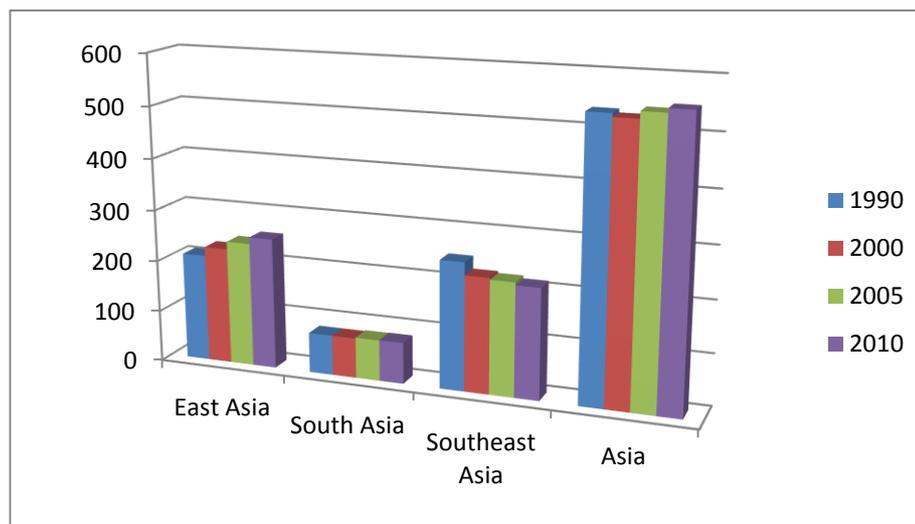
Map 1: Forest loss 2000-2012[6]

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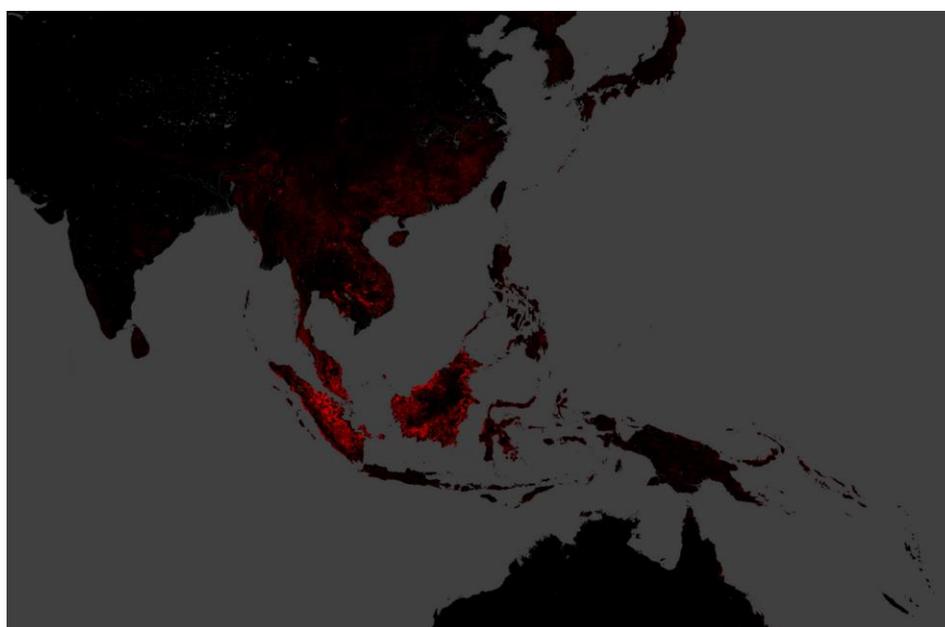
[5] FAO. 2010. Global forest resources assessment 2010. FAO, Rome (also available at www.fao.org/forestry/fra2010).

[6] M. C. Hansen,*, P. V. Potapov, R. Moore, M. Hancher, S. A. Turubanova, A. Tyukavina, D. Thau, S. V. Stehman, S. J. Goetz, T. R. Loveland, A. Kommareddy, A. Egorov, L. Chini, C. O. Justice, J. R. G. Townshend (2013), High-Resolution Global Maps of 21st-Century Forest Cover Change, Science, 15 November 2013: Vol. 342 no. 6160 pp. 850-853.

Major trends in forest policy in Asia

Over the past three decades, there has been a re-orientation within the forestry sector across the region. This has been shaped by broader development trends: population growth, higher income levels, urbanisation, globalisation and more neo-liberal economic policies. This has supported a shift away from a focus narrowly on timber production for economic growth towards more SFM goals.[7] Although most countries in the region have adopted SFM as the guiding principle in forest policy, however, not all have revised forest policy and legislation in recent years.[8] Common trends in forest policy in Asia include:

- Establishment of targets for forest cover and major programmes aimed at reversing the declining forest resource base; for example the President of Indonesia introduced a programme aimed at rehabilitating five million hectares of degraded forest throughout the country between 2003 and 2009; and Vietnam has been pursuing a policy of forest land rehabilitation through the Five Million Hectare Reforestation Project since 1998. The Philippines, India and China have all made clear commitments and investments to forest restoration and increasing overall forest cover.

- These efforts have often been introduced in order to restore or rehabilitate the ecosystem values of forests. Although links between forestry activities and erosion, floods and droughts are sometimes imprecise, natural disasters have been a key driver for changes in forest policy in the region. For example, environmental concerns over forest degradation and severe flooding in the summer of 1998 triggered the imposition of a logging bans in state-owned forests of the upper reaches of the Yangtze and Yellow Rivers in China.[9] Similarly, there was post-Tsunami policy evolution for the management of coastal forests, in particular mangrove forests in India and Indonesia.[10] This has also seen improved policies as a response to natural disasters in Philippines, Pakistan and Vietnam.

- Greater community involvement in the forest sector has been a common policy goal throughout the region. Across Asia, there is a trend to move away from a state controlled forest management system to more decentralised forest management. Nepal has the most developed and effective community forest management systems in place in Asia. In China, the Philippines, Indonesia, Cambodia and Vietnam, there has been some form of granting of land rights to individuals, families and indigenous peoples. The reasons for this trend are various: a growing recognition by the state that forest management is difficult, if not impossible, without active engagement of a wide spectrum of stakeholders; the realisation that authorities do not have the available resources to adequately manage remote forest areas; as well as external pressures from international initiatives, social movements and donor requirements supporting community forestry.[11]

- Changes to the wood products industry: there has been a shift from Asia being a regionally focused exporter of industrial roundwood to being an internationally focused exporter of more value-added items, especially wood-based panels, paper and paper board and furniture. China is the main driver of this trend, and, to a lesser extent, Vietnam in the furniture sector. FSC certification has grown

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[7] Seven thematic elements derived from regional and international processes on criteria and indicators for SFM have been put forward (FAO 2005): extent of forest resources, biodiversity, forest health and vitality, productive functions, protective functions, socio-economic functions and legal, policy and institutional framework; FAO (2005), Global forest resources assessment: progress towards sustainable forest management. Rome, FAO.

[8] Yasmi, Y., Broadhead, J., Enters, T. and Genge, C. (2010), Forestry policies, legislation and institutions in Asia and the Pacific: trends and emerging needs for 2020, Asia-Pacific Forestry Sector Outlook Study II, Working Paper Series, Working Paper No. APFSOS II/WP/2010/34, FAO, Rome.

[9] Waggener, T.R. 2001. Logging bans in Asia and the Pacific: An overview. In P.B. Durst, T.R. Waggener, T. Enters & L.C. Tan, L. (eds). Forest out of bounds: impacts and effectiveness of logging bans in natural forests in Asia-Pacific. RAP Publication 2001/08. Bangkok, Asia-Pacific Forestry Commission, FAO.

[10] Shaw, R. (2015), Recovery from the Indian Ocean Tsunami: a ten year journey, Springer, Tokyo.

[11] Yasmi, Y., Broadhead, J., Enters, T. and Genge, C. (2010), Forestry policies, legislation and institutions in Asia and the Pacific Trends and emerging needs for 2020, Asia-Pacific Forestry Sector Outlook Study II, Working Paper Series, Working Paper No. APFSOS II/WP/2010/34, FAO, Rome.

rapidly in the Asia region over the last decade.[12,13] Considering population and income growth in the region, demand for wood products, especially panel products and paper and paper board, will increase significantly from the current relatively low levels. It is expected that East Asia, especially China, will account for most of the surge in consumption, in particular panel products and paper and paper board as well as industrial roundwood.[14]

- Various efforts have been introduced by both the domestic and international community to combat illegal logging. The number of success stories of law enforcement and anti-corruption efforts is slowly increasing; for example in Cambodia, China, Malaysia and Indonesia.[15] There is also growing pressure from the purchasing countries; for example, amendments to the Lacey Act in 2008. Indonesia, Cambodia, Lao PDR, Malaysia, Thailand, Philippines and Vietnam are all at different stages of Voluntary Partnership Agreements under the EU Forest Law Enforcement Governance and Trade initiative.

- In the last decade there has been greater attention on the role of forests in providing ecological services and tapping into possible sources of finance to pay for these ecological services. Vietnam, China and Indonesia have all established PES schemes. International climate negotiations, under the auspices of the UNFCCC, have been pivotal in elevating the role of forests and forest land use as both a carbon sink and a potential source of greenhouse gases (GHG). Cambodia, Vietnam, Lao PDR, Indonesia, and Nepal, have all joined global REDD+ schemes; with Indonesia at the forefront of work on REDD+. In the future, these issues are likely to receive greater consideration as concern grows over the impacts of climate change.

Have these forest policies been effective?

Although countries in the region have generally pursued SFM as a forest policy, their success cannot be judged by statements of intent but need to be judged by how effective they have been in delivering its objectives. Breaking SFM down into its seven core components:[16] extent of forest resources, biodiversity, forest health and vitality, productive functions, protective functions, socio-economic functions and legal, policy and institutional framework, each can be examined in turn:

- Forest cover: while the region of East Asia witnessed major replanting programmes, primarily as a result of large-scale afforestation in the People's Republic of China, India and Vietnam; Southeast Asia had the largest area of forest loss, particularly in Indonesia but also Cambodia, Lao PDR and Mynamar. Forest clearance for agriculture remains the most important cause of deforestation in most of the Asia-Pacific region. In the past, smallholder cultivation, especially swidden, was the major cause of deforestation. Economic and demographic changes, however, have led to a decline in such cultivation and an expansion of industrial agricultural crops – for example, coffee, rubber and oil-palm – responding to the demand from national and international markets. Although sustainable forest management remains the basis for most forest policies, its actual implementation remains elusive with extraction of timber often exceeding the levels of sustainability.

- Biodiversity: the Asia-Pacific region is rich in biodiversity containing 13 of the world's 34 identified biodiversity hotspots.[17] Since 2002, the extent of protected areas has remained stable, as potential

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[12] Ibid

[13] This figure does not include the rapid growth in FSC in Indonesia over the past four years.

[14] FAO. 2010. Asia-pacific forests and forestry to 2020 report of the second Asia-Pacific forestry sector outlook study, Bangkok, FAO.

[15] Yasmi, Y., Broadhead, J., Enters, T. and Genge, C. (2010), Forestry policies, legislation and institutions in Asia and the Pacific Trends and emerging needs for 2020, Asia-Pacific Forestry Sector Outlook Study II, Working Paper Series, Working Paper No. APFSOS II/WP/2010/34, FAO, Rome.

[16] FAO (2005), Global forest resources assessment: progress towards sustainable forest management. Rome, FAO.

[17] Conservation International. 2007. *Biodiversity hotspots*. Arlington, USA (available at www. biodiversityhotspots.org/xp/Hotspots/hotspots_by_region/).

limits to their expansion are neared. Economic growth fuelled through the export of agricultural commodities in an already densely populated continent has increased the need and direct competition for land, however, placing ever greater pressure on biodiversity. Even in those countries where the forest cover has increased, rampant commercial hunting and Asia's burgeoning illegal wildlife trade has emptied many of these forests, leading to the empty forests syndrome.

- Forest health and vitality: forest degradation remains a major, but less visible (than deforestation) problem, as changes in forest condition and quality can remain unidentifiable in national forest statistics. The limited data available suggests a decline in the per hectare growing stock in most countries in the region.[18] Various human and natural factors are contributing to the decline in health and vitality and the general degradation of forests in the region; in particular fire, illegal and unsustainable logging, and the increased incidence of pests and disease.[19] Even though there have been some positive developments in tackling illegal logging, illegal logs continue to reach markets, due to law enforcement remaining weak for a variety of reasons, including inadequate staffing and skills, the use of bribes and as a result of the poorly developed judicial system.[20]

- Enhancing forest protective functions: as indicated water-related issues, related to flooding and droughts have been a significant driver of forestry related policy change in the Asia-Pacific region triggering considerable investment in efforts to reduce deforestation and protect and/or plant forests in vulnerable watersheds. The results have been mixed and often been a significant drain on public funds. Countries such as Vietnam and Indonesia are starting to experiment with establishing schemes to facilitate payments for watershed protection; however, these remain in their infancy and are heavily controlled by the state authorities.

- Contribution to the economy: the total value added by the Asia-Pacific forest sector, consisting of wood production (including logging), wood processing (in particular production of sawnwood and panel products), pulp and paper and furniture manufacturing, increased from about US$110.7 billion in 1990 to US$116.9 billion in 2000 and to US$141.0 billion in 2006.[21] Also between 1990 and 2006, the Asia-Pacific region's share in global forest sector value added increased from about 20.5 percent to 24.4 percent.[22] Some countries have been more successful in developing their forest products sector, for example China and Vietnam, while major players such as India and Indonesia have witnessed a slight increase in overall gross value from the sector.[23] Despite these increases, the share of the forest sector in the gross regional product declined from about 1.4 percent in 1990 to 1.0 percent in 2006, due to the much faster growth of other sectors.[24] Official statistics seldom provide a complete picture, however, especially in view of the significant share of unrecorded production and trade taking place. In some countries, production through illegal logging is estimated to be as high as 50 percent of legally procured timber.[25] Nor do statistics account for the myriad of ecological values and local products forests provide, particularly for forest dwelling communities.

- Poverty alleviation: efforts to support poverty alleviation have tended to be through conferring rights to land, forests and forest products to local communities in order to allow them to benefit from the

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[18] FAO. 2006. *Global forest resources assessment 2005 – progress towards sustainable forest management.* FAO Forestry Paper No. 147. Rome, FAO.

[19] FAO. 2010. Asia-pacific forests and forestry to 2020 report of the second Asia-Pacific forestry sector outlook study, Bangkok, FAO.

[20] Yasmi, Y., Broadhead, J., Enters, T. and Genge, C. (2010), Forestry policies, legislation and institutions in Asia and the Pacific Trends and emerging needs for 2020, Asia-Pacific Forestry Sector Outlook Study II, Working Paper Series, Working Paper No. APFSOS II/WP/2010/34, FAO, Rome.

[21] FAO. 2010. Asia-pacific forests and forestry to 2020 report of the second Asia-Pacific forestry sector outlook study, Bangkok, FAO.

[22] Ibid

[23] Ibid

[24] Ibid

[25] Ibid

forest resource base; for example, through Forest User Groups in Nepal. However, evidence points to the fact that current efforts to devolve power to local communities is not sufficient and so far has had minimal impact in reducing poverty.[26] Also the move towards decentralization by national governments has been driven more by forest conservation than poverty agendas, with the opportunities for use of forest products often restricted to meeting domestic needs. Other pro-poor forestry policies, including providing employment that directly and indirectly enhances the incomes of the poor, and/or efforts to increase the share of benefits along timber supply chains accruing to the poor, have received little priority from countries.

- Legal, policy and institutional framework: although all countries are promoting SFM, its actual implementation remains elusive. A major challenge is countries' capacities and commitment to implement these policies and to address the non-forest sectors which are ultimately deciding how lands (including forests) are used. Policies both within and outside the forestry sector that support deforestation and forest degradation create path dependencies and entrenched interests that hamper actual policy change and implementation.[27] Changes in legislation and institutions have often lagged behind forest policy changes and the needed policy coherence and integration across sectors continues not to exist. This can lead to a situation where the systemic changes needed are not addressed, and may result in partial or temporary and, in some cases, no change to the status quo. Under these circumstances, there may be continued resistance to the actual devolution of rights to communities, addressing illegal logging and/or to challenging the powerful corporate interests in the agriculture sector seeking land for expansion.

Why have forest policies been ineffective in Asia?

In Asia, the overall picture is one of a greater commitment to the principles of SFM and more initiatives to provide social and environmental benefits from the forestry sector. Much of the forest is not sustainably managed, however, and while forest cover trends may show an overall increase, due to reforestation efforts primarily in China, India and Vietnam, significant deforestation continues in other countries, with the overall quality of forests declining across the region. Policies have helped to support development of the wood-based industry, whilst also gradually supporting greater devolution of the forest estate to local communities. The needed governance reforms to make this successful are still not being introduced in many countries, however.

The question therefore remains over what needs to change to ensure that forest policies meet their stated aim of sustainable forest management. Various interrelated factors can explain poor forest policy effectiveness and indicate what types of improvement are needed in policies, legislation and institutions to expedite achievement of SFM, combat illegal logging and respond to challenges likely to face forests and forestry up to 2020. These are:

1. Policies, regulatory framework and public funding prioritising non-forest sectors

   Governments, as well as companies, prioritise short-term economic gains over forest conservation; be it the use of forest land for the expansion of agricultural commodities, infrastructure or mining. Policies and regulations are introduced to exploit the more immediate financial potential of the land. This could be, for example, providing incentives for people to migrate to rural areas, or subsidies on agricultural inputs which lower the production costs, making expansion more viable in remote areas. Enforcement of forest policies is not seen as a funding priority in most countries, where limited field personnel are tasked to monitor and enforce protection across huge forest areas. This makes the task of controlling and enforcing illegal logging challenging in most countries.

2. The lack of an integrated approach to policy formulation and institutional development

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[26] RECOFTC. 2009. *Is there a future role for forests and forestry in reducing poverty?* Asia- Pacific Forestry Sector Outlook Study II. Working paper series. Working Paper No. APFSOS II/ WP/2009/24. Bangkok, FAO. 60 pp.

[27] Brockhaus, M., Di Gregorioa, M. and Mardiaha, S. (2013). Governing the design of national REDD +: An analysis of the power of agency, Forest Policy and Economics, available online 17 August 2013 Elsevier.

Many existing policies and pieces of legislation still adopt narrow sectoral approaches that make clear distinctions between forestry and agriculture and how these are administered and regulated.

The prioritisation of certain sectors and their interests has hampered the ability to develop an integrated approach to land and forest use decisions. Across the countries in Asia, there are very few instances of balanced approaches where various objectives are integrated and clear trade-offs are established between divergent goals. This current focus on a sector by sector basis needs to be replaced by more integrated approaches to policy formulation and institutional development.

3. The need for forest and land use governance reforms

Policies both within and outside the forestry sector that support deforestation and forest degradation create path dependencies and entrenched interests that hamper policy change and governance reform.[28] To tackle this requires reform across the land-based sectors on issues such as access rights to forest land, the processing of permits for land concessions, the development of land use priorities, enforcement and greater penalties for illegal logging, judicial reform, and so on. These fundamental governance reforms are critical in properly reforming the sector.

4. Forest ownership reforms insufficient

State authorities dominate forest ownership in Asia. Efforts are underway in many countries to restore the traditional rights of indigenous and other forest-dependent communities and to allocate forest land and/or provide access rights to families and individuals; for example in Indonesia, Nepal, Philippines and India. While multi-stakeholder forest management schemes have grown in the past decade, challenges in the full transition remain.[29,30,31,32] In an assessment of the impact of policies to transfer areas of forests back to communities, it was found that new statutory rights do not automatically result in rights in practice, and a variety of institutional weaknesses and policy distortions have limited the impacts of change.[33] Although the current trend to devolve greater powers to local communities is taking hold, it is still not clear how effective they are and if the necessary underlying reforms are being undertaken to provide sufficient rights to local communities.

5. Lack of reform of the forest administration

Responding to the new challenges of SFM and introducing new ways of thinking, balancing multiple economic, social and environmental objectives, requires new public sector bodies and reforms of the old systems. To be successful and remain relevant, institutions need to ensure flexibility, strategic management capabilities, strong 'sensory' capacities and an institutional culture that responds to change.[34] This includes devolving more power and strengthening those groups better equipped to respond to the new realities in the sector – in particular, the private sector and local level institutions (including cooperatives, farmers' associations and community organisations) to manage resources sustainably. Without reform, the existing institutional structures become path dependent and

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28 Brockhaus, M., Di Gregorioa, M. and Mardiaha, S. (2013). Governing the design of national REDD +: An analysis of the power of agency, Forest Policy and Economics, available online 17 August 2013 Elsevier.

29 Gilmour, D.A., Durst, P.B. & Shono, K. 2007. Reaching consensus: multi-stakeholders processes in forestry: experiences from the Asia-Pacific Region. RAP Publication 2007/31. Bangkok, FAO.

30 Colfer, C.J.P., Dahal, G.R. & Capistrano, D., eds. 2008. Lessons from decentralization: money, justice, and the quest for good governance in Asia-Pacific. UK, Earthscan.

31 Fisher, R., Prabhu, R. & McDougall, C., eds. 2007. Adaptive collaborative management of community forests in Asia: experiences from Nepal, Indonesia and the Philippines. Bogor, CIFOR.

32 Enters, T., Durst, P. & Victor, M., eds. 2000. Decentralization and devolution of forest management in Asia and the Pacific. Bangkok, RECOFTC Report No. 18 and RAP Publication 2000/1. Bangkok, FAO and RECOFTC.

33 Larson AM, Dahal G.R. (2012) Forest tenure reform: New resource rights for forest-based communities?. Conservat Soc [serial online] 2012;10:77-90.

34 FAO. 2008b. Re-inventing forestry agencies – experiences of institutional restructuring in Asia and the Pacific, by P. Durst, C. Brown, J. Broadhead, R. Suzuki, R. Leslie & A. Inoguchi, eds. RAP Publication 2008/05. Bangkok, FAO Regional Office Larson AM, Dahal GR. (2012) Forest tenure reform: New resource rights for forest-based communities?. Conservat Soc [serial online] 2012;10:77-90. for Asia and the Pacific.

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ultimately do not wish to see change which could undermine their own position in the agency. This also requires that employees in the forest sector are adequately rewarded or they may have less incentive to adequately enforce illicit activities.

6. Lack of investment in human capital and science and research in sustainable forest management

Although there are positive trends towards a more sustainable forestry sector, this is often inhibited by absence of knowledge and deficiencies in science and technology capability, and human capital more generally. In many countries, training continues to be around timber production and economic profitability, with limited understanding and experience on wider sustainable forest management issues, such as community forestry, payments for ecological services, climate change, and so on. It is critical that the next generation of foresters is able to better understand and adapt to the more multifaceted discipline of SFM.

4. How are these issues addressed in the zero draft of the Sustainable Development Goals

Some of the main issues holding back SFM have been identified above in the first part of this report. In section three, we examine whether or not the OWG zero draft[35] is able to address these issues, while identifying possible gaps, key linkages and trade-offs between goal and targets. In order to simplify this task, we condense the above six issues of why forest policy has not been effective in Asia, into two interrelated underlying issues:

- The slow progress in introducing the necessary governance reforms in the forestry sector, which includes the necessary devolution of power and ownership to local communities – 'forest governance'; and

- the continued prioritisation of land for immediate economic growth needs over forest protection and associated lack of integrated management of land and investment into the forestry sector – 'balancing economic, social and environmental objectives'.

Although forests are primarily the focus of only Goal 15, it is necessary to identify and understand the many different outcome targets under diverse goal areas that contribute to addressing these underlying or systemic issues. Experience with the Millennium Development Goals, as well as country experiences in Asia, clearly highlight how a focus solely on forestry targets is insufficient and unable to sufficiently address the right enabling environment for forests to deliver sustainable development. Therefore, in this section we produce an 'SDG forest module for Asia',[36] which considers the combination of targets formulated under diverse goal areas that are essential in addressing these two categories of systemic issues, stated above (Figure 1). These different goal and targets are outlined in Table 1 and 2, along with an explanation of why they are important in addressing these systemic issues. Possible gaps of goals and targets within the zero draft are then examined, as well as probable trade-offs between different targets.

Figure 1: 'SDG forest module' for Asia highlighting combination of targets to address key systemic issues

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Proposed Goals

| | Poverty 1 | Food 2 | Health 3 | Educ 4 | Gender 5 | Water 6 | Energy 7 | Growth 8 | Indust 9 | Equality 10 | Cities 11 | C&P 12 | Climate 13 | Seas 14 | Land 15 | Gov 16 | Impl 17 |

Proposed Targets — rows 1–19, a, b, c

Legend:
- Targets supporting forest governance reforms
- Targets in support of balancing social, economic and environmental objectives
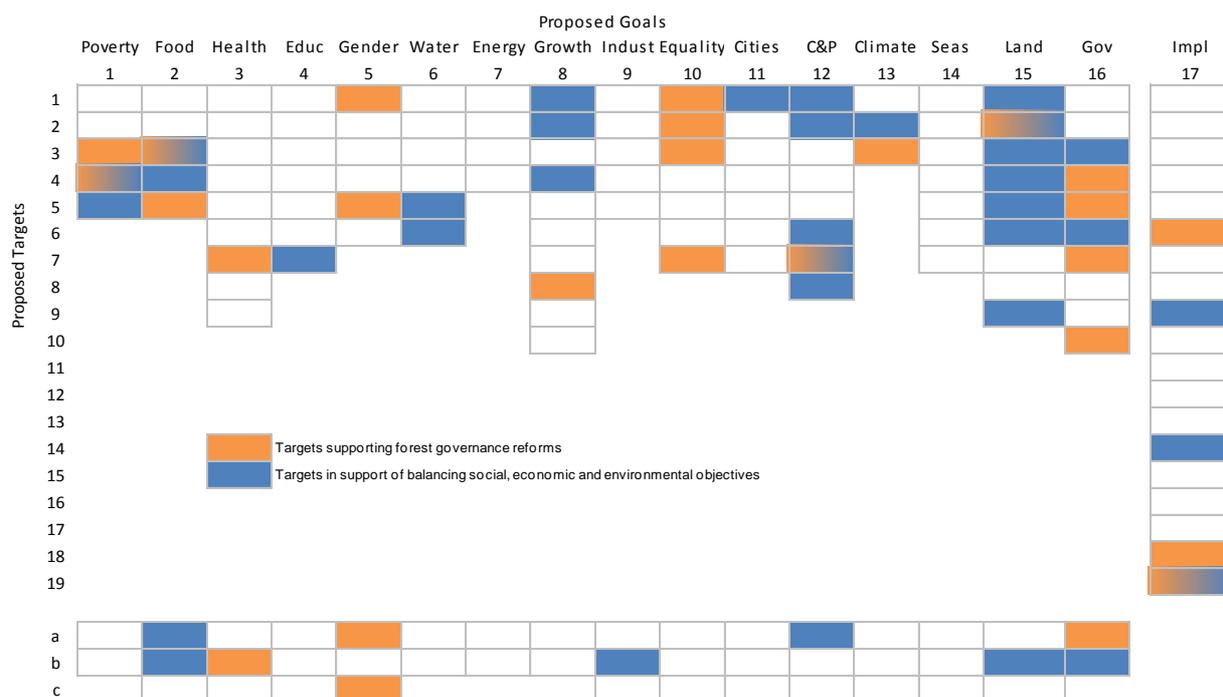
Addressing forest governance issues

Table 1: Goals and targets supporting forest governance reforms

Target	Explanation how it matters
Goal 1. End poverty everywhere	
Target 1.3 implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable	Forest-dependent communities are some of the poorest groups and need to be supported by basic protection systems
Target 1.4) by 2030 ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance	Supports secure and equal access to land and productive resources (including forests) for indigenous people and local forest-dependent communities.
Goal 2. End hunger, improve nutrition, and promote sustainable agriculture	
Target 2.3) by 2030 double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets, and opportunities for value addition and non-farm employment	Supports secure access for all to productive resources and inputs, knowledge, financial services and markets, which are vital for local forest-dependent communities and indigenous groups, in particular to benefit and sustainably manage forest resources
Target 2.5) by 2020 maintain genetic diversity of seeds, cultivated plants, farmed and domesticated animals and their wild relatives, and ensure access to and fair and equitable sharing of benefits arising from the utilization of	Ensures access to and fair and equitable sharing of benefits arising from the utilization of genetic

Target	Explanation how it matters
genetic resources and associated traditional knowledge as internationally agreed	resources and associated traditional knowledge
Goal 4: Provide quality education and life-long learning opportunities for all	
Target 4.7) by 2030 ensure all learners acquire knowledge and skills needed to promote sustainable development, including among others through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development	Building the capacity of forest staff by training and educating them in the practices of sustainable forest management will help improve forest practices
Target 4.b) by 2020 expand by x% globally the number of scholarships for developing countries in particular LDCs, SIDS and African countries to enrol in higher education, including vocational training, ICT, technical, engineering and scientific programmes in developed countries and other developing countries	
Goal 5. Attain gender equality, empower women and girls everywhere	
Target 5.1) end all forms of discrimination against all women and girls	Greater freedom and empowerment of women and girls is necessary for equal access for all men and women
Target 5.5) ensure full and effective participation and leadership of women at all levels of decision-making in the public and private sectors	
Target 5.a) undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance, and natural resources in accordance with national laws	
Target 5.c) adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	
Target 8.8) protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment	A lack of rights and engagement of communities migrating to forested areas can be the cause of conflict and unsustainable practices
Goal 10. Reduce inequality within and between countries	
Target 10.1) by 2030 progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average	Local forest-dependent communities and indigenous groups are amongst the poorest groups, who need particular support. This includes eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and actions in this regard
Target 10.2) by 2030 empower and promote the social, economic and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	
Target 10.3) reduce inequalities of opportunity and outcome, including through eliminating discriminatory laws,	

Target	Explanation how it matters
policies and practices and promoting appropriate legislation, policies and actions in this regard	
Target 10.7) facilitate orderly, safe, regular and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies	Given the use of planned migration programmes to forested areas as a means to alleviate poverty, these need to be carried out in a manner not detrimental to the forest resources and ensuring social protection for any groups that are migrating
Goal 12: Promote sustainable consumption and production patterns	
Target 12.7) promote public procurement practices that are sustainable in accordance with national policies and priorities	Public procurement should support sustainable timber from legal sources
Goal 13. Tackle climate change and its impacts	
Target 13.3) improve education, awareness raising and human and institutional capacity on climate change mitigation, impact reduction, and early warning	Given the importance of the forest sector for climate change adaptation and mitigation (and possible financing), improved awareness and capacity building will strengthen forest management
Goal 15. Protect and promote sustainable use of terrestrial ecosystems, halt desertification, land degradation and biodiversity loss	
Target 15.2) by 2030, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and increase afforstation and reforestation by x% globally	This is a critical target to promote SFM, halt deforestation and increase reforestation. Other targets, which are highlighted below, need to be met to ensure adequate governance structures to deliver on this
Goal 16. Achieve peaceful and inclusive societies, access to justice for all, and effective and capable institutions	
Target 16.3) promote the rule of law at the national and international levels, and ensure equal access to justice for all	All of these targets are fundamental to improve the overall governance of the forest sector to ensure inclusive, participatory and representative decision-making at all levels, which is necessary to ultimately deliver on sustainable forest management
Target 16.4). by 2030 significantly reduce illicit financial and arms flows, strengthen recovery and return of stolen assets, and combat all forms of organized crime	
Target 16.5) substantially reduce corruption and bribery in all its forms	
Target 16.6) develop effective, accountable and transparent institutions at all levels	
Target 16.7) ensur responsive, inclusive, participatory and representative decision-making at all levels	
Target 16.10) ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements	

Target	Explanation how it matters
Target 16.a strengthen relevant national institutions, including through international cooperation, for building capacities at all levels, in particular in developing countries, for preventing violence and combating terrorism and crime	
Goal 17. Strengthen the means of implementation and the global partnership for sustainable development	
Target 17.6 enhance North-South, South-South and triangular regional and international cooperation on and access to science, technology and innovation, and enhance knowledge sharing on mutually agreed terms, including through improved coordination among existing mechanisms, particularly at UN level, and through a global technology facilitation mechanism when agreed upon	Regional and international collaboration on access to science, technology and innovation, and enhanced knowledge sharing will help support best practices in the forest sector to meet the goals of SFM
Target 17.17 encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships	Inclusion of the perspectives of different groups will enrich the decision-making process
Target 17.18 by 2020, enhance capacity building support to developing countries, including for LDCs and SIDS, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts	Data availability (for example on areas of deforestation and the drivers of deforestation) will bring greater transparency to decision-making in the forest sector

Forests are primarily mentioned in only Goal 15 of the zero draft; however, the various outcome targets under diverse goal areas that contribute to addressing forest governance are shown in Table 1. The zero draft covers a number of key issues and includes targets that go some way in addressing this. These include:

- Goal 16. Achieve peaceful and inclusive societies, access to justice for all, and effective and capable Institutions; this includes targets to: promote the rule of law and ensure equal access to justice for all (Target 16.3) reduce corruption and bribery (Target 16.5), increase inclusive, participatory and representative decision-making (Target 16.7) and develop effective, accountable and transparent institutions at all levels (Target 16.6).

- Also fundamental to tackling the issue of forest governance is to: ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance. (Target 1.4, 2.5, 5.5).

- Target (16.a, 16.4) to strengthen relevant national institutions, including through international cooperation, for building capacities at all levels, for combating terrorism and crime. A major initiative in an effort to combat the trade in illegal logging is the Forest, Law Enforcement, Governance and Trade initiative. This is further described in Case Study 1 in the next section.

- Over the long term, there will be a need for administrative reform in the forest sector, which can be helped through training and education (Targets 4.7, 4b) to develop organisational capabilities for natural resource management, enterprise development and climate change preparedness. This can help to build up the capacity of the forestry sector to be able to respond to the needs for Sustainable Forest Management, as can regional and international collaboration on and access to science, technology and innovation, and enhance knowledge sharing (Target 17.6).

One clear omission in the zero draft is that land tenure rights should specify collective rights, as well as individual rights, to own land and property. Collective rights allow community-level governance of tenure, which is relevant for many Indigenous people and local forest dependent communities. This is clearly highlighted in the case of Nepal and its establishment of Community Forest User Groups (see Case Study 2) and the development of community forestry enterprises in China (see Case Study 3). Case study 3 further highlights the need for stronger text on strengthening forest and farm producer organisations for collective action and the need to target locally controlled forest enterprises.

Meeting these goals and targets could play a significant role in addressing poor forest governance. The fact remains, however, that these targets are not explicitly recognised as necessary to deliver on sustainable forest management and Goal 15 in particular, and may therefore not be adopted by the relevant forest agencies. For decision-makers, it is likely that such a diverse mix of goals and targets and their links to better forest governance and SFM may not always be clear. The forest module can be used as a roadmap to further define and explain the importance of these different targets in attaining the goal of SFM. It should also be highlighted that some of the goals and targets are more pivotal in achieving SFM than others. In the context of addressing poor forest governance, priority areas are highlighted in blue in Table 1. These will differ in each country, however, so it is recommended that a prioritisation exercise is carried out on a country by country basis. It is recommended that not only are the goals and targets indicated but that the relationships between them are clearly explained, in order to understand the critical linkages between them.

Balancing economic, social and environmental objectives

Table 2: Goals and targets in support of balancing social, economic and environmental objectives

Target	Explanation how it matters
Goal 1. End poverty everywhere	
Target 1.4) by 2030 ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance	Giving forest-dependent groups rights to forest resources will act as an incentive, particularly by stopping outside interests from encroaching onto the land
Target 1.5) by 2030 build the resilience of the poor and those in vulnerable situations to disasters, shocks and climate-related extreme events	Resilience of poor forest farmers/landless can be enhanced by diverse forest- and tree-based livelihood options, including agro-forestry
Goal 2 End hunger, improve nutrition, and promote sustainable agriculture	
Target 2.3) by 2030 double the productivity and incomes of small-scale food producers,, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment	This is essential in order to produce more from less land and reduce the need for forest encroachment. Intensification can, however, increase profits and cause encroachment, so it is important that it is introduced in an appropriate manner
Target 2.4) by 2030 ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and	Sustainable and resilient agricultural practices are essential. These include agroforestry and farm-forestry systems which promote more sustainable land use patterns

Target	Explanation how it matters
other disasters, and that progressively improve land and soil quality.	
Target 2.a) increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular LDCs	Improved agricultural varieties can play an important role in producing more per area and reducing encroachment into forests. It is important this is introduced in the right location, however, or it could have a perverse impact
Target 2.b) correct and prevent trade restrictions and distortions in world agricultural markets including by the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round	Subsidies increase the rental value of land for agriculture and hence the likelihood of forest conversion. This is an important intervention to adjust rental values
Goal 4: Provide quality education and life-long learning opportunities for all	
Target 4.7) by 2030 ensure all learners acquire knowledge and skills needed to promote sustainable development, including among others through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development	Over the longer term, in order to move to a more sustainable consumption and production system, education will be vitally important both in Asia and globally
Goal 6. Ensure availability and sustainable use of water and sanitation for all	
Target 6.5) by 2030 implement integrated water resources management at all levels, and through trans-boundary cooperation as appropriate	Integrated water management must consider forest management, especially in catchment areas
Target 6.6) by 2020 protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes	Forests' value in protecting watersheds is critical, and needs to be identified and internalised in order to act as an incentive for forest rehabilitation and protection.
Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	
Target 8.1) sustain per capita economic growth in accordance with national circumstances, and in particular at least 7% per annum GDP growth in the least-developed countries	There is a need to ensure social and environmental indicators are integrated and/or balanced with economic targets
Target 8.2) achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value-added and labour-intensive sectors	More efficient, higher value added, forest (and NTFP) enterprises can play a role in more sustainable forest management with greater benefits to local communities. Consolidation or

Target	Explanation how it matters
	rapid expansion in the sector can also have the converse impact, however, and needs to be closely monitored. Also there is no mention of economic justice and for whom diversification intended (for example, forest communities)
Target 8.4) improve progressively through 2030 global resource efficiency in consumption and production, and endeavour to decouple economic growth from environmental degradation in accordance with the 10-year framework of programmes on sustainable consumption and production with developed countries taking the lead	Important for economic growth to support sustainable development. There is little mention of social equity, however.
Goal 9: Promote sustainable infrastructure and industrialization and foster innovation	
Target 9.b) suport domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities	Industrialisation has been key in developed countries to reduce the impact on forests; however, it has come with greater resource use. More sustainable patterns of industrialisation need to be promoted
Goal 11: Make cities and human settlements inclusive, safe and sustainable	
Target 11.a) support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning	Patterns of urban consumption and migration drive land use change in forest areas. It is therefore important to understand the linkages between the areas
Goal 12: Promote sustainable consumption and production patterns	
Target 12.1) implement the 10-Year Framework of Programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries	Authorities need to balance economic, social and environmental (forestry) objectives, in order to identify trade-offs and support an approach which meets the goals of SFM
Target 12.2) by 2030 achieve sustainable management and efficient use of natural resources	Companies must not simply prioritise immediate economic objectives but recognise the value in an inclusive and sustainable approach, to ensure long-term success of their business
Target 12.6) encourage companies, especially large and trans-national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	
Target 12.7) promote public procurement practices that are sustainable in accordance with national policies and priorities	
Target 12.8) by 2030 ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature	Attaining sustainable development will require greater information sharing and awareness raising, as well as sharing best practices. It will also need a strengthening of technological capacities
Target 12.a) support developing countries to strengthen their scientific and technological capacities to move towards more sustainable patterns of consumption and production	
Goal 13. Tackle climate change and its impacts	

Target	Explanation how it matters
Target 13.2) integrate climate change adaptation and mitigation into national strategies and planning	This is important given the greater recognition of climate change. For forests, REDD+ may hold particular interest and possible financing
Goal 15. Protect and promote sustainable use of terrestrial ecosystems, halt desertification, land degradation and biodiversity loss	
Target 15.1) 15.1 by 2020 ensure conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements	These targets are necessary, in order to promote integrated land (forest) management, through sustainable management of forests, as well as forest restoration and efforts to reduce deforestation and forest degradation. The ability to succeed will depend on delivery on other targets, as well as financing to incentivise such actions
Target 15.2) by 2030, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and increase afforestation and reforestation by x% globally	
Target 15.3) by 2020, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land-degradation neutral world	
Target 15.4) by 2030 ensure the conservation of mountain ecosystems, including their biodiversity, to enhance their capacity to provide benefits which are essential for sustainable development	
Target 15.5) take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity, and, by 2020, protect and prevent the extinction of threatened species	
Target 15.6) ensure fair and equitable sharing of the benefits arising from the utilization of genetic resources, and promote appropriate access to genetic resources	
Target 15.9) by 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, development processes, poverty reduction strategies and accounts	Integrating the multiple values forests provide into the various strategies and accounts will help to better balance environmental and economic objectives.
Target 15.b) mobilize significant resources from all sources and at all levels to finance sustainable forest management, and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation	Additional finance to pay for the multiple forest goods and services will act as an incentive for protection. It is critical that finance is linked to improved governance practices and not just forest targets
Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	
Target 16.3) promote the rule of law at the national and international levels, and ensure equal access to justice for all	These are all important elements to deliver on sustainable development
Target 16.6) develop effective, accountable and transparent institutions at all levels	

Target	Explanation how it matters
Target 16.b promote and enforce non-discriminatory laws and policies for sustainable development	
Goal 17. Strengthen the means of implementation and the global partnership for sustainable development	
Target 17.9 enhance international support for implementing effective and targeted capacity building in developing countries to support national plans to implement all sustainable development goals, including through North-South, South-South, and triangular cooperation	Building capacity and policy coherence to introduce sustainable development goals will help in promoting a more inclusive and sustainable economic model
Target 17.14 enhance policy coherence for sustainable development	
Target 17.19 by 2030, build on existing initiatives to develop measurements of progress on sustainable development that complement GDP, and support statistical capacity building in developing countries	A broader system of national accounting will help to better balance economic, social and environmental objectives

Table 2 highlights the goals and targets that would be important in delivering a more balanced and sustainable approach; these include the following:

- The necessity to promote a more sustainable development pathway is highlighted in Goal 12: promote sustainable consumption and production practices; as well as more integrated policies and planning in countries (Target (12.1 and 13.2) and sustainable development principles in business practices (Target 12.6) public procurement (Target 12.7) as well as the need for broader systems of national accounting (Target 17.19).

- There are a number of key ingredients which can help better balance the incentives for forest conversion for agriculture and forest protection; for example through the granting of community-based forest management (Target 1.4) and accessing possible funds and markets to pay for forest goods and services (Target 15.b). This includes through PES and REDD+ payments. Vietnam provides a leading example from the region on the introduction of a PES policy to tap into funds to pay for the services forests provide (Case Study 4).

- Over the longer term, it is also critical that there is a growing understanding and appreciation of environmental and social objectives. This requires that there is a sharing of knowledge and technical capacity to work on sustainable development. This issue is picked up in (Target 12.8) information and awareness on sustainable lifestyles and to strengthen education, scientific and technological capacities to move towards more sustainable patterns of consumption and production (Target 4.7, 12a and 17.9).

In many countries, however, there are already good plans pursuing sustainable development and more recently Green Growth (see Case Study 5) but the issue remains the actual commitment to these plans and their implementation. A clear omission are any targets on the establishment of cross-sectoral implementation mechanisms, which are necessary in order to deliver on priorities across different ministries and to balance economic, social and environmental objectives; nor the inclusion of the need for integrated land use planning. Without these institutional mechanisms, it is difficult to see how any plans for more sustainable development will effectively be put into practice; while integrated land use planning is a prerequisite for balancing competing land demands for food, fuel, fodder and fibre. In Indonesia, the establishment of a cross-ministerial body to tackle REDD+ is a highly positive development (see Case Study 6).

There is also a potential conflict of goals and targets. For example, Target 8.1 states the expectation of at least seven per cent per annum GDP growth in the least-developed countries. For least developed countries, however, this requires prioritising export-led agriculture, which has often come at the expense of the natural forests and it is not clear how this will be changed.[37] In the context of Asia, given the importance of international trade in some agricultural commodities as primary drivers of deforestation (such as coffee, rubber, palm oil), and in changing land property rights, this necessitates the need for more sustainable patterns of consumption and production. There is a lack of targets on how this can actually be achieved, however, which could lead to growing pressure on forest land that undermines key forest targets. One option would be a target on trade in sustainably produced goods. Agriculture certification is a fast growing industry and is a possible indicator to ensure that commodities traded come from more sustainable sources.

In addition, an important element which will need more consideration is how a country measures its progress. Translating prospective goals into actions at the country level will not be feasible without measurable and meaningful indicators to guide policy and measure progress. The language in Target 17.19: by 2030 "build on existing initiatives to develop measurements of progress on sustainable development that 'complement' GDP", is weak. This indicates that a country's indicator of success will continue to be economic growth and other social and environmental objectives will continue to have diminished importance. The prevailing priority in most countries remains short-term economic gains over the longer-term environmental and social goals. The question is therefore what is needed to change this underlying paradigm and how can it be best captured in the goals and targets. It is recommended that new ways to measure development in the country are used, which fairly balance other social and environmental objectives. In this respect, Bhutan is a world leader with this Gross National Happiness Indicator, which could provide an example to other countries (See Case Study 7). Natural capital accounting, which assesses the value of natural resources and in some cases the distributional outcomes of different uses as part of development planning and national accounts, is one possible method of measurement which could be used. The Philippines has a history of supporting natural resource accounting (Case Study 8).

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[37] McNally, R.H.G, Enright, A. and Smit, H. (2014), Finding the right balance: exploring forest and agriculture landscapes, SNV, HCMC.

5. Experience from Asia

Case Study 1: Moving towards improved governance in the forest sector

The EU's Forest Law Enforcement, Governance and Trade (FLEGT) was established in 2003, in order to reduce illegal logging by strengthening sustainable and legal forest management, improving governance and promoting trade in legally produced timber. Voluntary Partnership Agreements (VPA) are the cornerstone of this approach, providing a legally binding trade agreement between the European Union and a timber-producing country, which contains a number of elements to help ensure timber is legally sourced – in particular, a legality assurance system.[38] In Asia, Indonesia, Cambodia, Lao PDR, Malaysia, Thailand, Philippines and Vietnam are all at different stages of their VPA. The only country to reach the implementation stage of the VPA is Indonesia.

The Sistem Verifikasi Legalitas Kayu (SVLK) is an Indonesian timber-legality assurance system (TLAS), which was introduced in 2003 to fight illegal logging and log trading and which has become compulsory for forest concessions and timber-related industries since 2010. Indonesia will use TLAS for all commercial timber and timber products produced, processed and purchased in Indonesia. This includes all exports, whether or not destined for the EU. The Indonesia SVLK comprises of (i) a multi-stakeholder agreed definition of legal timber, based on an agreed set of Principles and Criteria; (ii) procedures for verifying compliance with the definition of legal timber, covering forest harvesting, transportation, processing and trade; and (iii) independent monitoring to assure that the system is working as planned. The Ministry of Forestry plans that the SVLK should be mandatorily adopted by all industries and forest management units. In future, this system may also cover all timber that is consumed domestically.

In addition, efforts are becoming more widely adopted to promote sustainable, legally produced timber. In particular, Forest Stewardship Council certification has grown rapidly in the Asia region. In 2010, Asia accounted for around four million hectares or three per cent of the global total (this includes China: 1,377,751 hectares (ha); Indonesia: 1,105,449 ha; Japan: 962,272 ha; Malaysia: 203,842 ha).[39] Since 2010, programmes such as The Borneo Initiative in Indonesia, which provides per hectare financial payments for companies to move towards certification, has helped widespread certification. It alone had supported certification of 1,091,135 ha by 2013, with the goal of eight million ha by 2016.[40]

Case Study 2: Community forestry in Asia: learning lessons from Nepal

Throughout Asia there have been positive developments in community forestry. Countries such as Cambodia, Vietnam and Indonesia have introduced programmes to support community forestry. While these are at early stages of development, Nepal has already established a thriving community forestry system.

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[38] The legality assurance system includes five key elements: (i) a definition of what constitutes legal timber; (ii) a procedure for verifying control of the supply chain (iii) tools for verification and the capacity to use them (iv) licensing by a national authority and (v) independent audit.

[39] Yasmi, Y., Broadhead, J., Enters, T. and Genge, C. (2010), Forestry policies, legislation and institutions in Asia and the Pacific Trends and emerging needs for 2020, Asia-Pacific Forestry Sector Outlook Study II, Working Paper Series, Working Paper No. APFSOS II/WP/2010/34, FAO, Rome.

[40] The Borneo Initiative progress report July-December 2013.

Nepal has a long history of community forestry. In the 1980s, there was a national programme and modalities for implementing community forestry through forest user groups in Nepal's Middle Hills, which expanded rapidly in the 1990s. Under this scheme, forest user groups developed their own operational plans, set harvesting rules, set rates and prices for products and determined how income was used. As a result, there is clear evidence of improvements in the conservation of forests – both increased area and improved density – and enhanced soil and water management, as well greater benefits to the local communities.[41,42] An important development was the establishment of the Federation of Community Forestry Users, Nepal (FECOFUN), which has become a powerful institution in supporting the rights and needs of the forest user groups, as well as influencing policy processes at various levels. Since its inception in July 1995, FECOFUN has grown into a social movement with more than 8.5 million people represented, all of whom are forest users. It is a national federation of forest users across Nepal dedicated to promoting and protecting users' rights. By 2008, a total of 1.2 million hectares of forests had been handed over to approximately 14,500 forest user groups. Community forestry is the second-largest forest management regime after government-managed forests.[43]

With time, community forestry has evolved and Nepal provides an example to Asia and the world on how community forestry can be effectively introduced. Through the 1990s, the programme opened up to more stakeholders and the local groups demanded more say in both the way that community forestry policy was decided and the way that community forestry was implemented. As a result, fora such as the Forest Sector Coordination Committee (at the national level) and District Forest Coordination Committees (at the district level) become much more multi-stakeholder in nature. This has resulted in the broadening of implementation arrangements beyond simple forest issues, whereby wider development and equity issues are addressed. Most countries in the region are now piloting or introducing efforts to develop community forestry. Most recently this includes Cambodia, Vietnam and Indonesia.

An important evolution of community forestry in Vietnam was the legal recognition of communities as forest managers in 2004. In 2006, Vietnam's Ministry of Agriculture and Rural Development established the Community Forest Management Pilot Program, which involved 64 villages in 10 provinces; lessons from which provide the basis for guidelines to community forestry in the country. Although the preparation of the regulatory and technical guidance is viewed as an important first step, limitations have been identified. These include the need to make the process less technical and complex; a greater focus on the non-timber products and ecological services which forests provide; the allocation of better-quality forestland; the need for a more pro-poor focus; and greater flexibility to account for local customs for forest management and to include local groups in the development of the policy.[44] The process needs to be accelerated, given higher priority and be more willing to include the forest communities in the decision-making processes.

Given the high dependence of Cambodia's rural households on the forest and the considerable deforestation in the 1990s, the government began to take steps toward setting up a national community forestry programme. In 2003, a community forestry sub-decree officially recognised community forestry as a national policy and community forestry guidelines were developed (Prakas). A number of issues

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[41] Taken from FAO. 2010. Asia-pacific forests and forestry to 2020 report of the second Asia-Pacific forestry sector outlook study, Bangkok, FAO.

[42] Nurse, M., and Malla, Y. 2006. Advances in community forestry in Asia. In Capitalization and sharing of experiences on the interaction between forest policies and land use patterns in Asia, ed. P. Gyamtsho, B. K. Singh, and G. Rasul, 25–31. Kathmandu, Nepal: ICIMOD.

[43] Taken from FAO. 2010. Asia-pacific forests and forestry to 2020 report of the second Asia-Pacific forestry sector outlook study, Bangkok, FAO.

[44] http://www.recoftc.org/site/Challenges-for-Vietnam

have hampered the development of community forestry, however. These include[45] the difficult and time consuming process to complete the steps; the poor quality of the allocated land and the inability to exploit timber for five years; the institutional capacity to handle applications; the uncertainties around designation as Indigenous people in Cambodia; and the continued threat from economic land concessions. Despite these difficulties, by 2011, approximately 450 sites were going through this process, including 100 that have achieved legal agreements. Documented community forestry sites therefore covered nearly 400,000 hectares. Under the National Forest Program, there is a target to more than double the area under community forestry.[46]

Throughout Indonesia, various groups have practised their own forms of community-based resource management for centuries. It was not until 1999, however, that the government revised the basic Forestry Law, granting forest villages equal access to use and manage state-owned forests. This provided a legal basis for many of the forms of community forest management. Two of the most recent are Community-Based Forests (*Hutan Kemasyarakatan*), which give farmer groups a 35-year license to manage select production or protection forests, with the ability to harvest forest products; and Village Forests (*Hutan Desa*), which enable village-based institutions to obtain a 35-year license to manage and protect state forestlands that have not been assigned to other entities. In January 2009, the first officially recognised Village Forest was established in South Sulawesi, opening the door to the wider expansion of community forestry across Indonesia. Though policy now supports decentralised forest management, less than 0.22 per cent of forestland is under community management as of 2010.[47] Challenges remain for expanding community forestry in the country. In particular, the need to further clarify the status of Indigenous people and tribal communities in managing forests and respecting local customs, and the need to simplify the procedure and support for coordination between different sectors supporting community forestry.[48]

It is clear that in the cases of Cambodia, Vietnam and Indonesia the development of community forestry is suffering from some of the same issues. In this regard, lessons from Nepal should be taken on board. In particular, the fact that critical to success is the inclusion of the communities in the programmes and over time to influence the actual policy on community forestry. In countries like Indonesia, Vietnam and Cambodia this is some way off. Nepal provides an excellent example, however, of how these countries and others can develop a successful community forestry system.

Case Study 3: Community forest enterprises in China

In an effort to boost forest farmers' income and provide greater incentives for better forest management, China implemented a series of reforms of its forest tenure system. This included households gaining private land use rights as part of a 'three-fix policy – stabilising rights over forests, identifying the boundaries of household plots, and establishing a forest production responsibility system. These reforms focused on clarifying property rights, liberalising business operations and regulating the transfer of rights over forest land. By 2012, after five years of the most recent forest tenure reform process, more than 90 million forestry farms had been granted certificates for forest management[49]. Other progress included formation of around 115,000 forest cooperatives and more than 1,000 forest ownership management service centres, which deal with disputed land titles and

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[45] Information from RECOTFC website

[46] Ibid

[47] Information from RECOTFC website

[48] ibid

[49] http://www.iied.org/strength-numbers-promise-forest-producer-organisations

trading. Forest farmers in China accounted for about 70 per cent of afforestation amounting to 2.9 million hectares per year between 2000 and 2010.

The granting of forest rights has generally proved to be successful in motivating forest farmers to engage in forest production. It also led to a greater fragmentation and smaller scale management of forest areas, however, which has hampered individual access to technical services, forest fire prevention, pest and disease control, and forest road construction – all of which demand a more collective management approach.[50] Since then, there have been various additional policies, including reform of the country's collective forest tenure system and support to forest farmer cooperative organisations (FFCO). Such organisations have been heralded as a model of good practice. Some of the factors deemed necessary to bring about their success were identified:[51]

- **Demand and support from forest farmers**

  Single forest farmers face many difficulties and challenges, such as lower profits, higher management risks, forest fires, thefts, pests and diseases and lack of labour and capital. Joint and cooperative management was recognised by the farmers as an effective way of dealing with these challenges, satisfying their needs.

- **Government guidance, promotion and support**

  Government departments and local village committees provided various forms of support, including registration, financing for start-up and equipment, logging quota systems, skills training, infrastructure construction, formulation of regulations, loans, incentives and specific projects, which all helped the successful implementation of the programme.

- **The critical role of experienced and innovative individuals**

  FFCO are a relatively new development in China in which individual farmers with experience and drive have played a very significant role. They have led and organised local forest farmers in setting up associations, shared-stock forest farms and professional cooperatives to realise economies of scale, using their own economic, technological and other resources.

- **A development strategy adapted to local conditions**

  Making use of high-quality local resources and unique products that are adapted to local conditions has been the foundation for healthy development of FFCOs. This focus on high-quality local resources allows them to tap into established systems and existing marketing of their products.

- **Institutional innovation and improvement**

  Forest management faces natural risks, market risks and policy risks. The establishment of FFCOs has allowed farmers to achieve economies of scale and increase their ability in mitigating risks by organising themselves. The institutional arrangements for establishing and managing an FFCO, and the system for pooling resources and distributing benefits are therefore important driving forces in the FFCO's development.

Case Study 4: Payment for Forest Ecological Services Decree in Vietnam

In 2008, the Government of Vietnam established a pilot policy framework for Payment for Forest Ecosystem Services (PFES) under Decision 380. The PFES Decree was established to help the government attain its goals of SFM by providing a sustainable source of funds that would support forest protection in critical watersheds and provide payments to local communities for forest management.

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[50] Wang, L. (2012), Successful cases and good practices in farmer cooperative organisations in China, FAO, Rome.

[51] Ibid

This came at a time when Program 661, which provided per ha payments for forest protection, was nearing an end.

Decision 380 was the first national policy to set out basic definitions for 'environmental service providers', determining who could benefit from forest-based ecosystem services. Two provinces were selected for the pilot phase – Lam Dong in the Central Highlands and Son La in the North Western region, with technical support provided by various international technical agencies. The PES policy focused primarily on water supply and regulation, soil conservation, and landscape conservation related to tourism. Different monetary values associated with the different kinds of forest services provided were estimated: the annual payments were 290,000 VND/ha (US $16) per ha for water regulation, 270,000 VND/ha (US $15) for soil protection and 10,000 VND/per ha (US $0.5) for scenic landscape values.[52] While the payments for water regulation and soil protection were calculated based on quality, type, and origin of forest, payments for scenic landscape beauty were based on the company's gross revenue.[53] In 2009, the total revenue derived from service buyers, mostly hydropower and water supply companies was 77 billion Vietnam Dong (VND) (approximately US $4 million), 80 per cent of which was earmarked for transfer to the local households providing the environmental services.[54] The results from the pilots were then used as a basis to scale up introduction across the 43 forested provinces of Vietnam (supported through national Decree 99).

These rapid developments in PES policies have made Vietnam a 'successful' model for other countries in Asia, also drawing interest from beyond the region. Although many lessons can be learned, there is still an ongoing debate around the social, environmental and economic impact of this policy. In particular around the relationship between payments and the provision of ecological services, the contracting procedure and treatment of those without secure tenure, the formulation of the payment structure, the ability for companies to pay, the ability of the scheme to work in small landholding areas with low payments, and the high opportunity costs of forest protection. Looking forward, Vietnam continues to explore ways to update the PES policy in an attempt to address some of these concerns.

Case Study 5: Green Growth/LEDS strategies in Asia

Efforts at various levels across Asia are supporting 'green economy' approaches that are focused on balancing economic and environmental objectives. These efforts could provide much needed momentum towards a more balanced and sustainable path of development. There are a growing number of countries in the early phases of designing green growth strategies; some examples are provided below. Lessons and experience can be taken from countries such as Korea, which is at the forefront of green growth initiatives. One concern with respect to the pursuit of green growth strategies is their general lack of coverage of social issues and activities to include poorer groups into future green growth strategies.

South Korea has made firm commitments to green growth, making it an integral part of the country's growth strategy. The National Strategy for Green Growth (2009-2050) and the Five-Year Plan (2009-2013) of Korea provide a policy framework and action plan for green growth in both the short- and long-term. The overall aims of the National Strategy for Green Growth are to:[55] 1) promote eco-friendly new growth engines; 2) enhance peoples' quality of life; and 3) contribute to international efforts to fight

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[52] To, P.,X., Dressler, W.H., Mahanty, S., Pham, T., T. and Zingerli, T. (2012), The prospects for Payment for Ecosystem Services in Vietnam: A look at three payment schemes, Human Ecology 2012 40 (237:249).

[53] Ibid

[54] Ibid

[55] See http://www.oecd.org/korea/greengrowthinactionkorea.htm

climate change. This is expected to deliver increase growth, improved incomes and energy security, as well as significantly reduce greenhouse gas emissions. To achieve these aims, a Presidential Commission on Green Growth was established in 2009 and a Framework Act on Low Carbon Green Growth was enacted in 2010. In the short term, the Five-Year Plan outlines government actions for implementation of the Strategy, and detailed tasks for ministries and local governing entities as well as specific budgets. This commitment has been matched by financial investment, which Korea passing a USD 30.7 billion stimulus package aimed to support its green ambitions and the government has committed to spend approximately two per cent of annual GDP on green growth programmes and projects.[56]

In Vietnam, the Prime Minister assigned the Ministry of Planning and Investment to formulate and implement the Vietnam National Green Growth Strategy (Decision 1393/QD-TTg dated 25/9/2012). Under the Green Growth Strategy Vietnam has set targets for 2030 to: (i) reduce total greenhouse gas emissions at least 1.5%-2% per year; (ii) reduce greenhouse gas emissions from energy activities by 20% to 30% compared to the business-as-usual case, including a commitment of a voluntary reduction of approximately 10% and an additional 10% reduction with international support; and (iii) address environmental degradation and improve natural capital, while establishing basic standards for clean and green technology.

In Indonesia the Green Growth programme is a subset of the Green Economy Pillar of BAPPENAS (Ministry of Planning) Framework for Sustainable Development. It presents an approach to move away from a 'brown growth' development path. In its initial stages, it is piloting green growth initiatives that can deliver on economic, social and environmental objectives, reducing GHG emissions, and making communities, economies, and the environment resilient to economic and climate shocks. A programme of three complementary work components has been set up. These are:[57]

1. Greening the planning process: to mainstream green growth within Indonesia's economic and development planning processes; and to increase the use of green technology and increase capital investment in green industry.

2. REDD+ for Green Growth: to support the development of a funding mechanism that disburses REDD+ finance to catalyse green growth.

3. Regional engagement: to support key provincial governments in prioritising and implementing green growth.

In Cambodia there is a National Green Growth Roadmap which provides a supporting framework for environmentally sustainable and socially inclusive development and growth in Cambodia. The roadmap proposes potential paths for short, medium- and long-term implementation of green growth in Cambodia that will help the country to improve resilience and decrease vulnerability to climate change. In the short term, it is deemed necessary to create a National Ministerial Green Growth Council, as well as building public awareness and a national strategy for greening industries. There is also recognition of the need for greater resource efficiency and the promotion of sustainable agriculture and exploration of schemes for 'green investments'. Over the medium- to longer-term, five key areas are identified for the green growth strategy: (i) eco-village; (ii) sustainability of water resources; (iii) sustainability of agriculture, forests and energy; (iv) sustainability of waste management; and (v) sustainability of transportation.[58]

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[56] Ibid

[57] Government of Indonesia, GGGI (2013), Green Growth Program, prioritizing investments: Delivering green growth.

[58] The Kingdom Of Cambodia (2009), The National Green Growth Roadmap, Ministry of Environment

Case Study 6: Cross-sectoral decision-making: the REDD+ Agency in Indonesia

On 10 September 2013, a new decree was signed by the Indonesian President, creating a cross-sectoral national agency to coordinate efforts to reduce emissions of greenhouse gases from deforestation and degradation of forest and peatlands. The REDD+ Agency reports directly to the President and is tasked to help the President in synchronising, planning, facilitating, managing, monitoring, overseeing and controlling REDD+ in Indonesia. The Agency evolved from the now defunct REDD+ Task Force, which came into force in 2010. The new Agency provides critical power and momentum to Indonesia's efforts to combat deforestation. The Agency (under the previous REDD Task Force) has already helped to produce the REDD+ National Strategy to implement REDD+ in Indonesia. It is mandated to carry out strategic functions within a thematic coordination framework, oriented towards influencing existing operational and coordination processes among various ministries and related institutions at national, sub-national and local levels. Key functions and activities the REDD+ Agency is currently working on include:[59]

- preparing the regulatory framework for the implementation of REDD+;

- facilitating the development of the REDD+ programme;

- accelerating improvements in governance over forests and peatlands;

- facilitating capacity building to ensure fair and equitable distribution of benefits from the REDD+ programme;

- controlling trade in avoided carbon emissions from the REDD+ programme;

- facilitating the formation of a REDD+ MRV Institution;

- facilitating the formation of a REDD+ Funding Instrument and setting out criteria for performance-based payments;

- facilitating the formation of a framework and information system for REDD+ safeguards implementation (SIS-REDD+); and

- the effective implementation of the moratorium.

The REDD+ Agency is supporting 11 provinces to produce their provincial strategies (STRADA). Of these, there will be three priority provinces (Central Kalimantan, East Kalimantan and Jambi), where the Agency is already agreeing Memorandums of Understanding with key districts. These set out the requirements for reform in the district in order to be prioritised as a REDD+ district and eventually receive performance-based funding. The establishment of this Agency has provided the much needed powers and cross-sectoral mandate for REDD+ implementation to move forward in Indonesia.

Case Study 7: Balancing social, economic and environmental objectives: Bhutan's Gross National Happiness

Gross National Happiness was designed as an alternative to the conventional economic indicator of Gross Domestic Product as a way to measure the quality of life of a society. The only country which has adopted Gross National Happiness (GNH) is Bhutan, which has appointed a Gross National Happiness Commission (GNHC). Rather than focus purely on economic indicators, this measure attempts to balance economic, social and environmental objectives though its commitment to: (i) developing a

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[59] This information is taken from the Indonesian National REDD+ Strategy

dynamic economy as the foundation for a vibrant democracy; (ii) harmonious living – in harmony with tradition and nature; (iii) effective and good governance; and (iv) our people: investing in the nation's greatest asset.[60] The GNHC is tasked with preparing a strategy for GNH – a twenty year perspective that will provide a long-term development framework until the year 2028. This serves as a unifying vision for Bhutan's five-year planning process and all the derived planning documents that guide the economic and development plans of the country. Proposed policies in Bhutan must pass a GNH review. The GNH Commission must approve and adopt the GNH Index as a guide for the formulation of sectoral policies and plans, and the Index is used as a yardstick to monitor development performance.[61] Other key roles of this commission include:[62]

- Review sectoral policies and plans and finalise the national plan for government approval.

- Develop mechanisms for effective enforcement of policies and resolve all issues arising from the implementation of policies and plans.

- Establish coherence of policies to promote performance and growth, through a regular process of policy review and commissioning of policy research/studies/surveys by expert groups.

- Endorse the annual and the multi-year rolling plans and budgets.

- Monitor and appraise the implementation of development activities through an effective monitoring and reporting system.

- Commission impact assessments and evaluations of policies, programmes and activities to assess the progress towards the achievement of national goals and targets that are articulated in the GNH strategy.

- Ensure inter-ministerial and inter-agency coordination and cooperation in the implementation of policies and programmes of the Royal Government to minimise duplication and wastage of resources.

Membership of the GNH commission includes the Prime Minister (Chairperson), the Cabinet Secretary, all Secretaries to Ministries, Head of the National Environment Commission Secretariat, GNHC Secretary (Member Secretary) and other officials as and when desired by the Commission.

Case Study 8: Natural accounting Philippines[63]

The Philippines is well endowed with minerals, cropland, timber, and coastal and marine resources, accounting for an estimated 36 per cent of the nation's wealth. These natural resources are being rapidly depleted, however. The Philippines is one of only a few countries that has had a natural capital accounting system in place. The system has only been implemented minimally over the last ten years, however, though considerable government capacity and technical skills remain. The Wealth Accounting and the Valuation of Ecosystem Services (WAVES) programme is building on these past efforts and supporting the government to develop indicators, tools and methodologies to help determine the sustainable use of the country's key natural resources. In particular, to help the government develop policies in support of the Philippines' medium-term development plans and to help effectively manage the often competing and overlapping claims on the country's natural resources.

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[60] See Government of Bhutan website http://www.gnhc.gov.bt/

[61] Ibid

[62] This information is taken from http://www.gnhc.gov.bt/mandate/

[63] This information is taken from the WAVES website: https://www.wavespartnership.org/en/news

Support is focused on priority areas which could then be further developed as part of a national natural capital accounting system. The Philippines is well endowed with minerals; however, the sector is beset with conflicts and overall misappropriation. To help address this situation, the potential economic rent and revenues from minerals under different schemes of rent recovery and allocation between national and local governments and benefit-sharing mechanisms with local communities and indigenous peoples is being estimated. In addition, the environmental externalities associated with minerals is to be estimated and internalised. This information can provide the necessary direction for a more sustainable use of the country's precious mineral resources.

Another critical natural resource in the Philippines is mangroves, which help protect the coast from climatic changes in one of the most vulnerable countries to global climate change. On-going efforts will provide an assessment of the current state of mangroves, evaluate the success of existing mangrove reforestation programmes, and show their contribution to the income of local communities and to climate change resilience, both nationally and as part of the Southern Palawan ecosystem account. Ecosystem accounts are being piloted in two locations: South Palawan and Laguna lake. In Southern Palawan, three large protected areas are threatened by uncontrolled bird hunting, increasing conversion of forest lands, mining operations and claims, destruction of watershed areas, illegal gathering of forest products, and wildlife poaching. Ecosystem accounts are expected to provide decision-makers with the necessary data and evidence-based analysis to make the best decisions for the region.

6. Conclusion

The proposed set of goals and targets of the UN's Open Working Group on SDGs covers some important goals and targets with respect to sustainable forest management; in particular, Goal 15 to 'protect and promote sustainable use of terrestrial ecosystems, halt desertification, land degradation and biodiversity loss'. For countries across Asia to deliver on this goal, however, they need to tackle some of the underlying issues which hinder their ability to attain sustainable forest management. Based on an assessment of the current situation of forestry in Asia, two key underlying or systemic issues are identified. These are:

1. The slow progress in introducing the necessary governance reforms in the forestry sector, which includes the necessary devolution of power and ownership to local communities – 'forest governance'.

2. The continued prioritisation of land for immediate economic growth needs over forest protection and associated lack of integrated management of land and investment into the forestry sector – 'balancing economic, social and environmental objectives'.

In this paper, many different outcome targets under diverse goal areas that contribute to addressing these systemic issues have been identified, in order to produce an 'SDG forest module for Asia'. It is recognised that many of these other goals and targets do not specifically mention forests and it is important that the relevance of these targets is clearly articulated and prioritised. This needs to be carried out on a country by country basis. The forest module can be used to enrich understanding on how the targets and goals are in fact interdependent and what efforts need to be achieved before the enabling conditions are in place.

With respect to tackling the issue of forest governance, one clear omission in the zero draft is that land tenure rights should specify collective rights, as well as individual rights, to own land and property. Collective rights allow community-level governance of tenure that is relevant for many indigenous people and local forest dependent communities. Best practices from Asia are highlighted, including community forestry in Nepal and community forest enterprise development in China.

Although the zero draft goes some way in ensuring greater coverage of social and environmental objectives, it is still unclear how the prevailing priority of immediate economic gains, over longer-term environmental and social goals, is better balanced. In many countries there are already good plans on sustainable development but the issue is the actual commitment to these plans and their implementation. The question therefore remains over what is needed to change this underlying paradigm and how can it be captured in the goals and targets. A clear omission is cross-sectoral implementation mechanisms in order to deliver on balancing economic, social and environmental objectives, and the omission of integrated land use planning. Without these institutional mechanisms, it is difficult to see how these plans will be put into practice; and integrated land use planning is a prerequisite for balancing competing land demands for food, fuel, fodder and fibre.

There is also a potential conflict of goals and targets. For example, Target 8.1 states the expectation of at least seven per cent per annum of GDP growth in the least-developed countries. For least developed countries this requires prioritising export led agriculture, however, which has often come at the expense of natural forests. In the context of Asia, given the importance of international trade in some agricultural commodities as primary drivers of deforestation (such as coffee, rubber and palm oil), and in changing land property rights, this necessitates the need for more sustainable patterns of consumption and production. There is a lack of targets on how this can actually be achieved, however.

In addition, an important element which will need further examination is how a country measures its progress. Taking a longer-term view of growth and accounting for social, economic, and environmental equity must be a top priority for the post-2015 development agenda. But translating prospective goals into actions at the country level will not be feasible without measurable and meaningful indicators to guide policy and measure progress. The language in Target 17.19: by 2030, build on existing initiatives to develop measurements of progress on sustainable development that 'complement' GDP, is weak. It is therefore recommended that new ways to measure development in the country are used, which fairly balance other social and environmental objectives. One option is to adopt natural capital accounting, so that countries' sustainability efforts can be consistent, accurate, and comparable over the long term. Only by recognising a broader understanding of what constitutes growth or development can social issues, such as inequality and poverty as well as environmental issues be adequately addressed.

The UN's Open Working Group (OWG) proposed draft sustainable development goals (SDGs) in July 2014.

It is the purpose of this report to integrate the perspectives, priorities and experiences from Asia in helping to ensure that the goals gain the right contribution from forests while optimally fostering their sustainability. The report assesses the OWG zero draft and proposes introducing an approach which, if adopted, could ensure that the goals gain the right contribution from forests while optimally fostering their sustainability.

Project materials

Forests

Keywords:
Sustainable Development Goals (SDGs), Post-2015 agenda, Good governance

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