## **Co-Chairs Summary Report**

Expert Workshop in support of the CPF Joint Initiative on streamlining forest related reporting: Strengthening the Global Core Set of Forest-related Indicators to support the implementation of the 2030 Agenda and the UN Strategic Plan for Forests

Rome, 22 - 24 October 2019

## **Sponsored by the Collaborative Partnership on Forests**

#### I. Introduction

- 1. The United Nations Strategic Plan for Forests 2017-2030 (UNSPF) contains six Global Forest Goals (GFG) and 26 associated targets to be achieved by 2030. It provides a global framework for action at all levels, aiming at contributing to progress on the Sustainable Development Goals, including the related targets of CBD, UNFCCC, UNCCD and other international forest-related instruments, processes, commitments and goals. In order to help streamline action and reduce the reporting burden on countries, the Collaborative Partnership on Forests (CPF) has developed a Global Core Set of Forest Related Indicators (GCS), consisting of 21 indicators classified in 3 tiers. Tier 1 indicators are those for which there is a methodology and data can be readily collected. Tier 2 indicators are those for which there is a methodology but additional efforts are required to collect data. Tier 3 indicators are those for which the methodology needs to be determined, data is generally lacking and data collection poses significant challenges.
- 2. The 13<sup>th</sup> session of United Nations Forum on Forests (UNFF), in 2018, welcomed the progress made in developing the GCS, acknowledging the value of such a set in assessing progress and in better focusing data collection efforts in order to reduce duplication. It encouraged applying indicators ready for use, and requested the CPF to continue to develop the remaining indicators and report on progress in that regard to the Forum at its fourteenth session in 2019. The 14<sup>th</sup> session noted with satisfaction the progress made and the Chair's summary specified an expert meeting on further improving indicators of the core set as part of plans for intersessional activities on the road to UNFF15.
- 3. At its twenty-fourth session, in 2018, the FAO Committee on Forestry (COFO) acknowledged the progress made on the GCS and invited UNFF and the governing bodies of the member organizations of the CPF to consider the use of Tier 1 and Tier 2 indicators in their reporting processes. COFO requested FAO to continue working with the CPF on further development of Tier 2, Tier 3 and "candidate" indicators of the global core set and continue to report on progress in that regard, including at UNFF.
- 4. In order to further work on the GCS an expert workshop (EWS) was proposed to consider challenges of Tier 2 and Tier 3 indicators and make recommendations for the CPF Task Force on possible future steps, including:

- the current understanding of methodological and data issues of selected Tier 2 and Tier 3 indicators;
- methodological specifications of selected Tier 3 indicators, particularly internationally agreed definitions and methodologies for data collection and analysis;
- ways to considerably enhance data availability at national levels, particularly through better utilizing existing structures and mechanisms for data collection, analysis and reporting;
- further work on Tier 2 and Tier 3 indicators and outlook on steps needed to utilize the full potential of the Global Core Set of Forest-related Indicators at all levels.
- 5. **Steering Committee**. The Steering Committee for the preparation and organization of the EWS comprised the Centre for International Forest Research (CIFOR), Food and Agriculture Organization of the United Nations (FAO), the International Union of Forest Research Organizations (IUFRO) and the secretariats of the United Nations Framework on Climate Change (UNFCCC) and the United Nations Forum on Forests (UNFF), as well as the World Bank (WB).
- 6. **Co-sponsors**. The EWS was co-sponsored by members of the Steering Committee.
- 7. **Participants**. The EWS was attended by 68 participants from 50 institutions and countries.
- 8. **Co-chairs**: Ms Marilyn Headley of Jamaica and Mr Gervais Itsoua of COMIFAC served as co-chairs of the event.
- 9. **Format**: The EWS included three plenary and five working group sessions. The working groups were facilitated by representatives of the CIFOR, FAO, ILO, UNFCCC, UNFF, UNECE, WB. The panel discussion on 23<sup>rd</sup> October was facilitated by a representative of the World Bank.

## II. Summary of key findings of the discussions

#### A. Setting the scene

- 10. The EWS was opened by Mette Wilkie of FAO, representing Mr Hiroto Mitsugi, Chair of the CPF. Mr Benjamin Singer of the UNFF Secretariat delivered the welcoming remarks of Mr Alexander Trepelkov, Officer-in-Charge.
- 11. Three presentations set the scene for the EWS:
  - Tomasz Juszczak, UNFFS, walked through the status and challenges related to reporting on the six Global Forest Goals and explained the UNFF reporting process. The presentation is available at <a href="http://www.cpfweb.org/48888-0e1005ba2761cbd37f76ce3a6e0311cfe.pdf">http://www.cpfweb.org/48888-0e1005ba2761cbd37f76ce3a6e0311cfe.pdf</a>
  - Anssi Pekkarinen, FAO, presented the progress in the development of the GCS and provided insight to the current state of the Forest Resources Assessments (FRA) process,

- and highlighted the challenges related to Tier 2 and Tier 3 indicators and the mechanisms to address them. The presentation is available at <a href="http://www.cpfweb.org/48889-07f39f4124e7aa6d1a4873af04ede76e0.pdf">http://www.cpfweb.org/48889-07f39f4124e7aa6d1a4873af04ede76e0.pdf</a>.
- Monica Madrid Arroyo, independent expert, presented an overview of the draft Background Paper titled "Progress, status and needs for further developing methodologies and data availability of Global Core Set forest-related indicators classified as Tier 3 and Tier 2." The presentation focused on a detailed analysis on indicators 10, 12, 13, 14 and 15 against the core elements of the meta-data sheets of the SDG indicators including potential data sources (<a href="http://www.cpfweb.org/48868-0efb1b70094ce5a2c612800ce006f736a.pdf">http://www.cpfweb.org/48868-0efb1b70094ce5a2c612800ce006f736a.pdf</a>).
- 12. The following issues were mentioned in the plenary discussion:
  - The indicators need to be measurable, methods of measurement need to be clear.
  - The indicator on financing flow into sustainable forest management needs to account not only financial flows into the forest sector per se, but also to capture flows into other sectors that have direct or indirect impact on forests, such as investments into clean energy, technologies etc.
  - The need for adequate attention to adaptation to climate change was noted.
  - The need for gender-disaggregated data was consistently raised. In this context, the meeting was informed of the Costa Rican example of putting in place a strategy to include gender, forests, climate change and governance including land tenure in the Action Plan on Gender in Costa Rica REDD+ national strategy.
  - There is no single standardized, complete and up-to-date source of information for all countries and all domains for the GCS. Nevertheless, agriculture, forestry and fisheries matters have been included in most international recommendations for large-scale data collection operations, such as population and agricultural censuses and household surveys, on international classifications, as well as in specialized studies (<a href="http://www.cpfweb.org/48868-0efb1b70094ce5a2c612800ce006f736a.pdf">http://www.cpfweb.org/48868-0efb1b70094ce5a2c612800ce006f736a.pdf</a>).

# B. Progress and way forward on developing and generating date on Tier 2 and Tier 3 indicators

- 13. Participants considered indicators 13-15 as well as 10 and 12 in five working group sessions, based on the core elements of the meta-data sheets for the SDG indicators:
  - Concepts and definitions
  - Methodology
  - Data sources
  - Data availability/Data compilers
  - Calendar

The results of these deliberations are presented below.

## WG 1: Indicator 13 "Number of forest dependent people in extreme poverty"

14. The metadata requirements for an indicator on the number of Forest Dependent People in Extreme Poverty were reviewed.

## **Concepts and definitions**

- 15. Three options were evaluated for defining and delineating "Forest Dependent People":
  - 1. Those people that live in forests (using FAO's definition of forests) or within a threshold distance to forests. This threshold would need to be defined in a way that is sensitive to context including human population density, forest resource use, infrastructure, etc.
  - 2. Those people that rely substantially on forest products and services for income, livelihoods and/or subsistence, with the term "substantially" needing careful definition.
  - 3. An alternative definition, including a combination of the above.

The results of the discussion suggest that "Forest Dependence" for the purpose of this indicator should be defined by proximity to forests and reliance on forest products and services.

- 16. Four options were evaluated for defining "extreme poverty":
  - 1. The International Poverty Line (currently USD 1.90/day) as used under SDG Target 1.1.
  - 2. National Poverty Lines based on an income level and/or multidimensional criteria in alignment with SDG Target 1.2.
  - 3. The Global (Oxford) Multi-dimensional Poverty Index, recognizing that it may need adjustment to meet the context for forest people.
  - 4. An alternative definition, including a combination of one or more of the above.

It was agreed that "extreme poverty" should be defined by integrating option 1 and 2 and thus be aligned with the approach in the SDGs under both Targets 1.1 and 1.2.

## Methodology

17. The computation method for "forest proximity" would be based on modelling and analysis, for which distance thresholds would need to be defined, depending on country and context. This would need to be complemented by data for different degrees of dependency, based on data from a (simple) question in national surveys (e.g., for use in household surveys) that captures production, extraction and use of forest resources at the household level. Extreme poverty and the forests dependent people would be determined by both the International Poverty Line (SDG 1.1), currently at USD1.9/day/person and poverty lines established by national definitions based on multidimensional criteria (e.g. under SDG 1.2).

The need for gender-disaggregated data was stressed particularly for this indicator.

Further analysis will be needed to determine if two independent sub-indicators would be required, or whether two such calculations could be integrated into a single extreme poverty number for an individual country.

#### **Data Sources**

18. Data sources need to be determined for both components. Not discussed in the WG, but partly known (e.g. forest proximity from remote sensing data, poverty data as available in UN databases).

# Data Availability, Calendar, Data Providers and Compilers

19. Not specifically discussed in the WG, but partly available.

#### **Conclusions**

20. In essence, a robust GCS indicator can be developed for the number of "forest dependent people" and "extreme poverty", but that it will take additional concentrated work and country level testing before it will be applicable internationally.

## **Next steps**

21. It was determined that a methodological assessment will need to be carried out to explore how best to integrate different data sources along the two dimensions, that specifically uses both household level data and spatial datasets on populations and forest cover. Resources permitting, it was suggested that interested countries with suitable data sets already available be invited to collaborate in an exercise to model, test and define how best to measure extreme poverty in forest dependent peoples at country levels. Ideally, such an exercise would include countries from at least three continents. Based on the results of such a methodological assessment a revised version of the metadata sheet will be prepared along with a more refined proposal, to be discussed and then submitted for endorsement. Time, resources and country priorities permitting, one option could be to do this at COFO25 in 2020.

#### Recommendations

22. Two additional recommendations were made. A strong recommendation of this working group was that serious consideration should be given to another Global Core Set Indicator on tenure and forest resource rights specific to forest areas. This is vital given the cross-cutting importance of tenure and rights for development outcomes of forest dependent people as well as for several other of the Global Cores Set indicators (including those related to restoration).

It was also recommended to explore developing an indicator that tracked the contributions of forests to reducing poverty. Such an indicator would require additional conceptual work and testing but would be worth focused consideration.

## WG2 Indicator 14 "Contribution of forests and trees to food security and nutrition"

23. There was a clear sense of urgency to make progress on this indicator. As it is "production oriented", it is important to ensure sustainability under the broader umbrella of SFM. Attempts to compare countries need to be made carefully as forests have different production capacities and roles, including potential trade-offs. There is a need to be mindful when downscaling, to properly take into consideration local specificities.

## **Concepts and definitions**

- 24. The scope of the indicator covers all types of forests and trees outside forests, including in agriculture. It is important to add nutrition in the title of the indicator. The indicator should cover the four dimensions of food security: Availability, Access, Utilization and Stability. To do so it shall cover all types of contributions of forests and trees to food security and nutrition: food/feed, income, energy, and ecosystem services supporting agriculture; it noted that each of these contribution benefits diverse groups. It is impossible to reduce to a single indicator and there is a need to use a set of sub indicators.
- 25. The following set of sub indicators was proposed:
  - Employment provided by forests and trees (accessibility) (14-1)
  - Consumption of wood fuel per capita (cooking, boiling water) (14-3)
  - Consumption of fruits per capita (or fruits from trees per capita) (14-4)
  - Consumption of nuts per capita (14-5)

#### to be complemented by:

- indicator of benefits from forests and trees by farming households (14-2)
- and/or a "Proximity indicator" (covering the above and ecosystem services supporting agriculture.

Indicator 14-2 would enable indicating the diverse contributions that forests and trees make to farming livelihoods.

# Methodology

26. Methodologies for different sub-indicators were not systematically discussed in the WG. With regard to sub-indicator 14-1 (Employment provided by forests and trees), it is proposed to use GCS indicator 12 as a proxy and to complement it as best as possible (using reliable sources) with other employment opportunities provided by forests and trees including NTFP collection, ecotourism, agroforestry, tree crop commodities, transformation and associated value chains. Regarding sub-indicator 14-3 (consumption of wood fuel per capita) it was noted that the sub-indicator needs to be kept simple, therefore different from GCS indicator 10, but as coherent as possible with it. The sub-indicator can be further improved gradually. A first step could be to use consumption per capita; it could progress to consumption per capita calculated only on the wood used by households (residential) and only on the percentage of households that utilize wood as a source of energy. In parallel, efforts should be made to improve knowledge on disaggregated wood uses in households (cooking, heating).

Regarding sub-indicator 14-4 (Consumption of fruits per capita) some of the experts recommended to use only fruits coming from trees. It was also noted that even if the indicator is mainly related to nutrition it also gives an indication on pollination.

Regarding sub-indicator 14-5 (Consumption of nuts per capita) two options were deemed possible: either retain list of nuts (item 2551) as per FAOStat or have an ad-hoc list. Some specific items were discussed: regarding kola nuts, 224, in the list, some have questioned its nutritional value, but it is an important part of diet/lifestyle (and source of income); Karite (shea) nut, 263, is under item 2570 "Oilcrops, other" and thus not included unless it is decided to have

an ad hoc list. It might be useful to check what nuts can fall under the 234 "Nuts, not elsewhere specified" category (keeping in mind that groundnuts and coconuts are explicitly excluded).

There was interest for various kinds of "proximity index" to indicate the diverse contributions that forests and trees make to farming livelihoods and/or ecosystem services supporting food production. Various options were mentioned, including percentage of river length protected by riparian forest; surface at pollinator distance from forests; percentage of population having access (distance and use rights) to a forest for food-feed-wood collection.

#### **Data Sources**

27. Data sources for different sub-indicators were not systematically discussed in the WG. For the proposed sub-indicator Consumption of wood fuel per capita (14-3), the proposal was to use the same raw data than for GCS indicator 10. There is a need to improve collection of data on wood fuel overall. For sub-indicators related to fruits and nuts, it is proposed to use the data from Food Balance Sheets.

On the Indicator of benefits from forests and trees by farming households (14-2), it was suggested that this could be integrated in the World Agricultural Census programme (next round) or other appropriate vehicle a simple qualitative question (with a yes/no answer): do you draw benefits from forests or trees? It could be followed by more detailed options (to be selected by countries, and or at sub national level). It will need some work on options and it will take time before data collection is completed.

# Data Availability, Calendar, Data Providers and Compilers

28. Not specifically discussed in the WG, to be further developed

## **Conclusion**

29. Good progress on the indicator has been made in the Working Group. There is an agreement on a large scope (forests and trees outside forests). But there is also a need to reflect specific contributions of wild foods. This can be done through the refinement of 14-2 and the proximity index. There is agreement on a first set of sub indicators but there is a big gap on ecosystem services to agriculture. Some sub indicators are almost final, while some quick progress are possible on some. There is a need for work on 14-2 and "proximity index".

## Possible next steps

30. Create a specific work stream that would finalize 14-1, 14-3, 14-4, 14-5 in a concrete and practical way, for quick use; it could include a dedicated workshop on 14-2 and a dedicated workshop on a "proximity index".

# WG3 Indicator 15 "Financial resources from all sources for implementation of SFM"

31. Concrete progress has been made in designing an indicator to measure financial resources for sustainable forest management<sup>1</sup> (SFM). Concepts and definitions, methodology, data sources and data availability were discussed at length. However, the group had little to no time to consider the calendar and the data providers and compilers.

# **Concepts and Definitions**

32. There is no universal or official definition for financial resources for SFM, also known as SFM finance. Building on the existing literature (*e.g.*, Singer 2016), the concept could be defined as financial resources with contribute directly or indirectly, explicitly or implicitly, to the sustainable management of any type of forests or trees outside of forests. While this definition does not clearly delineate the boundaries of the concept, it bears two important implications.

The first is the cross-sectoral nature of SFM finance. SFM financing is distinct from forest sector financing since some financial flows in the forest sector can result in unsustainable management, e.g., forest degradation. Likewise, financial flows outside of the forest sector which impact positively on SFM can be included, such as financing to promote zero-deforestation agricultural commodities.

The second is the importance of sustainability. Financial resources that are neutral or have a negative impact on sustainability (*i.e.*, they impact negatively on SFM or go against at least one SDG) should be excluded. This in turn poses the issue of defining what is sustainable ("green") versus what is neutral or unsustainable ("grey").

33. It is possible to view SFM finance as falling into three categories by source: public international finance; public domestic finance; and private finance. There is no evidence to suggest any correlation between these three categories which with each other and vary over time independently of one another. For the sake of keeping the Global Core Set as simple and practical as possible, it was suggested that the application of multiple sub-indicators for a single indicator should be discouraged. However, (i) in the absence of a comprehensive data source covering all three categories, (ii) the lack of correlation between these categories and (iii) the growing recognition of the importance of private financing for SFM, a consensus emerged that it would be necessary to have at least one sub-indicator for each category.

Possible sub-indicators are therefore:

- sub-indicator 15-1: Public international finance.
- sub-indicator 15-2: Public domestic finance
- sub-indicator 15-3: Private finance.

## Methodology

34. For sub-indicator 15-1( Public international finance) Total official flows on forestry as reported in the OECD's Development Assistance Committee (DAC) database could be used as the primary sub-indicator for public international financing. The advantages are that OECD

<sup>&</sup>lt;sup>1</sup> As defined by General Assembly resolution A/RES/70/199 paragraph 4

produces official data on a systematic basis and includes only flows which do not go against one or more SDGs, a proxy for checking their sustainability. Total official flows have the advantage over official development assistance (ODA) figures of including non-concessional financial flows such as many loans from multilateral development banks. However, it was pointed out that OECD relies on reporting by donors, not recipients.

For sub-indicator 15-2( Public domestic finance). Good progress was made in identifying a sub-indicator for this category by putting forward the "national budget allocation to the forestry sector". Several countries indicated that they are already reporting on this sub-indicator in separate fora so it would impose no additional reporting burden on countries to include it in the Global Core Set. However, grey finance (neutral or having an adverse impact on sustainable forest management) may be included in these existing figures. In addition, for the time being, countries rely on their own definition of forestry, the forest sector or SFM, which would make cross-country comparisons a challenge (although it would not preclude the possibility of comparing datasets over time).

For sub-indicator 15-3 (Private finance). In the absence of any reliable or systematic data collection mechanism for private finance, this category is where the working group had different views and did not achieve a consensus. The next section lists the data sources mentioned during the discussion, including proxies.

## **Data Sources**

35. For sub-indicator 15-1 (Public international finance): the recommended data source is OECD's DAC database. For sub-indicator 15-2 (Public domestic finance), data sources would need to be developed. For sub-indicator 15-3( Private finance) possible data sources on private financing for SFM include: "Private financing mobilized' as recorded by OECD, although this includes private co-financing of projects which are also funded through ODA; UNCTAD's figures on agriculture, forestry & fisheries, although it is not clear whether these figures are still being collected and whether they can be disaggregated; Forest Trends' Supply Change tracks nearly 900 companies worldwide for their investments into REDD+, restoration, reforestation and smallholder support for sustainable commodity production. Additionally, Forest Trends' Ecosystem Marketplace initiative tracks global private finance for projects on sequestration of carbon or avoidance of emissions through forestry and land-use activities.

Proxies were also suggested as means of measuring private finance. FAO FRA's figures on surface area of planted forests has been identified as positively correlated with levels of private finance at country level, although some experts reported that most plantations in their countries were publicly funded; Several initiatives exist that track private company commitments to reducing deforestation (*e.g.*, Forest 500, Supply Change, CDP's Forest Disclosure System). This proxy focuses on the value chains of the main commodities driving deforestation – soy, beef, palm oil and timber.

## Data Availability, Calendar, Data Providers and Compilers

36. Not specifically discussed in the WG, to be further developed.

#### Recommendations

37. For sub-indicator 15-1 (Public international finance): OECD's data on total official flows in forestry could be further examined and possibly validated as a sub-indicator for this category. The inclusion of non-concessional loans might warrant adjustments as some experts feared they could inflate figures excessively.

For sub-indicator 15-2 (Public domestic finance): further research would be needed on understanding the boundaries of the concepts that countries have set when reporting on national budget allocation to "forestry", the "forest sector" or "sustainable forest management". The CPF could explore working with countries to harmonize the delineation of these concepts to enhance the cross-country comparability of the datasets thus generated.

For sub-indicator 15-3 (Private finance) further research is needed to establish and weigh the advantages and disadvantages of each of the above-listed data sources and sub-indicators; a recommendation could then be made to select (i) a single sub-indicator; (ii) a combination of sub-indicators, building on the complementarities between them; or (iii) in the absence of agreement on the first two options, designing a tailor-made metric to measure private financing for SFM.

## WG 4: Indicator 10 "Wood-based energy share of total final energy consumption"

38. Wood-based energy in total final energy consumption is part of a process towards a more sustainable future and includes stakeholders from different fields of expertise. The methodology of Indicator 10 should be based on the methodological approach of the SDG indicator 7.2.1, which monitors the share of renewable energy in the total final energy consumption. Information required calculating Indicator 10 can be found in energy statistics at the national and international level.

Indicator 10 is a Tier 2 indicator facing two significant challenges: (1) the availability and quality of wood energy data and (2) the need for integration between forestry and energy statistics. The nature of the indicator requires close collaboration between forest product and energy statistics.

## **Concepts and definitions**

- 39. Indicator 10 is a ratio of final consumption of energy derived from wood by total final energy consumption inclusive of energy from renewable (e.g., wood fuel) and non-renewable (e.g., fossil fuels) sources. The indicator is measured as a percentage. Wood energy, as the world's most important single source of renewable energy, is equally important for SDG 7 and SDG 15.2. The indicator is more relevant to SDG 7 because it focuses on wood energy consumption.
- 40. Recommendation: The definition of the indicator should be properly communicated to clarify that Indicator 10 covers wood energy sourced from forests as well as other sources e.g. non-forest land, by-products from wood processing industries and post-consumer recovered wood. The situation should be clarified for plants that are considered as source of woodfuel at

country level (e.g., coconut trees, palm trees, bamboo and similar) but not considered as trees by FAO.

## Methodology

- 41. Computation of *Indicator 10: Wood-based energy in total final energy consumption* follows the logic of SDG 7.2, indicator 7.2.1.
- 42. Recommendation: The proposed methodology for indicator 10 equals the sum of final wood energy consumption, wood-derived electricity consumption and wood-derived heat consumption divided by total final energy consumption. It is recommended using information on wood derived electricity and heat production to compute their relative contribution (shares) to total electricity and heat production respectively. To obtain wood derived electricity and heat consumption, these shares will be multiplied by total final electricity consumption and total final heat consumption respectively.

#### **Data Sources**

- 43. Energy balances can provide information on transformation output and final energy consumption. Information on wood derived electricity and heat output as well as final wood energy consumption is insufficient. Often wood energy is considered as an aggregate, inclusive of non-woody solid biomass.
- 44. Recommendation: The working group recommends to use IRENA for most of data elements and UNSD for Total Final Energy Consumption (TFEC). It also proposes to consider IEA data, which may be available earlier compared to UNSD. To fill gaps, it is proposed to use additional data sources e.g , FAOSTAT apparent consumption on wood fuel and charcoal, trade statistics and country-specific data sources. The group furthermore recommends reviewing existing models for estimating wood fuel production and consumption where data are missing and provide an assessment of available methods. Prediction models should be used, if no data are available.

# **Data Availability**

- 45. While renewable energy statistics are improving in most countries, there are still many problems with the collection and reporting of bioenergy data. There is a lack of good quality information for conversion factors across forest products and regions. Conversion factors should include factors for volume to weight and weight to energy conversion respectively. The indicator can improve level of detail on national wood energy data which can be beneficial for other SDG indicators, in particular SDG 15 on sustainable forest management.
- 46. Recommendation: The working group recommends a better collaboration across relevant actors, such as forestry, energy and statistical offices, ministries, industry associations and academia to improve data availability and quality related to indicator 10 and on wood energy in general. The group recommended to evaluate the global availability of data related to the efficiency and sustainability of wood fuel use.

## Data providers and compilers

- 47. Data are collected for both, the forest and energy sectors. However, collaboration between stakeholders at national level can be weak.
- 48. Recommendation: The working group recommends to initiate a task force as a forum on wood energy data comprised of e.g., representatives from FAO, UNECE/FAO Forestry and Timber Section, International Energy Organizations, relevant biomass industry associations (e.g. World Bioenergy Association) and other international organizations (e.g. WHO).

#### **Next Steps**

- 49. The following activities were suggested:
  - Conduct a desk study to assess and improve the consistency and coherence of data across agencies, including an assessment of data reliability;
  - Improve the quality and availability of pellet data and consider alternative sources of data such as from transportation or collected in association with legal frameworks;
  - Produce a dataset to compute the indicator as proposed;
  - Conduct pilot analyses for a subset of countries to assess effectiveness of the proposed calculation methodology;
  - Conduct capacity-building at country level for targeted countries to increase data availability and quality. This should include participation from forestry and energy departments as well as national statistical offices and non-governmental centers of excellence; and
  - Conduct capacity-building for i) trainers to sustain the knowledge base at country level and ii) enumerators to apply existing guidelines .

## WG 5: Indicator 12 "Employment related to the forest sector"

50. Indicator 12 'Employment related to forest sector' currently qualifies as a Tier 2 indicator in the Global Core Set of Forest Indicators, based on previous work undertaken by the FAO in collaboration with the International Labour Organization (ILO) on improving data availability in agricultural sectors.

## **Concepts and definitions**

51. Currently the GCS makes reference to the number of full-time equivalents (FTE) as the unit of measurement as collected by the FRA. FTE is a measure of labour input and is most commonly used in the measurement of productivity in national accounts data. On the other hand, the employment concept as adopted by the International Conference of Labour Statisticians (ICLS) defines the persons in employment as individuals who perform activities for pay or profit.

It is recommended to switch to the employment concept rather than the FTE in reporting on GCS indicator 12 to ensure the comparability of the data and reporting in a harmonized manner. It was recognized that further work is needed in order to achieve the full implementation of this recommendation. Following ILO practices, it is recommended to report on the indicator 12 as the

total employment in the forest sector in absolute terms disaggregated by sex. In addition, the share of employment in the forest sector computed as the proportion between the total employment in the forest sector and the total employment should be also reported, disaggregated by gender.

# Methodology

52. Currently, the employment in the forest sector includes activities related to forestry and logging as defined in ISIC/NACE Rev. 4, section A, division 02. Notably, the forest sector under this definition does not include forest-based manufacturing (i.e. ISIC Rev. 4 codes 16 and 17), which are included in definitions of the forest sector used elsewhere, such as the Pan-European indicators for sustainable forest management. The working group recommends to use a broad definition of the forest sector and report on ISIC Rev 4 Divisions 16 and 17 (Forest processing activities) in addition to and separately from the ISIC Division 02 (Forestry and logging). To the extent possible, further disaggregation by: urban/rural areas, hours of work, informality, agegroups, level of education, occupation, status in employment, and other relevant variables may provide useful information.

The members referred to people employed in some sectors that are closely linked to forestry or forest-related activities such as eco-tourism and other services, but may not be identified using the proposed ISIC codes. Therefore, the group recommends further work on identifying other activities related to the forest sector, which may not be covered under Divisions 02, 16 and 17.

# Data sources, availability and calendar

53. A number of data sources may be used to collect information on FTE such as establishment of business surveys and administrative surveys. Alternatively, the 50x2030 Initiative and FAO's Agricultural Integrated Survey Programme (AGRIS), may also be used as a data source. FRA results that are compiled every 5 years comprise data points for 127 countries, from 2010 to 2015. However, data comparability and harmonization cannot be assured due to the different underlying methodologies used, and the reported data is often not disaggregated by sex.

Internationally comparable indicators on total employment and employment in the forest sector derived from the ILO microdata processing of labour force surveys, or other similar type of surveys, are available on ILOSTAT. The database includes information on 116 countries, ranging from 1995 to 2018, disaggregated by sex, and computed following the adopted international standards. ILOSTAT is publicly accessible through the bulk download facility. However, there may exist some data gaps by country.

54. It is recommended to use the labour force surveys as an underlying data source for employment in the forest sector, or other household surveys with sufficient labour modules. For reporting purposes, it is also recommended to provide the related metadata of the household survey used that include, but are not limited to, the source of data, the coverage and the target population. It is further recommended to conduct a systematic review of data availability on ILOSTAT and to consider alternative and reliable data sources to produce comparable sector-level data. It is also advised to check feasibility of time-series estimations and projections to fill data gaps related to ISIC 02, 16 and 17.

# **Data compilers**

- 55. Both FAO and ILO collect relevant information related to indicator 12. FAO compiles employment-related data using the FTE through the FRA based on information provided by National Correspondents. Other data compilers include regional bodies, such as Eurostat, who publish Annual Work Unit (a variation of FTE) from the European Forest Account (EFA) questionnaire. ILOSTAT, hosted by the ILO Department of Statistics, is the focal point to the United Nations for labour statistics. It provides employment data at the ISIC 2-digit level downloadable from the ILOSTAT website bulk download facility and allows for additional cross-tabulations.
- 56. It is recommended to use the ILOSTAT as comparable and standardized source of data for indicator 12 on employment in the forest sector, providing the possibility of further disaggregation in order to reduce the reporting burden on countries and maintain data quality. It also proposes to facilitate linkages to share data from ILOSTAT with FRA National Correspondents for validation in the context of FRA reporting.

#### **Conclusions**

57. Future work on the indicator requires a clear distinction of labour input and employment. Therefore, in order to avoid the reporting burden of countries, the use of the definition of employment and its corresponding measurement should be consistent with international guidelines, namely the ICLS recommendations.

Labour force surveys (and household surveys with comparable labour modules) should be used for consistent and rigorous data collection on employment related to the forest sector.

Possibilities for further breakdowns should be explored using other employment variables, including status in employment, informal/formal employment, occupation and other decent work indicators.

Further consideration should be given to issues such as sustainability, legality, informality when further developing the concept related to indicator 12 to ensure coherence of the indicator to the concept of sustainable forest management.

#### **Next steps**

- 58. The following activities were suggested:
  - Establish a formal partnership between FAO and ILO on data provision for Indicator 12;
  - Conduct a systematic review of data availability from ILOSTAT considering comparable sector-level data from alternative sector-specific sources;
  - Carry out further work for the possibility of using time-series estimations and projections to reduce the data gaps;
  - Commission additional research to contribute to data quality verification; and

• Further increase support to countries in collecting, compiling and disseminating harmonized data related to indicator 12 in line with the SDG framework.

# C. Major sources for generating GCS Tier 2 and Tier 3 indicators related data

- 59. Possible major sources for producing data for the socio-economic indicators were presented as part of the Background paper (<a href="http://www.cpfweb.org/48868-0efb1b70094ce5a2c612800ce006f736a.pdf">http://www.cpfweb.org/48868-0efb1b70094ce5a2c612800ce006f736a.pdf</a>).
- 60. The 50x2030 Initiative: Data on End Hunger was presented as an inspiring example. The Initiative is an ambitious effort to conduct regular surveys of farming households in 50 low and lower-middle-income countries by 2030, and combine the data with other information sources widely available. Led by a coordination center within the World Bank's Development Data Group, the Initiative combines the technical and operational capabilities of key multilateral implementers with the strategic influence, vision, and resources of development agencies thus creating a powerful alliance (http://www.cpfweb.org/96344/en/).

# D. Outlook: enhancing the use of GCS indicators

61. The meeting considered three fundamental questions related to the better use of the GCS through a facilitated panel discussion.

Question 1: How the GCS can be used to set more operational and measurable targets and strengthen cost-efficient monitoring of progress towards the GFGs and SDGs?

62. Panelists agreed that the GCS provides a good monitoring framework for GFGs and targets and forest related SDGs, and that the GCS is operational and can be used. Panelists recommended to make use of the set, however, be flexible and not too rigid in the application. Depending on the region/context countries and/or international organizations can decide which indicators are the most suitable for their specific objectives and make use of these.

Ideally, the title of an indicator should correspond, as close as possible, to the Goal/Target to which it is associated. On the other hand, it was recommended that the GCS should be looked at and taken into account in ongoing and future processes leading to setting/ developing forest related goals and targets e.g. the post-2020 targets related to biodiversity or climate change. This would help set ambitious yet measurable targets whose progress would be easy to monitor.

Question 2: How the GCS of forest indicators can be used to link between forestry in other sectors at national and international levels?

63. The GCS, as it is cross-sectoral, builds on and promotes institutional coordination. However, the existing linkages and coordination mechanisms in many countries are not strong enough. Since the indicators are cross-sectoral in nature, they have the potential to leverage cross-sectoral planning and actions including raising awareness among policy makers and government entities. In order to further strengthen national level coordination, the forest sector

needs to be seen more from a broader perspective as an important contributor to other sectors including food security, nutrition, climate change and poverty alleviation.

Question 3: How can GCS indicators be used to reduce reporting burdens at the national level so that information is provided only once, and the same information to be held in all international data banks – and to avoid discrepancy of data?

64. Panellists pointed out that GCS indicators are a useful means to further enhance discussion, coordination and collaboration between agencies. This is increasingly taking place at both national and international levels in the context of inter-agency work around SDG indicators.

Coordination on GCS indicators and data between international organizations, demonstrated also at this EWS, sets good examples and can help induce enhanced collaboration at national levels. This is particularly useful and relevant between bodies responsible for providing reports and data to a range of international instruments, including CBD, UNFCCC, CCD, as well as in the follow-up on SDGs. Several panellists and participants reported on examples of better coordination mechanisms that emerged in this context, where GCS indicators could be a useful means to further strengthen joint understanding of metadata, data validation across agencies, sharing of data or shared databases. This will require investments in building constructive and longer-term relationships, as there are many differences in contexts and needs to bridge and manage.

# III. Next steps and closing

- 65. The Co-chairs summary will be forwarded to the CPF Task Force on Global Core Set for consideration and further action. The Task Force is encouraged to consider bringing the results to the attention of UNFF, COFO and other governing bodies of CPF member organizations, as appropriate.
- 66. On behalf of the CPF Chair Mette Wilkie, FAO, thanked participants for their hard work over the last three days and welcomed the progress made in developing further the Global Cores Set. The word of appreciation went also to co-chairs, moderators and rapporteurs, as well as Steering Committee members for the effective preparations and facilitation of the event.