



# Congo Basin Forestry Transparency Forums – 2019 Report

## Gabon, Cameroon, Republic of Congo

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## 1. Introduction

Three Forestry Transparency Forums were held on 26 February 2019 in Libreville, Gabon; on 4 March 2019 in Douala, Cameroon; and on 7 March 2019 in Brazzaville, Republic of Congo.

These Forums were organised by the Zoological Society of London (ZSL)'s [SPOTT initiative](#) in partnership with:

- UFIGA<sup>1</sup> in Gabon
- GFBC<sup>2</sup> in Cameroon
- ATIBT<sup>3</sup> in the Republic of Congo



### 1.1 The SPOTT initiative

ZSL launched [SPOTT](#) in 2014 for the palm oil sector and expanded to cover the tropical timber and pulp sectors in 2017. SPOTT – Sustainability Policy Transparency Toolkit – is a free, online platform supporting sustainable commodity production and trade. By tracking transparency, SPOTT incentivises the implementation of corporate best practice. SPOTT assesses commodity producers and traders on the public disclosure of their policies, operations and commitments related to environmental, social and governance issues. SPOTT scores tropical forestry and palm oil companies annually against over 100 sector-specific indicators to benchmark their progress over time. It will also begin assessments of the natural rubber sector in 2019.

Through a recent grant from DFID's<sup>4</sup> [Forest Governance, Markets and Climate](#) (FGMC) programme, SPOTT is expanding to assess and engage a greater number of timber and pulp companies. This expansion will primarily target [FLEGT](#)<sup>5</sup>-partner countries at various stages of Voluntary Partnership Agreement (VPA) development – specifically, Indonesia, Cameroon, Republic of Congo and Gabon. At the same time, SPOTT has started to assess timber traders in China that source from Africa. Key activities in 2019 include the development of SPOTT indicators on legality and gender issues, SPOTT assessments of 100 timber and pulp companies (up from 50 in 2018), the development of a SPOTT Supporter Network for investors and other users, and direct support to companies looking to increase their transparency.

### 1.2 Objectives of the Forestry Transparency Forums

The 2019 Forestry Transparency Forums were developed to help SPOTT engage with forestry sector stakeholders in each of its target geographies (Gabon, Cameroon, Republic of Congo, Indonesia and China). The Forums enabled participants to meet the SPOTT team and increase their understanding of SPOTT's approach, processes and users. The SPOTT team also had the opportunity to hear stakeholders' feedback and concerns, helping them to improve the SPOTT initiative.

Key forestry sector stakeholders were also provided with opportunities to discuss issues associated with varying levels of transparency in the forestry sector. The participants considered the opportunities and benefits associated with greater transparency in the forestry sector, identified the obstacles to increasing

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<sup>1</sup> UFIGA: Union des Forestiers Industriels du Gabon et Aménagistes (Union of Industrial Foresters of Gabon and Aménagistes).

<sup>2</sup> GFBC: Groupement de la Filière Bois du Cameroun (Cameroon Forestry Industry Group).

<sup>3</sup> ATIBT: Association Technique Internationale des Bois Tropicaux (International Tropical Timber Technical Association).

<sup>4</sup> United Kingdom's Department for International Development.

<sup>5</sup> Forest Law Enforcement, Governance and Trade – FLEGT is a European Union Action Plan established in 2003.

transparency and discussed potential actions to overcome them. Within this context, the evolution of legal frameworks, the development of Voluntary Partnership Agreements (VPAs), and the role of certification were also broadly discussed.

A further series of Forestry Transparency Forums will be organised in the same countries in 2020 to support continued debate and knowledge sharing.

### 1.3 Agenda and participants

At each Forum, the morning ‘Industry engagement’ session was dedicated to engagement with the private sector and gathered representatives from forestry companies and industry associations. ZSL provided a detailed presentation on SPOTT to the companies, who could then ask questions and provide feedback and suggestions (see [SPOTT questions and answers](#) below). Representatives of companies and industry associations also gave presentations and shared their views on transparency, including the opportunities and challenges they see in increasing their company’s and the sector’s transparency (see [Presentations by local stakeholders](#)).

Companies and industry organisations represented at the Forums’ morning sessions:

- **Gabon:** ASI, ATIBT, BSO, CBG, GWI, Precious Woods Gabon, SEEF, SOMIVAB, TBNI, UFIGA
- **Cameroon:** Alpicam, GFBC, Groupe Fokou, Pallisco-CIFM, SEEF, Vicwood-Thany, Wijma
- **Republic of Congo:** Afriwood Industries, Asia Congo Industries, ATIBT, BTC, CIB, Interholco-IFO, SICOFOR, SIFCO, Taman Industries Ltd, UNIBOIS, UNICONGO

The afternoon ‘Multi-stakeholder session’ gathered industry, civil society and government representatives. Industry associations (the event partners) and government representatives opened the session, and ZSL presented the SPOTT initiative. Three speakers representing multilateral organisations and NGOs active in the countries’ forestry sectors then presented their activities and views on forestry transparency (see [Presentations by local stakeholders](#)). A breakout session then allowed participants to discuss in groups the advantages, opportunities, obstacles and actions for greater transparency (see [Discussion sessions](#))

Civil society organisations and government bodies represented at the Forums’ afternoon sessions, in addition to the organisations cited above:

- **Gabon:** Brainforest, Plan Stratégique Gabon Emergent (Coordination office), Contrôle Aménagement Forestier (CAF), CURFOD, FSC, Ministry of Forests, Muyissi Environnement, OREADE-BRECHE, TERE, FLEGT focal point, WWF Gabon
- **Cameroon:** FLAG, FODER, Global Timber Forum, Ministry of Forests and Fauna (Ministère des Forêts et de la Faune – MINFOF), Proforest, TRAFFIC, ZSL Cameroon
- **Republic of Congo:** AFD, Cellule de la Législation Forestière et de la Traçabilité (CLFT), ClientEarth, Comptoir Juridique Junior, European Union Delegation in the Republic of Congo, FAO, Forum pour la Gouvernance et les Droits de l’Homme (FGDH), FODER, Ministry of Finance and Budget (Ministère des Finances et du Budget), Ministry of Forestry Economy (Ministère de l’Economie Forestière – MEF), ODDHC, FLEGT Independent Monitoring (Observation indépendante – OI), PGDF, FLEGT focal point, TERE, World Resources Institute (WRI)



Participants in the Gabon Forum (Libreville, 26 February). Image credit: ZSL



Participants in the Cameroon Forum (Douala, 4 March). Image credit: ZSL



Participants in the Republic of Congo Forum (Brazzaville, 7 March). Image credit: ZSL



## 2. Speaker presentations

### 2.1 Presentation of SPOTT

During the Forum, ZSL presented the objectives, audience, and methodology underpinning [SPOTT](#). ZSL explained how SPOTT helps to respond to demands for greater transparency, why SPOTT is relevant and can be useful to companies, how the SPOTT team can help companies increase their transparency and score on SPOTT, who uses SPOTT and how. Key findings from the [2018 SPOTT Timber and Pulp assessments](#) were also provided and discussed. A question and answer (Q&A) session was then held to address any questions stakeholders might have about the SPOTT initiative.

The questions and answers covered during all of the Forestry Transparency Forums held by ZSL in 2019 have been collated below. The SPOTT team also took note of the feedback and suggestions participants made during the Forums to inform the future development of the initiative.



Presentation of SPOTT during the Gabon Forum. Image credit: ZSL

#### 2.1.1 SPOTT questions and answers

##### **How does SPOTT select companies? We want to be assessed on SPOTT, what should we do?**

SPOTT selects companies according to their size in the sector and potential impact on tropical forests, biodiversity and communities. Criteria considered include, amongst others, size of market capitalisation (if a listed company), extent of concession areas or volume traded, proximity of concessions to high value ecosystems (e.g. national parks), and evidence of poor social or environmental practices (e.g. in industry or media reports). Companies can be nominated by a third party or volunteer for inclusion on SPOTT by filling the dedicated [form on the SPOTT website](#). SPOTT then selects companies on the basis of the above criteria. Companies can request that they are not assessed on SPOTT, but this is only allowed in exceptional circumstances – for example, if a company sells all of its forestry operations.

**How does SPOTT conduct assessments? Do assessments involve field work or verification? Should companies provide information to SPOTT in order to be assessed?**

SPOTT assesses companies on the public disclosure of their policies, operations and commitments. During each annual assessment, the SPOTT team examines each company's websites, public reports, and other publications against the SPOTT indicator framework.

The SPOTT team is unable to go into the field to verify if companies respect their commitments and the companies do not send information directly to ZSL. However, companies are given the opportunity to provide feedback on their assessment and improve their disclosures before the results are finalised and published on the SPOTT website.

SPOTT also provides a 'media monitor' that collates any news stories and reports on company activities, helping users to understand whether companies are implementing their commitments in practice. These news stories and reports are not scored in the assessments but provide important contextual information to users.

**How are the SPOTT indicators developed?**

SPOTT's indicators focus on the key environmental, social and governance issues associated with timber and pulp production. They reflect and complement the expectations set out in other frameworks, guidelines, principles and criteria for sustainable production, such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC), Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC).

ZSL has developed the SPOTT Timber and Pulp indicators following extensive consultation with various stakeholders including timber and pulp producers, finance and manufacturing sector representatives, non-governmental organisations, and other industry experts. Each year, companies selected to be assessed on SPOTT and wider stakeholders are also given an opportunity to feedback on a draft version of the SPOTT Timber and Pulp indicator framework before it is finalised. SPOTT also benefits from the inputs of a [Technical Advisory Group](#), which provides guidance on indicator framework development and company selection.

**Do all indicators have the same weight in the assessments? Does SPOTT use the same indicators for all companies whatever the country in which they operate?**

All SPOTT Timber and Pulp indicators are worth one or two points. These indicators are the same for all companies wherever they operate. However, some indicators can be disabled according to the companies' scope of operations. For example, a company which only extracts wood from natural forests will not be assessed against indicators dedicated to plantation-based production. In the 2019 assessments, 107 out of 131 SPOTT Timber and Pulp indicators can be disabled to fit each company's characteristics and scope of operations. For example, SPOTT's legality indicators are linked to [Open Timber Portal](#), which is only currently available in certain Congo Basin countries.

**How does SPOTT support companies to improve their score?**

Companies are contacted at various stages of the assessment process and the SPOTT team invites them to send feedback and ask questions. The SPOTT team often meets companies to discuss their assessments and provide advice on how they can improve. The indicator framework, research protocols and assessments published on SPOTT also serve as guidelines for companies to identify gaps in the information they publish and to learn about environmental, social and governance best practice.

### **Does SPOTT publish sensitive or confidential data?**

SPOTT assesses companies based on information that the companies themselves have published or using third-party websites which are listed in SPOTT's research protocol, such as initiatives or programs of which companies are members. The data itself is not verified but sources of information are considered by SPOTT and its stakeholders as trustworthy. In addition, ZSL offers companies and other stakeholders the opportunity to review and feedback on the SPOTT indicators before they are used for assessments. This helps to ensure that no indicator requires the publication of sensitive data or data that is prohibited from publication.

### **Who are SPOTT users? How does SPOTT work with its users? Does SPOTT reach out to the local banks of the countries where the Forums were organised?**

SPOTT was designed at the request of financial sector stakeholders, to support constructive engagement between the financial sector and palm oil and forestry companies. SPOTT allows its users to identify areas in which a company excels or progresses, and where it should be more transparent or adopt best practice. SPOTT's primary target audiences are financial institutions (investors, asset managers, banks, research institutes) and buyers who are interested in the companies' environmental, social and governance practices. In 2018, over 18,000 users visited the SPOTT website and viewed pages more than 134,000 times. The SPOTT Dashboard, a free portal on the website (registration required) where users can download SPOTT assessment data and additional analyses, has seen over 500 registrations since its launch in January 2018.

The SPOTT team currently has no or very limited links with local banking institutions in the Congo Basin, Indonesia and China but invites these stakeholders to use the data published by SPOTT in their decision-making processes and in their engagements with clients where relevant. Local banking institutions are also encouraged to contact the SPOTT team if they would like additional information.

### **How is legality considered in SPOTT assessments? Which certification standards are considered in SPOTT assessments and how?**

Several SPOTT indicators assess certification and/or legality. Points can be obtained by companies if the legality of their operations has been verified by a third party (e.g. Rainforest Alliance's Forest Legality Verification). In 2019, SPOTT added new indicators dedicated to legality, including eight indicators based on the legal documents companies have uploaded to the [Open Timber Portal](#) (for companies operating in the Republic of Congo, Cameroon, and the Democratic Republic of the Congo (DRC)). Points can also be obtained for companies that are FSC or PEFC certified.

### **What is the added value of SPOTT compared to certification?**

Certification is an extremely valuable tool for defining the nature of environmental and social best practice and ensuring its delivery on-the-ground. SPOTT is complementary and supportive of efforts to maintain and increase levels of certification in tropical forests.

SPOTT covers environmental, social and governance (ESG) issues that are both within and beyond the remit of certification. Certified companies assessed on SPOTT can therefore highlight the benefits of certification to its ESG practices, along with the companies' work to address ESG issues that sit beyond the scope of certification, such as efforts to include women across forestry operations (SPOTT Timber and Pulp indicator 94). For non-certified companies, SPOTT can highlight commitments and evidence of good practice outside of certification. In both cases, companies can use SPOTT to help structure their communication and to demonstrate their efforts to stakeholders.

## How does SPOTT fit in with the European Union FLEGT Action Plan?

The link between SPOTT and FLEGT is indirect. SPOTT is funded by DFID through the [Forest Governance, Markets and Climate](#) (FGMC) programme. This programme and its funding aim to improve forestry governance and reduce deforestation and illegal logging, in line with the objectives of the FLEGT Action Plan. SPOTT contributes to reaching these objectives by promoting greater transparency in the forestry sector. Among the 50 new companies selected by SPOTT in 2019, the majority operate in countries at various stages of Voluntary Partnership Agreement (VPA) development. SPOTT has also included more indicators dedicated to legality in the assessments, including eight linked to company disclosures on the [Open Timber Portal](#). Assessed companies can therefore use SPOTT to better communicate their performance on issues linked to legality.

## 2.2 Presentations by local stakeholders

During the three Forums, participants representing civil society organisations, government bodies and the forestry industry delivered presentations to:

- Introduce their activities to the other participants, the way these activities contribute to greater transparency in the forestry sector and the role of transparency in the success of their activities;
- Discuss their views on transparency, the advantages they see in increasing the transparency of their organisation and the sector, and the challenges these represent for them.

### 2.2.1 Presentations in the Gabon Forum

**Françoise Van de Ven**, General Secretary of UFIGA delivered introductory remarks, covering the objectives of the Forum and key points of interest for the attendees.

#### **Herman Maïssa, Coordination Office (Bureau de Coordination) of the Plan Stratégique Gabon Emergent**

Herman Maïssa introduced the [Plan Stratégique Gabon Emergent](#) (PSGE), specifically its objectives to support the sustainable management of Gabonese forests and to position Gabon as a global leader in tropical wood. Recent political decisions in the tropical wood sector show the efforts made by the Gabonese Government to achieve these objectives. Herman Maïssa focused his presentation on two themes which he qualified as necessary to increase transparency in the sector and essential to achieve the PSGE objectives:

- Traceability – a key success factor for the National Plan for Economic Recovery (Plan de Relance de l'Economie) and a lever to improve the sector's competitiveness;
- Certification – reinforced by the recent government decision to have all forest concessions certified by 2022 and by the workshop on mainstreaming certification held in November 2018.

#### **Nelly Houtsa, WWF Gabon**

Nelly Houtsa is [WWF Gabon's Forest Programme](#) Assistant. She presented the work of WWF worldwide to protect forests and to achieve the target of 50% of forests conserved and sustainably managed by 2030. In Gabon, WWF contributes to:

- Preparing, developing and promoting standards and regulatory frameworks for sustainable forest management (Forestry Code, regulatory framework for community forestry, FSC certification, etc.);
- Strengthening the capacities of all stakeholders (administrations, civil society, private sector) and facilitating collaboration between them.



### **Grace Ollomo, Brainforest**

Grace Ollomo is a legal expert and project manager at [Brainforest](#), a Gabonese NGO helping to increase the involvement of local communities in environmental governance and decision-making related to forestry and agro-industrial activities. She presented three projects currently lead by Brainforest. These aim to help reduce the risk of illegal logging in the context of large investments; verify the legality and traceability of logs flowing into Nkok Special Economic Zone; and build the capacity of non-state actors to support forestry governance. Grace Ollomo highlighted the difficulties Brainforest faces in accessing the forestry concessions and information that are key to these projects' success. Brainforest's efforts to increase collaboration and discussions should contribute to improving transparency and increasing access to information, but require greater transparency on the part of other stakeholders.

### **Ladislav Ndembet, Muyissi Environnement**

Ladislav Ndembet presented Muyissi Environnement's work on environmental conservation and with local communities dealing with issues of land grabbing. Since 2017, the association has been working to prevent illegal logging, has been part of discussions around VPA development in Gabon, and has helped to involve citizens in these processes. Muyissi Environnement increases local communities' understanding of the issues surrounding illegal logging and trains them to undertake independent forest monitoring (IFM). Ladislav Ndembet discussed the difficulties encountered by stakeholders involved in IFM, including lack of resources and capacity and difficulties in accessing information. He highlighted the critical role of IFM in sustainable forest governance and natural resources management.

## **2.2.2 Presentations in the Cameroon Forum**

Mister **Francis Durand Nna**, representative of the Regional Delegation of the Ministry of Forests and Fauna, provided the Forum with introductory remarks. These remarks highlighted the progress of Cameroon on transparency to date and congratulated the Forum for helping local stakeholders to gain a better understanding of and increased engagement with the SPOTT initiative.

### **Camille Kamdem, GFBC and Wijma**

Camille Kamdem spoke about transparency from the private sector's perspective. For companies, transparency includes complying with forestry laws, responding to concerns, implementing participatory management, and being evaluated by third parties (e.g. through certification). Camille Kamdem noted the following challenges and advantages in relation to transparency:

- Challenges: clients' sensitivity to published information, reputational risks associated with misuse of published information, and mutual mistrust between stakeholders.
- Advantages: promoting sustainable management in the forestry sector, reassuring partners and clients, contributing to peaceful relations between stakeholders, and facilitating collaboration.

### **Blandine Ouoguia and Jack Soh, GFBC**

Blandine Ouoguia, Deputy Delegate-General of GFBC, provided background on Cameroon's forestry sector and the role of GFBC's initiatives in relation to increased transparency. Most GFBC member companies are certified (OLB and/or FSC), in the process of being certified, or have set the objective of being certified (OLB) within two years. These companies account for 66% of concessions in Cameroon and employ 10,000 people. GFBC currently works on wood traceability through two tools: TimberTracks and [GeoPW](#). Jack Soh, in charge of the traceability project at GFBC, provided details of these tools.

### **Elie Hakizumwami, TRAFFIC**

Elie Hakizumwami presented from [TRAFFIC](#), an international NGO specialising in wildlife trade control. He provided an overview of the current state of corruption in relation to forestry and fauna, highlighting the need to fight against corruption to secure greater transparency. To try to achieve this, TRAFFIC works to increase stakeholder understanding and capacity, creates tools (e.g. reports, training, guides) and has developed the platform [Africa-TWIX](#), which supports information exchange between stakeholders about illegal wildlife trade.

### **Madeleine Bata, ZSL Cameroon**

Madeleine Bata presented ZSL Cameroon's work with the private sector, which focuses on promoting effective wildlife and natural resource conservation. ZSL has provided technical support to several forestry companies since 2008, including training future generations of foresters. It has also organised training workshops for a wide range of forestry sector stakeholders. Madeleine Bata discussed the issues that ZSL faces when conducting these activities, including difficulties engaging private sector actors, lack of clarity and implementation of forestry laws. She pointed out there is added value for companies to publish their commitments and achievements when they conduct positive and ambitious activities.

### **Jean Cyrille Owada, Field Legality Advisory Group (FLAG)**

Jean-Cyrille Owada presented the [Open Timber Portal](#) (OTP). The OTP is an online platform which incentivises legal trade in timber by compiling information on forestry companies' compliance with legality requirements. The initiative was launched in response to an increasing need for transparency and centralised information by stakeholders across the forest product supply chain. Jean-Cyrille Owada explained the functioning of the platform and its complementarity with other tools such as SPOTT.



Presentation session during the Republic of Congo Forum. Image credit: ZSL



Presentation session during the Cameroon Forum. Image credit: ZSL

### 2.2.3 Presentations in the Republic of Congo

**Benoit Jobbé-Duval**, Executive Director of [ATIBT](#), gave introductory remarks. He introduced the ATIBT and presented the efforts made by the Association to facilitate initiatives and coordinate stakeholders, in both tropical wood producer and consumer countries.

#### **Tullia Baldassari, Interholco-IFO**

Tullia Baldassari discussed Interholco's approach to sustainability and transparency. She explained that Interholco is highly aware of the environmental, economic, social and regulatory landscapes it operates in. The company therefore welcomes initiatives such as [SPOTT](#), [Open Timber Portal](#), and [Fair & Precious](#). These initiatives allow Interholco to make its commitments, legal compliance, and efforts in the field more visible to consumers and investors. Interholco sees its work on increasing transparency as essential to its communication efforts, as it seeks to build trust with stakeholders.

#### **Alain Bertin Tiotsop, ATIBT Congo**

Alain Bertin Tiotsop presented ATIBT-Congo's project to increase private sector participation in regulatory developments, including the VPA, and to increase the number of companies engaged in sustainability and legality certification. To this end, ATIBT-Congo is mapping stakeholders in the sector, supporting private sector advocacy, strengthening industry stakeholders' understanding of the opportunities associated in FLEGT-VPA and certification, and assisting their participation in these processes. Transparency is a key success factor to these projects and helps to improve the reputation of companies and the status of legal and sustainable tropical wood in international markets.

#### **Camille Pubill, Délégation de l'Union Européenne en République du Congo**

Camille Pubill pointed out the economic, environmental and social consequences of illegal logging and presented the European Union FLEGT Action Plan to stop it. She discussed the implications for the Republic of Congo of the European Union Timber Regulation (EUTR) and presented the past, current and future steps and outcomes of the VPA in the Republic of Congo, including the legality verification system (Système Informatique de Vérification de la Légalité – SIVL) and the VPA implementation strategy 2018-2020.

### Alfred Nkodia, FLEGT expert

Alfred Nkodia presented on the role of independent forest monitoring (IFM) in the Republic of Congo. IFM contributes to improved forestry governance and greater compliance with forest laws through field investigations and the sharing of observations with decision makers and the public. IFM began in the Republic of Congo in 2006-2009 and has been managed by the Congolese NGO CAGDF since 2013. It is considered to be an integral part of Congolese forest governance. Alfred Nkodia provided some figures showing contrasting results. While 80 violations of the law were observed in 2014, only 25 were observed in 2017. The number of documents made available to the IFM by companies has also increased. However, the recovery of fines has significantly decreased since 2014 to less than 5% of the expected value in 2017, and though tax recovery has increased since 2014, it was still below 60% in 2017.

### Lyna Bélanger, TERE

Lyna Bélanger of TERE presented [FINFORTROP](#)<sup>6</sup> which is funded by the AFD's French Facility for Global Environment and implemented by the Development Bank of the Central African States with the aid of TERE, Agreco and PwC. The project aims to encourage commercial banks in the CEMAC zone<sup>7</sup> and DRC to integrate considerations of sustainable forestry into their financing decisions. FINFORTROP helps to increase the capacity of local banks in relation to CSR issues and sustainable forestry. It also provides them with tailored financial tools, so they can incorporate social and environmental impacts into their funding decisions.

## 3. Discussion sessions

During each Forum, participants held discussions in breakout groups to answer the following questions:

- What are the advantages and opportunities associated with greater transparency in the tropical forestry sector?
- What are the obstacles to greater transparency in the tropical forestry sector and what actions could be taken to overcome them?

The outcomes of the exchanges and discussions that followed are set out below.

### 3.1 Advantages and opportunities

#### Image and reputation

- *Transparency helps increase the visibility and improve the image of tropical wood and the forestry sector among stakeholders.*<sup>8</sup>

Specifically, transparency:

- Increases the credibility of the tropical forestry sector and supports stakeholder trust;
- Highlights the companies which are working to deliver best practice by providing visibility;
- Helps companies to communicate their environmental, social and governance policies and actions;
- Increases communication between companies and their stakeholders.

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<sup>6</sup> Financement des Forêts Tropicales Humides du Bassin du Congo – Financing the Sustainable Management of Tropical Rainforest in the Congo Basin.

<sup>7</sup> The CEMAC (Central African Economic and Monetary Community) zone is made up of Gabon, Cameroon, the Central African Republic, Chad, the Republic of Congo and Equatorial Guinea.

<sup>8</sup> Stakeholders are the general public, clients and consumers, local and national administrations, and civil society organisations at the local, national and international level.

### Stakeholder understanding

- ***By increasing access to information, transparency increases understanding of the tropical forestry sector and supports mutual understanding across stakeholder groups.***

Greater access to information and increased mutual understanding help to support:

- Greater and improved participation of stakeholders in resource management and decision making;
- A shared vision of forestry-related roles and responsibilities;
- More equitable sharing of forestry-related resources and revenues;
- Understanding and respect for local communities' rights and reduced social conflict.

### Economic benefits

- ***Transparency in the forestry sector can help to bring about economic benefits to companies and the countries in which they operate.***

Increased transparency can support economic benefits by:

- Facilitating access to international markets, particularly those most demanding in terms of sustainability;
- Increasing the credibility and visibility of companies among:
  - Banks, investors and other funders, so increasing access to funding;
  - Buyers and potential partners, so increasing business opportunities;
- Demonstrating best practices can help to secure investment, thus increasing the countries' revenues, employment and the forestry sector's contribution to GDP;
- The increased investment and greater business opportunities supported by transparency can ultimately contribute to local development and poverty reduction.

### Sustainable management and wider good practices

- ***Transparency can help companies in the tropical forestry sector to understand how they are performing relative to best practice standards, so supporting more sustainable operations.***

Increased transparency can support environmental, social and governance best practice by:

- Highlighting gaps in performance, thus helping companies to adjust their practices and so achieve higher levels of sustainability;
- Showing where there is a need for greater capacity, so helping donors, government, civil society, and other actors to provide the support that the forestry sector needs;
- Helping companies to fight against corruption and supporting better governance.

## 3.2 Obstacles and actions

### Resources and capacities

- ***A lack of resources, incentives and company capacity is an obstacle to greater transparency in the tropical forestry sector.***

More precisely, the following obstacles were identified:

- The forestry sector often lacks economic incentives to increase their transparency;
- Achieving greater transparency, communication, and certification requires a large amount of human and financial resources.



To overcome these obstacles:

- Training and technical support could be offered to strengthen the capacity of actors in the forestry sector – for example, training on wildlife protection provided by civil society;
- There is a need for a change in mindset within the sector, so that it is proactive with regards to communication and transparency, rather than reactive to sanctions, taxes and controls.

#### **Governance and corruption**

- > ***Poor governance within forestry administration or within companies, the withholding of information, and corruption are obstacles to transparency.***

More precisely, the following obstacles were identified:

- The public, civil society, and independent monitors can find it difficult to obtain information from companies and government;
- A lack of transparency can limit stakeholder understanding of complex legal frameworks and involvement in their ongoing development;
- Corruption is often widespread and thrives where there is little transparency, as such it may not be in the interest of all actors to see transparency increase.

To overcome these obstacles:

- All stakeholders must be fully informed and able to actively participate in decision-making processes that are relevant to them, including having full access to information;
- The capacity of stakeholders to understand legal frameworks needs to be increased, to facilitate better understanding and implementation of legislation;
- Forums or platforms for dialogue between public and private actors should be created and all stakeholders should take part in legal and institutional change processes;
- All stakeholders should be trained so they better understand governance, corruption and transparency issues and how they can be addressed.

#### **Reputational and economic risks**

- > ***Increased transparency can result in reputational and economic risks for companies, particularly where there isn't a level playing field between companies in terms of openness and disclosure.***

More precisely, the following obstacles were identified:

- Information published by companies can be misinterpreted and incorrectly used and reported, so presenting a reputational risk to more transparent companies;
- Certain forms of transparency – for example, the disclosure of commercially sensitive information – can expose companies to increased competition;
- When a company discloses information, this can result in greater scrutiny of its activities but little economic benefit if the market doesn't recognise the benefits of higher transparency;
- Conversely, when a company doesn't communicate about its activities it can avoid scrutiny and thus benefit economically, so long as the market doesn't demand higher transparency.

To overcome these obstacles:

- Stakeholders in the forestry sector should collaborate and support each other to reach shared objectives – e.g. promoting sustainably produced timber in key markets;
- Greater engagement between forestry sector stakeholders can support mutual understanding and a climate of trust, so helping reduce the risk that information is misinterpreted or misused.

## Transparency tools

- > ***There are multiple initiatives seeking to increase corporate disclosures in the forestry sector – while these are supportive of transparency, their increased number can cause some issues.***

More precisely, the following obstacles were identified:

- There are a range of tools seeking to increase transparency in the forestry sector, which can result in a confusing situation for those trying to respond to their requests or interpret the information;
- It can be difficult for companies to fully understand all the requirements of the transparency tools.

To overcome these obstacles transparency initiatives should:

- Collaborate more to create synergies between their tools;
- Take more steps to inform stakeholders about their tools' roles and functions.



Discussion session during the Republic of Congo Forum. Image credit: ZSL



Discussion session during the Republic of Congo Forum. Image credit: ZSL

## 4. Conclusions

SPOTT seeks to promote constructive dialogue between the forestry industry, government, financial institutions and civil society organisations. In line with this approach, the 2019 Forestry Transparency Forums gathered a wide range of stakeholders involved in the forestry sectors of Gabon, Cameroon and Republic of Congo to discuss the role of transparency in promoting greater sustainability and improved forest governance. The Forums included presentations and breakout group discussions on the current status of transparency in the Congo Basin and how it might be improved over time.

Participants held a shared vision of the advantages of greater transparency in the tropical forestry sector. Increasing transparency was seen as an opportunity to improve the image and reputation of tropical wood internationally. Better communication of the forestry sector's work to secure sustainable wood supplies could help to secure finance and new business opportunities. This was particularly seen to be the case with regard to European market access. Other opportunities identified included conflict reduction, greater collaboration between stakeholders, and improved forest governance and management.

To overcome the obstacles to transparency that were identified, participants proposed several actions. These included strengthening the capacities of all stakeholders, promoting multi-stakeholder dialogue and collaboration, and seizing the opportunities brought by the FLEGT-VPA process, certification, and independent initiatives that promote transparent and sustainable forest management. We encourage all actors to now take the necessary steps to increase levels of transparency, so supporting sustainable forest management, stakeholder participation, legal reform, and the development of the region's economies.

ZSL will organise a further series of Transparency Forums in the Congo Basin in 2020. These events will build on the 2019 Forums and will take stock of the actions taken by stakeholders to increase transparency, the obstacles they have faced in trying to do so, and the support they need to further increase transparency. Until then, SPOTT and its partners will continue to support forestry companies in their efforts towards greater transparency and sustainable best practices.



Discussion during the Cameroon Forum. Image credit: ZSL

## Annex. Participants and feedback

### Number of participants

#### a. By category of stakeholders

	Gabon	Cameroon	RoC	Total
Forestry companies	9	6	8	23
Industry associations and trade bodies	3	5	5	13
<b>Total number of participants from the forestry private sector</b>	<b>12</b>	<b>11</b>	<b>13</b>	<b>36</b>
International and local NGOs	9	12	12	33
Multilateral organisations and initiatives and international administrations	1	0	2	3
Local governments and administrations	4	2	6	12
Others (e.g. consultancy, academia)	2	0	1	3
<b>Total number of other participants</b>	<b>16</b>	<b>14</b>	<b>21</b>	<b>51</b>
<b>Total number of participants</b>	<b>28</b>	<b>25</b>	<b>34</b>	<b>87</b>

#### b. By gender

	Gabon	Cameroon	RoC	Total
Total number of participants	28	25	34	<b>87</b>
Number of female participants	13	8	8	29
Number of male participants	15	17	26	58
Percentage of female participants	46%	32%	24%	<b>33%</b>

### Number of organisations

	Gabon	Cameroon	RoC	Total
Forestry companies	7	6	7	20
Industry associations and trade bodies	2	1	2	5
<b>Total number of participants from the forestry private sector</b>	<b>9</b>	<b>7</b>	<b>9</b>	<b>25</b>
International and local NGOs	6	6	10	22
Multilateral organisations and initiatives and international administrations	0	0	2	2
Local governments and administrations	4	1	4	9
Others (e.g. consultancy, academia)	2	0	1	3
<b>Total number of other participants</b>	<b>12</b>	<b>7</b>	<b>17</b>	<b>36</b>
<b>Total number of participants</b>	<b>21</b>	<b>14</b>	<b>26</b>	<b>61</b>

## Summary of feedback

	Gabon	Cameroon	RoC	Total
Percentage of respondents	50%	32%	30%	<b>37%</b>
Q1 - Transparency issues were adequately captured during the forum	4.1	4.0	4.2	<b>4.1 / 5</b>
Q2 - I found the presentations useful	4.0	4.6	4.8	<b>4.5 / 5</b>
Q3 - I found the breakout sessions useful	3.9	4.4	4.6	<b>4.3 / 5</b>
Average "Presentations and breakout sessions"	<b>3.9</b>	<b>4.5</b>	<b>4.7</b>	<b>4.4 / 5</b>
Q4 - SPOTT's objectives are clear	4.2	4.0	4.8	<b>4.3 / 5</b>
Q5 - SPOTT's methodology is clear	3.8	3.6	4.6	<b>4.0 / 5</b>
Q6 - SPOTT (findings, data) could be useful to my work/activities	3.4	3.6	4.6	<b>3.9 / 5</b>
Average "About SPOTT"	<b>3.8</b>	<b>3.7</b>	<b>4.7</b>	<b>4.1 / 5</b>
Q7 - I found the event efficiently organised (logistics, transport, venue, information...)	4.4	4.5	4.7	<b>4.5 / 5</b>
Q8 - I found the facilitation efficient (welcome, moderation of sessions)	4.3	4.3	4.7	<b>4.4 / 5</b>
Average "Organisation and facilitation"	<b>4.4</b>	<b>4.4</b>	<b>4.7</b>	<b>4.5 / 5</b>
Average all questions	<b>4.0</b>	<b>4.2</b>	<b>4.6</b>	<b>4.3 / 5</b>



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#### About SPOTT

Developed by the Zoological Society of London (ZSL), SPOTT is an online platform supporting sustainable commodity production and trade. By tracking transparency, SPOTT incentivises the implementation of corporate best practice.

SPOTT assesses commodity producers and traders on the public disclosure of their policies, operations and commitments related to environmental, social and governance (ESG) issues. SPOTT scores companies annually against sector-specific indicators, allowing them to benchmark their progress over time. Investors, buyers and other key influencers can use SPOTT assessments to inform stakeholder engagement, manage risk, and increase industry transparency.

For more information, visit [SPOTT.org](https://www.spott.org).



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#### About ZSL

ZSL (Zoological Society of London) is an international conservation charity working to create a world where wildlife thrives. From investigating the health threats facing animals to helping people and wildlife live alongside each other, ZSL is committed to bringing wildlife back from the brink of extinction. Our work is realised through our ground-breaking science, our field conservation around the world and engaging millions of people through our two zoos, ZSL London Zoo and ZSL Whipsnade Zoo. For more information, visit [www.zsl.org](https://www.zsl.org)

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