

VPA country-specific indicators							
Phase 1 - monitoring immediate trade impacts							
Phase 2 - monitoring immediate trade impacts and levels of acceptance and perceptions of FLEGT VPA licenses in the wood trading chain							
Phase 3 - monitoring immediate trade impacts, levels of acceptance and perceptions of FLEGT VPA licensed timber in the wood trading chain and amongst key end user groups, positive commitment to communication activities, design trends and influence on forest investment decisions.							
Elements for inclusion of an IMM	Indicators	Means of Verification			Recommended frequency of monitoring	Risks and assumptions related to data collection	Comments
		Source of Information	Primary data collected by IMM	IMM to collate from data collected by other agencies			
i. Forest resource in VPA Partner country	Total area of commercial forest land in the VPA Partner country: (a) by forest type (natural versus plantation); and (b) ownership (state, community, private).	National Forest Department and/or JIC of the VPA partner country, ITTO, FAO		✓		Every 5 years	Essential background information to help determine current and potential production. Monitoring of trends in forest area might indicate positive impacts of FLEGT VPA in terms of reduced deforestation.
	Total volume and value of industrial log harvest by the VPA Partner country: (a) by forest type (natural versus plantation); and (b) ownership (state, community, private).	National Forest Department and/or JIC of the VPA partner country, ITTO, FAO		✓		Annual	Forest production data is notoriously unreliable and difficult to obtain - breakdown of production by forest ownership type is not always collected and thus available. FLEGT VPA process may improve reliability of data.
	Value and (where possible) Roundwood Equivalent (RWE) volume of production of wood products by the VPA Partner country for: (a) all timber and timber products; (b) individual constituent wood products - i.e. hardwood/softwood logs, lumber, veneer, plywood, pulp, furniture etc.	National Forest Department and/or JIC of the VPA partner country, ITTO, FAO		✓		Annual	Important to assess potential impact of FLEGT VPA Licensing on overall production of different wood products and on shifting balance between primary, secondary and tertiary products. Also an indirect indicator of inward investment in wood industries in the absence of actual financial data on investment.
	Proportion of RWE volume of VPA licensed products sourced in the VPA partner country from: (a) natural forests versus plantation forests; (b) state, community, or private forests	VPA Partner JIC		✓		Annual	Data may not be (publicly) available and will need to negotiate with VPA JICs in producer countries. In some countries this breakdown of production is not actually collated in any form.
	Proportion of forest and plantation area and, if possible, log harvest, covered by FSC, PEFC or other independent forest certification framework in the VPA Partner country.	FSC, PEFC international websites, combined with data from National Forest Department and/or JIC of the VPA partner country		✓		Annual	Data on certified forest area is readily available from FSC and PEFC. However this is not always clearly disaggregated between natural forest and plantation. Production data will probably have to be estimated from area data.
	Number of FSC/PEFC chain of custody certificates issued in the partner country, as far as possible by sector	FSC/PEFC international websites		✓		Annual	Level of disaggregation of FSC and PEFC CoC data by company and product type is fairly limited.
	ii) Forest sector investment in the VPA Partner country	S/€ value of new investment in the forestry sector of the VPA partner country: (a) total investment; (b) by sector (i.e. sustainable forest management or plantation establishment, sawmilling, plywood, furniture etc).	VPA Partner Government Departments, multilateral and bilateral donor agencies, IMM forest sector investment study initiated 2018.	✓	✓		Every 5 years
ii) VPA country export trade	% of production value and Roundwood Equivalent volume exported by the VPA Partner country for: (a) all timber and timber products; (b) individual constituent wood products.	VPA Partner Government Departments, Global Trade Atlas, ITTO, UN COMTRADE		✓	✓	Annual	Assumed that this information will be available as it is included in the VPA.

	% of overall exports by the VPA Partner country destined for the EU relative to other export destinations by value and (where possible) volume for: (a) all timber and timber products; (b) individual constituent wood products.	VPA Partner JIC and Licensing Authority, Global Trade Atlas, ITTO, UN COMTRADE		✓	✓	Annual	UN COMTRADE data cleaning algorithm prepared by EFI with funding from IMM will provide improved global trade data set, although annual data for many countries tends only to be published well after the end of the year (over 8 months delay). Global Trade Atlas provides access to more regular monthly data for 80 countries worldwide.	Aim is to determine relative importance of the EU in overall wood exports by the VPA Partner and to identify other major consuming countries. Data can usefully be reported in volume, value and unit value terms.
	% of overall exports by the VPA Partner country which is exported with a VPA License by value and (where possible) volume for: (a) all timber and timber products; (b) individual constituent wood products.	VPA Partner JIC and Licensing Authority		✓		Annual	Data may not be publicly available and will need to negotiate with VPA licensing authorities in producer countries.	This is only relevant to VPA Partner Countries that choose not to apply VPA licensing procedures to all exports. In theory this data should closely parallel overall export data. Important also to monitor trade in forest product groups not covered within the scope of the VPA.
iii) Share of European imports and consumption	VPA Partner country's % share of total EU imports by value and (where possible) volume of: (a) all timber and timber products; (b) individual constituent wood products.	Eurostat/IMM/GTF-STIX		✓		Quarterly	Eurostat import data is unreliable and needs to be analysed and cleaned to remove errors. COMEXT cleaning algorithm has been prepared and is being implemented by GTF-STIX project with DFID funding and data will be freely available to IMM.	
	VPA Partner country's % share of total EU consumption by value and (where possible) volume of: (a) all timber and timber products; (b) individual constituent wood products.	Eurostat/FII Ltd/EU National Forestry Departments/Trade Associations e.g. German Veneer Federation/FAOSTAT		✓	✓	Annual (note EU production data only produced annually and may be delayed > 8 months)	Quality of data on European domestic wood production is very variable and generally poor, particularly for further processed products. In fact, it is extremely difficult to determine the volume and types of wood being used for manufacturing wood products within Europe. Some trade associations compile data for specific product groups, but this may not be made available to non-Members.	
iv) Competitiveness of Partner Country wood in the EU market	Trends in: (a) price; (b) quality; (c) availability and lead times of a range of "indicator products" which are regularly imported into the EU from the VPA Partner Country.	Interviews with exporters in VPA Partner countries and EU-based agents, importers, manufacturers and/or retailers that are current or potential customers of licensed products from the VPA country.	✓			Annual	While achievable for commodities like logs, lumber and plywood, identifying "indicator products" will be very challenging for more complex and varied semi-finished and finished products. In these sectors, issues of price, quality and availability may have to be dealt with qualitatively.	These two indicators are critical as they aim to capture through direct trade contact the most immediate commercial effects of FLEGT VPA licensing. The indicators also seek to determine the importance of FLEGT VPA licensing relative to other commercial factors that might be driving changes in market share. Ideally interviews should be undertaken quarterly to gain thorough understanding of market dynamics.
	Trends in substitute products from non-VPA countries (a) price; (b) quality; (c) availability and lead times; (d) assurance of legality and sustainability, compared with "indicator products"	Interviews with EU-based agents, importers, manufacturers and/or retailers that are current or potential customers of licensed products from the VPA country.	✓			Annual		
	Willingness to pay price premiums for FLEGT VPA Licensed products from the VPA partner country.	Interviews with importers, manufacturers and/or retailers that are current or potential customers of licensed products from the VPA country.	✓			Annual	For this indicator, current and prospective European buyers of timber from the VPA country are asked to state what % price premium they would be willing to pay - it is therefore a subjective measure based on the buyer's opinion and not necessarily on practice.	
	Average time for EU Member State Competent Authorities to verify VPA licenses at port of entry into the EU.	Interviews with EU-based agents and importers, representatives of EU Member State Competent Authorities.	✓			Annual		Efficient handling of VPA licensing at port of entry is critical as ease and rapidity of shipment are increasingly important competitiveness issues in European wood markets.
v) Market perceptions	Significance of FLEGT VPA licensing relative to other factors (e.g. personal contacts with suppliers, forest certification, media reports) in influencing perceptions of forestry practice in the VPA Partner Country amongst EU importers, manufacturers, and retailers.	Interviews with EU-based agents and importers that are current or potential customers of licensed products from the VPA country.	✓			Annual		This indicator seeks to measure direct impact of FLEGT VPA licensing on perceptions of forestry practice in the VPA country amongst major customer groups. Since perceptions are likely to change more slowly than market elements like price and quality, this indicator need only be measured annually.
	Number of NGO lobbying material and guidance with respect to FLEGT VPA process in the VPA Partner Country that is supportive, neutral, or negative.	Structured interviews with EU ENGO representatives. Review and analysis of ENGO publications and campaigns. Chatham House website.	✓	✓		Annual		NGO campaigns can change quite rapidly and may need to be reviewed more regularly than once a year.
	Number of positive, neutral or negative media references in the EU to forest law enforcement and forestry practices in the VPA Partner country.	Various options including free on-line services such as Google News or Europe Media Monitor, or more comprehensive bespoke services for a fee.				Quarterly	✓	