Making Credible Jurisdictional Claims

ISEAL Good Practice Guide

Version 1.0 | October 2020

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Contents

1. Introduction and Context

Initiatives that aim to improve sustainability performance at a jurisdictional scale[1] are being implemented in regions around the world. Linking these jurisdictional initiatives to supply chains creates potential market incentives for improved performance. **This Good Practice Guide helps to ensure that sustainability claims made by jurisdictional initiatives and the sourcing companies and other stakeholders that support them are credible.**

There are a wide range of jurisdictional sustainability initiatives currently in development and implementation. These initiatives are practical collaborations focused on a specific jurisdiction, often with leadership from, or in close collaboration with local governments. In complement to this groundswell of new jurisdictional pilots, a few initiatives are developing frameworks that will guide these pilots and facilitate reporting on progress. **This Good Practice Guide is intended to complement and act as a reference for these initiatives, serving as a straw model to stimulate discussion and alignment about what practices need to be in place to ensure credible monitoring, verification and claims at a jurisdictional scale.**

Jurisdictional approaches are attractive because they have the potential to address critical, systemic sustainability challenges such as deforestation, loss of biodiversity and land rights at a scale that is meaningful. However, they are complementary to existing supply chain tools like sustainability standards and certification, which provide a framework to verify and incentivize sustainability improvements through the supply chain. Hence jurisdictional approaches should be implemented in conjunction with these tools. In jurisdictions that are still making progress on critical sustainability issues, sustainability standards are also an important tool to recognise the improvements and performance achieved by individual enterprises.

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1. *Jurisdictional initiatives are a type of landscape approach that is developed within the administrative boundaries of sub-national or national governments, usually with engagement or leadership from government. While this guidance is tailored specifically to jurisdictional initiatives and the stakeholders that support improved performance in those jurisdictions, much of it remains valid for other landscape approaches that are not strictly tied to administrative boundaries.*

2. Scope and Structure

This Guide lays out good practices and supporting guidance for what needs to be in place to underpin the most common types of jurisdictional and company sustainability claims and communications.

It also applies to claims made by other stakeholders such as local governments, producing companies, NGOs and financial institutions that are supporting improved sustainability practices in a jurisdiction. **The purpose of this Guide is to build alignment and uptake around these good practices. It is not intended as a standalone operational or implementation framework.**

As such, the primary audiences for the Guide are the individuals and organisations engaged in the development and implementation of jurisdictional initiatives and in supporting actions to improve jurisdictional performance.

This guide focuses on how to monitor and verify the operational and performance outcomes achieved by jurisdictional initiatives, and the actions that companies and others can take to support improved sustainability performance in a jurisdiction:
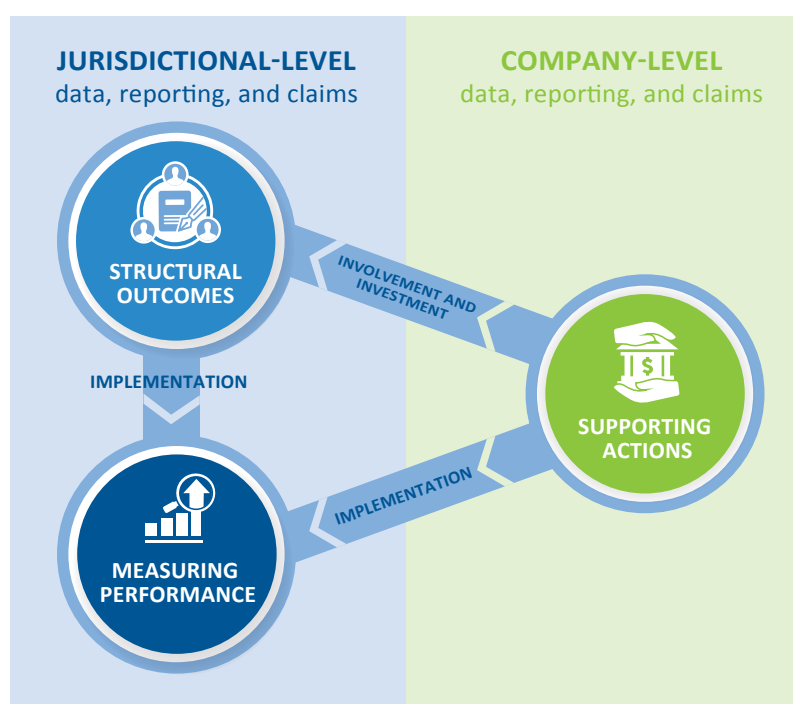
Section 3 focuses on claims about jurisdictional action, outlining what jurisdictional initiatives should have in place to strengthen their effectiveness and to accurately measure and verify performance improvements.

Section 4 then looks at the supporting actions that sourcing companies and other jurisdictional stakeholders can take and the claims they can make about those actions.

JURISDICTIONAL-LEVEL
data, reporting, and claims

COMPANY-LEVEL
data, reporting, and claims

STRUCTURAL OUTCOMES

INVOLVEMENT AND INVESTMENT

IMPLEMENTATION

SUPPORTING ACTIONS

MEASURING PERFORMANCE

IMPLEMENTATION

3. Jurisdictional Claims

Jurisdictional initiatives bring together stakeholders inside and outside a jurisdiction to coordinate on actions to improve sustainability performance in that jurisdiction. Jurisdictional initiatives and the stakeholders that engage with them want to be able to communicate the progress they are making. Communicating results helps build momentum, attract new investment, and position the jurisdiction and its communities as responsible stewards.

Communicating about progress in a jurisdiction is all about communicating the outcomes that have been achieved. Stakeholders are primarily interested in the improvements in sustainability performance that the jurisdiction has made (e.g. reduced rates of deforestation, lower carbon emissions, economic livelihoods, etc.) but there are also meaningful outcomes related to implementation of a credible jurisdictional initiative that sets goals, aligns actions, and monitors progress. The prerequisites for making credible claims about these two types of jurisdictional outcomes are described in this section.

3.1. JURISDICTIONAL STRUCTURES

Structure and governance claims recognise the steps that jurisdictional initiatives have taken to engage stakeholders, and the structures, management systems and monitoring frameworks put in place that ensure coordinated action and contribute to improved sustainability performance of a jurisdiction.

3.1.1. STRUCTURAL OUTCOMES

While the process of developing and implementing a jurisdictional initiative is context-dependent, all jurisdictional initiative that seek to operate effectively should have the following structural elements in place:

- **Engaged stakeholders:** key stakeholders in the jurisdiction, including local government and producing enterprises, are actively engaged in the initiative and committed to any action plans and their stated outcomes;

- **Governance:** clear and transparent operating procedures define the legal standing of the initiative and the governance roles, responsibilities and decision-making for different stakeholders in that initiative;

- **Progress framework:** sustainability impact goals or outcomes, timebound targets and milestones are defined for the jurisdiction, and action plans lay out steps required to meet milestones and outcomes;

Financing: the jurisdictional initiative has defined a budget and secured or identified resources sufficient for the ongoing operation of the initiative, including monitoring of progress; and

Monitoring system: a framework is in place to monitor performance improvements in the landscape, in conjunction with the capacity to manage and analyse the data and accurately communicate the results (see section 3.2).

BOX 1 – OPERATIONAL ASPECTS OF AN EFFECTIVE JURISDICTIONAL INITIATIVE

A number of common structural and process elements will support achieving the outcomes described above:

Scope:
The initiative has clearly defined its scope and geographical boundaries;

Coordinating body / Secretariat:
There is an entity responsible for managing the jurisdictional initiative and its activities;

Stakeholders:
There is a transparent participatory multi-stakeholder development process, that includes a mapping of interested stakeholders and proactive outreach to solicit their engagement;

Links to government:
Where possible, the initiative is embedded in existing local government systems, or developed and strengthened as part of regular government structures and functions;

Dispute resolution:
There is a transparent, independent, and reliable process to receive and assess complaints around the validity of claims made, and to take effective action;

Agreement:
There is a memorandum of understanding (MoU) or equivalent between lead participants to define the intent of the jurisdictional initiative and signatory commitments;

Transparency:
Information about the structure, agreements, financing and actions of the initiative is made easily and publicly accessible;

Materiality assessment:
The initiative leads a stakeholder process to define and document which sustainability issues will be addressed based on their relevance and importance in the jurisdiction;

Progress framework:
A framework is developed through the multi-stakeholder process that includes clear impact goals and outcomes, timebound targets and milestones;

Resource mapping:
There is a collective effort to map assets, resource use, and sustainability issues across the jurisdiction, using tools such as satellite mapping, HCV assessments and FPIC processes, as an input to the development of action plans;

Action plan:
An action plan is developed that lays out steps to be taken to meet milestones and outcomes. The plan includes roles, responsibilities, timelines, a budget, and identification of resources needed;

Metrics:
A set of metrics is defined that will enable meaningful assessments of progress towards targets and milestones on each of the defined material issues (see 3.2.1.1);

Data sources:
There is a list of information sources from which to derive insights about metrics performance. This can include both primary and secondary sources of data (see 3.2.1.2);

Data management system:
There are data governance systems and protocols in place to credibly gather, store, analyse and use the data that is collected (see 3.2.1.3);

Baseline data:
A baseline assessment of the state of performance at the outset of the jurisdictional initiative has been completed. Performance improvements will be measured against this baseline; and

Reporting progress:
There is a reporting framework for communicating out accessible information on a regular and recurring basis about results achieved and future actions to be taken.

3.1.2. CLAIMS ABOUT JURISDICTIONAL STRUCTURES

When an initiative is successfully working towards important structural outcomes, it is important to recognize and communicate this. Claims can be made about the process of developing and implementing a jurisdictional initiative and about the structures that have been put in place.

Process claims: we are developing a jurisdictional initiative that will help to align practices.

- Jurisdictional initiatives and participating stakeholders may want to talk about their progress in putting the necessary systems and structures in place. These process claims tend to be aspirational and future-focused.

- Since development of a jurisdictional initiative can take some time, the basis for credible process-related claims is that timelines and milestones have been defined, against which progress can be measured.

Outcome claims: we have the foundations in place for an effective jurisdictional initiative

- Jurisdictional initiatives can make claims about the structures and governance systems they have put in place to ensure coordinated and effective implementation of support activities across the jurisdiction. These claims should be based on having achieved the five outcomes defined in the previous section.

Risk management claims: we have processes in place to manage a specific category of sustainability risk

- This is a subset of jurisdictional outcome claims, focused on managing negative social, environmental and economic outcomes, such as deforestation or human rights. Making claims about managing an unwanted risk should be based on having the structures in place (e.g. governance and monitoring systems) and ensuring that the risk area is an explicit focus of the action plan.

- These type of claims can be made by the jurisdictional initiative or by stakeholders participating in the initiative. Claims made by individual partners in an initiative can be vetted by the jurisdictional initiative to ensure accuracy.

3.1.3. VERIFICATION OF STRUCTURAL OUTCOME CLAIMS

Verification is about ensuring the integrity of the basis on which a claim is being made. In the case of outcome claims about the structures and operating systems that a jurisdictional initiative has put in place, verification is relatively straightforward, consisting primarily of a review of documentation from the jurisdictional initiative. In some cases, it may be useful to look at other evidence of implementation such as budget allocations as a proxy for level of investment and commitment in e.g. the governance or monitoring processes.

A high degree of transparency will support effective verification. The jurisdictional initiative can either make relevant documents easily and publicly accessible (e.g. through its website) or have the documentation subjected to a formal review by a second (related) or third (independent) party. Achievement of outcomes can be assessed through landscape and jurisdictional implementation frameworks such as LandScale or IDH Verified Sourcing Areas.

Claims about the process of developing a jurisdictional initiative would follow a similar pattern, but instead of verifying that the outcomes have been achieved, the reference document against which to measure progress would be the timelines and milestones, with the jurisdictional initiative making evidence available of having reached the appropriate milestone for a moment in time.

The following evidence can be provided as a basis for evaluation:

CATEGORY	DESIRED OUTCOME	POSSIBLE EVIDENCE
ENGAGED STAKEHOLDERS	Key stakeholders in the jurisdiction, including local government and producing enterprises, are actively engaged in the initiative and committed to any action plans and their stated outcomes	• Stakeholder map identifying key stakeholders • Records of stakeholder participation in activities • Signatories or register of support for the action plan
GOVERNANCE	Clear and transparent operating procedures define the legal standing of the initiative and the governance roles, responsibilities and decision-making for different stakeholders in that initiative	• Statutes • Legal registration papers • Governance structure • ToRs and membership of governance bodies • Operating procedures / Code of Conduct • Dispute resolution mechanism
PROGRESS FRAMEWORK	Sustainability impact goals or outcomes, timebound targets and milestones are defined for the jurisdiction and an action plan lays out steps to be taken to meet the milestones and outcomes	• Materiality assessment • Progress framework, including impact goals, targets, and milestones • Action plan, including roles, responsibilities, timeline, budget, and resourcing
FINANCING	The jurisdictional initiative has defined a budget and secured or identified resources sufficient for the ongoing operation of the initiative, including monitoring of progress	• Budget for operation of jurisdictional initiative • Sources of income and summary of funding that has been secured
MONITORING SYSTEM	A framework is in place to monitor performance improvements in the landscape, in conjunction with the capacity to manage and analyse the data and accurately communicate the results	(See next section) • Jurisdictional metrics and data sources • Data management protocols to ensure effective collection, storage, analysis, and use of data • Job profiles or responsibilities for staff or consultants to manage the monitoring system

BOX 2: EXAMPLES OF STRUCTURAL OUTCOME VERIFICATION

Several initiatives have developed frameworks that capture how jurisdictional initiatives are progressing on structural outcomes. One of the leading organisations looking at structural and governance progress is Indonesia-based LTKL, a platform that brings together various districts across the country. LTKL has co-created a Regional Competitiveness Framework (KDSD), a summary framework that is aligned with national policies and market-based frameworks, including the Sustainable Development Goals, and the RSPO Principles and Criteria. Through the KDSD, LTKL collects data on a broad range of structural outcomes (as well as performance indicators). The framework includes a set of 'foundational' governance aspects that look at a district's development of (i) broad planning processes that identify medium and long-term goals focussed on sustainable and low-emission development, (ii) more specific action plans to realise such goals, (iii) concrete spatial planning and land use targets, (iv) multi-stakeholder inclusion in the planning processes, and (v) transparency and public information. To ensure consistent reporting and standardised verification, LTKL has co-identified detailed means of verification, adjusted to the local context, to assess if structural outcomes have been achieved.

LTKL works closely with local governments to gather this information, and LTKL districts establish multi-stakeholder

taskforces of academics, local NGOs, and private sector actors, along with processes to verify and validate the data.

In a similar initiative EII, CIFOR, and CGF-TF have developed jurisdictional profiles that assess progress on various structural conditions and outcomes, including the development of low-emission rural development (LED-R) strategies, target-setting, and the development of monitoring and reporting systems. The process is similar to LTKL but as the outcomes are formulated more broadly, they apply more easily to various types of jurisdictions in different parts of the world.

Similarly, the Commodities/Jurisdictions Approach (CJA) is an initiative that collects and assesses data and evidence on various structural outcomes, in particular linked to jurisdictions implementing jurisdictional REDD+ programmes. These outcomes align with UNFCCC guidance for REDD+ and include, among others, a strategy to address drivers of deforestation and degradation, a forest monitoring system, and institutional arrangements for monitoring social and environmental safeguards. The CJA builds on existing jurisdictional REDD standards (e.g., the Carbon Fund's Methodological Framework). An expert assessment framework guides evaluation of jurisdictions or related standards on key structural outcomes, identified through six broad criteria with multiple underlying sub-criteria.

3.2. JURISDICTIONAL PERFORMANCE

Ultimately, jurisdictional initiatives and the stakeholders that support them are interested in seeing performance improvements for critical sustainability issues like deforestation, biodiversity, human rights, and livelihoods. A credible and accurate monitoring system provides the foundation for the jurisdictional initiative to communicate about the status of sustainability performance and improvements that have been made, including progress towards defined goals and targets.

3.2.1. MONITORING FRAMEWORK

The veracity of jurisdictional performance claims is informed by the quality of the monitoring process, specifically the quality and relevance of the data that is collected, how well it is collected and managed, and the way that conclusions are drawn from the data. A credible monitoring framework will include the following elements, defined in more detail in this section:

1. Metrics: a set of metrics have been defined that will enable meaningful assessments of progress towards targets and milestones on each of the defined material issues;

2. Data sources: there is a list of information sources from which to derive insights about performance for the metrics. This can include both primary and secondary sources of data;

3. Data management protocols: there are data management protocols in place to credibly and consistently gather, store, analyse and use the data that is collected.

The process of building a credible monitoring framework takes time and effort. It is realistic to expect that jurisdictional initiatives will develop these frameworks in a stepwise fashion, building capacity over time.

3.2.1.1. Metrics

Metrics are what gets measured. To be effective at measuring changes in performance, chosen metrics must reflect performance at the jurisdictional level and provide direct or proxy information about progress towards defined goals and targets. These metrics can be co-defined by stakeholders at the same time that the jurisdictional initiative is developing the progress framework (see section 3.1).

Given that measurable performance improvements at a jurisdictional scale can take time, jurisdictional metrics can be supplemented by metrics that are relevant for more granular, project-level interventions where progress might be more immediately visible, such as is commonly defined in sustainability standards. Project-level metrics can also be applied by stakeholders seeking to measure performance improvements resulting from project-level supporting actions (see section 4).

Appropriate metrics for assessing performance improvements relative to targets should aspire to[2]:

■ measure the status or trends in a specific sustainability outcome;

■ be standardised and applied consistently to facilitate comparability of findings over time. This is also a prerequisite for being able to aggregate data from multiple actors in a jurisdiction;

■ be sensitive enough to detect relevant changes from a baseline state;

■ be consistent with SMART guidelines (i.e., specific, measurable, attainable, relevant, and time-bound) so that they can be objectively measured;

■ be cost efficient and not overly complex, recognising however that in some cases, more costly or specialised data might provide more reliable results; and

■ be defined in quantitative terms but supplemented by qualitative information when appropriate (e.g. for social issues like land conflict or forced labour).

First and foremost, metrics need to be relevant to the jurisdiction in which they are applied. However, consistency of metrics across jurisdictions is also useful for stakeholders outside the jurisdiction, enabling comparability of progress. The decision on what gets measured should be driven by a multi-stakeholder process, keeping these two competing interests in mind. One approach is to develop a suite of metrics that combines three types of metrics[3]:

■ a core set that is broadly applicable across jurisdictions and consistent with what is measured elsewhere;

■ metrics that are relevant to the jurisdiction, based on the particular ecological or socioeconomic context; and

■ metrics that are defined locally by stakeholders based on what they determine is important to them.

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2. Adapted from AFi Operational Guidance on Monitoring and Verification
3. These are adapted from the LandScale Assessment Framework and Guidelines (August 2019), see also box 3.

BOX 3: DEFINING PERFORMANCE METRICS

A leading initiative that aims to provide a framework to define landscape-level metrics is LandScale. Its performance goals are structured around 4 broad pillars: ecosystems, human well-being, governance, and production. For each of these areas of performance, the framework provides three types of indicators:

- Core indicators that are deemed critical to landscape sustainability and should be included in all cases;

- Landscape-dependent indicators, to be included when applicable;

- Optional indicators, to be included at the user's discretion to provide additional context on landscape sustainability or address specific local priorities

This approach allows for a degree of adaptability in a jurisdictional initiative's choice of metrics, building on priorities and available capacities.

3.2.1.2.
Data Sources

Collecting good data is challenging without good data sources. There are a wide range of possible sources of data that are relevant for measuring jurisdictional performance, from satellite imagery to worker interviews to geospatial risk maps. A data source can be primary data collected specifically for the jurisdictional initiative, but is often existing data that has been collected by a secondary entity like a regional or national government or an academic institution. Primary data is useful for measuring the contributions or status of individual stakeholders, while secondary data can be used to understand the broader socio-environmental context.

Data sources for monitoring should be appropriate to the commodity, geography, and production context, and to the nature of the issues being assessed. This may require collection of primary data in some cases where relevant secondary data sources do not exist. Before choosing to collect primary data, consideration should be given to the feasibility of data collection, particularly with respect to the cost and time required to gather data and the frequency of doing so. Additional work will be required to develop an appropriate sampling methodology for each type of primary data collected, so as to find the balance between efficient data collection and meaningful and accurate results.

Secondary data sources are usually more accessible and cost effective, but that accessibility needs to be weighed against the quality, relevance and timeliness of the data. Secondary data sources are often collected for other purposes, e.g. REDD+ programmes, and can be adapted for use by the jurisdictional initiative. However, an available data source that doesn't give up-to-date insights on the metrics that are being measured is not of much value.

The following factors should be taken into account when choosing which data sources to work with:

- **Relevance:** First and foremost, data must be relevant to the issues, targets and metrics that have been defined by the jurisdictional initiative. Ideally the initiative is only collecting data that is most helpful in assessing performance.

- **Accuracy:** This is indicative of how well the data represents reality. Reliability of the data is based on whether it comes from a reputable and unbiased source that is resourced to collect the data, how complete the data set is, and the quality of that data. Accuracy can be strengthened by triangulating or cross-referencing two of more overlapping data sets.

- **Spatial Resolution:** The appropriate resolution for a data source depends on a number of factors including how well it matches up with the jurisdictional boundaries and the resolution at which the related sustainability issue is meaningfully measured (e.g. water stress or availability can be measured across a jurisdiction while incidences of child labour require data collected at a site level or community scale).

- **Temporal Resolution:** The data source includes up-to-date data. The update frequency is sufficient that the data's relevance is maintained over time. The appropriate frequency will vary depending on the nature of the issue and the metric, with data being updated anywhere from close to real time to once every few years. Having historical data also provides insight into the consistency of the data over time.

- **Cost and availability:** This is often the most significant trade-off as data sources that are free and easily accessible may not be reliable or relevant enough to be of value. The alternative is to invest in primary collection of relevant data. However, where the costs of primary data collection would be significant, available data that is of limited value is sometimes better than no data. In these cases, the limitations on the relevance and reliability of the data need to be made explicit.

When determining which data sources to use, it can be a useful exercise to rank each of the potential data sources based on the extent to which they fulfil each of the above criteria, recognising that in some cases there may only be one data source to choose from.

DATA AVAILABILITY AND USE RIGHTS

A critical challenge for jurisdictional initiatives is to be able to access and use data from different sources. Relevant data is collected by a wide range of jurisdictional stakeholders, from different levels of government to research and academic institutions and from companies operating in the jurisdiction to primary data from producing enterprises themselves. Where there are restrictions on the availability or use of a data set (e.g. proprietary company data), the jurisdictional initiative should explore the use of data sharing and data use agreements. Data use agreements have the dual benefit of clarifying and limiting intended use of a data set, and ensuring recognition and rights for the owners of that data. Data use rights are particularly important where data is being accessed from producing enterprises and local communities.

Jurisdictional initiatives should check on the data use status of any data source, i.e. has the data been put into the public domain and are there any restrictions on how it can be used. For primary data sources in particular, the jurisdictional initiative may need to put in place data use agreements with the owners or originators of data sources that specify how the data will be used and whether the data owners or originators will be compensated or derive value from the use of their data.

3.2.1.3.
Data management protocols

Data management protocols are needed to ensure the quality, accuracy and robustness of the data that is collected and analysed. They help to maintain the integrity of the data by defining a consistent approach to gather, store, analyse and use the data that is collected. The jurisdictional initiative should define a data management protocol and make this publicly available alongside the data itself. The protocol should cover the following components i) data collection and analysis; ii) data quality; and iii) data storage.

DATA COLLECTION AND ANALYSIS

Data collection protocols apply in particular to primary data collection but are also relevant for interrogating the quality of secondary data sources. The protocol should include:

- The frequency and intensity of data collection required for each metric, including sampling;

- The required formats for the data that is collected and how this data should be recorded;

- Roles and responsibilities for who collects the data and who analyses it;

- Knowledge and skills required of the data collectors and analysts (and any evaluation of this competence);

- If and when stakeholder views should be considered and whether data is validated by local stakeholders;

- Any special considerations for the collection and recording of baseline data;

- Any differences in approach between managing primary and secondary data collection.

The frequency and intensity of data collection for any issue will depend on a few related factors:

- the significance or materiality of the sustainability issue in the jurisdiction;

- the rate of change in performance for that issue;

- the scale at which data collection is feasible (and commensurate costs); and

- the nature of the data sources available (including how frequently the data is updated).

Ideally, the frequency with which data sources are updated matches the frequency that performance needs to be monitored. Where this is not the case, primary data collection or identification of additional secondary data sources might be needed to supplement existing data sets.

DATA QUALITY

In support of consistency and quality, and as part of a good data management protocol, the entity responsible for measuring performance (e.g. often but not always the jurisdictional initiative) should maintain a register of all metrics and commensurate data sources that includes the following information for each metric:

- The metric itself;

- Data sources for that metric;

- Any restrictions on use of the data, e.g. from licenses attached to the data

- Description of the data to be provided, including data formats and who is the originator of the data;

- Time period covered and frequency of updates;

- How the data is analysed or synthesized to arrive at a measure of the metric;

- Any limitations on the quality or veracity of the data sources.

Once data has been collected, it is important to clean and validate the data to strengthen its quality (see Box 4). This is likely to have already been done for secondary data sources but it is useful to confirm this through additional spot checks.

Where issues with the quality of the data are identified, the jurisdictional initiative should put in place an action plan for addressing these shortcomings. This can include identification of alternative data sources or improvement of the data collection or cleaning processes.

Lastly, how a jurisdictional initiative stores its data is important both for ease of accessing it for analysis (particularly for long term analysis over several years), and to ensure continued integrity of the data, particularly where there are issues of data confidentiality and privacy.

The data management protocol should define the following elements:

- how and where data is stored (the 'infrastructure');

- who is responsible for it; and

- how its integrity is maintained while being stored.

The appropriate data infrastructure for storage can range from an excel sheet to a data warehouse, depending on the complexity and volume of the data. Jurisdictional initiatives should consider this early on as they develop their monitoring system.

BOX 4: DATA CLEANING

Data cleaning is a process of detecting and rectifying (or deleting) inaccurate or outdated information from a data set. It also helps to identify any gaps in the data that can affect the validity of the analysis. Steps in the data cleaning process include:

- Standardise Processes: Defining what form data should take so as to limit its variability and how it is captured and stored (as per data collection protocols above).

- Scrub for Duplicate Data: Identifying and removing duplicate data entries to increase accuracy and save time when analyzing data.

- Validate Accuracy: Validating the accuracy of the data once it has been cleaned involves manual spot checks to assess whether the data makes sense in context.

- Monitor Errors: Keeping a record and looking at trends of where most errors originate to make it easier to identify and fix inaccurate data.

3.2.2. CLAIMS ABOUT JURISDICTIONAL PERFORMANCE

There are a number of different ways in which jurisdictional initiatives can report performance and progress against sustainability outcomes. These have been categorised broadly into the following three types: status, trend, and subjective value claims.

- **Status claims:** these claims communicate the current performance level of an issue, e.g. we have achieved net-zero deforestation in this jurisdiction.

  - Status claims are the most objective because they are stating actual data. They describe the current performance status of a sustainability issue, e.g. 'In this jurisdiction in 2019, only 3% of residents were living in extreme poverty.'

  - These claims are strengthened if additional context is provided to improve stakeholders' ability to interpret them, e.g. 'This compares to 17% for the state overall and 12% for the country overall'.

  - Where baseline data already measures a positive level of performance for one or more issues, e.g. that there is no child labour present in a jurisdiction, this can also be the subject of status claims.

  - A caveat of both status and trend claims is that neither provide an indication of whether the performance levels are due to the specific actions taken or to external factors.

- **Trend claims:** these communicate a change in performance, often against a baseline or as progress towards a target, e.g. we have reduced jurisdiction-wide deforestation by 15% since 2015.

  - Trend claims are about the change in performance that has accrued over time. These claims require a reference level to be in place or can function in relation to a performance target. Trend claims can be positive, negative or neutral, i.e. sometimes no change is a significant result worth communicating.

- Trend claims are also more robust when they include the timeframe during which change has taken place, e.g. 'the rate of deforestation in the jurisdiction has been reduced by 5% in the last year' (baseline reference), or 'we are 50% of the way towards meeting our 2025 target of zero net deforestation in the jurisdiction' (performance target).

- Similar to status claims, trend claims are improved with the addition of contextual information. For example, is the 5% reduction in the example above an improvement over the previous year?

- **Subjective value claims:** these are descriptive claims that seek to reflect performance across a range of sustainability issues or indicators.

- The most common examples of subjective value claims are jurisdictional initiatives that claim to be 'responsible' or 'sustainable'. Similar examples with a conservation focus include 'forest-friendly' or 'forest-positive' place-based claims.

- These claims reflect progress towards or achievement of various 'values and priorities', rather than a single performance target. They are subjective because use of the terms is premised on fulfilling requirements agreed by stakeholders within and outside the jurisdiction rather than as a result of meeting a specific performance level. Tools and frameworks such as LTKL's Regional Competitiveness Framework and LandScale are intended to facilitate these processes.

- The 'progress framework' developed and implemented by a jurisdictional initiative (see section 3.1) may or may not be ambitious or comprehensive enough to enable the use of various subjective value claims, e.g. a claim could not be used if the local progress framework omits action on a critical sustainability issue.

- While these types of subjective claims can be applied at a jurisdictional scale, this does not mean that they are automatically transferable to all commodities or products sourced from that jurisdiction.

3.2.3. VERIFICATION OF PERFORMANCE CLAIMS

Performance verification is about assessing the integrity of data and of how the data is analysed or summarized to report performance or progress. The extent and rigour of verification will be based in part on the types and ambition of the claims being made.

Verification is fundamentally about building trust in the reliability and accuracy of the data. In its most simple form, trust can be established based on who collected and analysed the data and how.

For example, there is an inherent level of trust in the integrity of some governments' data and analyse, particularly when they make the raw data publicly available. Similarly, trust may already be partially established if the jurisdiction has previously been certified by a jurisdictional standard, such as RSPO or the ART/TREES standard for selling REDD+ credits. In these cases, further verification may not be necessary.

Where greater verification is required, one approach is increased transparency of the data management protocols, data and analysis. By making this information publicly available, jurisdictional initiatives provide stakeholders with the opportunity to carry out their own assessments by interrogating the data and drawing their own conclusions. However, this approach is limited by the knowledge and competence of stakeholders to make meaning from the data and to be able to draw accurate conclusions about the adequacy of the monitoring system. Regardless of this limitation, it is still useful for jurisdictional initiatives to make more of their monitoring data publicly available, where possible.

In some cases, users of the data, such as sourcing companies, financing institutions, NGOs, and governments, may require external verification of the data to be assured of its quality and reliability. Good practices for external verification of jurisdictional performance data are described below. In these cases, verification of data and monitoring systems can be carried out by a variety of stakeholders, from formal certification bodies to qualified NGOs or second-party organisations.

Ultimately, the intensity and level of independence of the verification will depend on how much assurance is required by the target audience (the 'users' of the claim) to have trust in the jurisdictional claims. That level of assurance will be influenced by issues such as:

- Nature of the claims being made;

- Materiality of the sustainability issues being addressed;

- Track record of the jurisdictional initiative;

- Level of transparency of the performance data;

- Trustworthiness of the data sources and the providers of the data.

3.2.3.1. What to Verify

Where external verification is required, it should assess the quality of the data that is collected and how relevant it is to the type of performance claims being made, as well as the integrity of the monitoring process.

The quality of the data can be assessed by the extent to which it meets the criteria for good quality data sources outlined in section 3.2.2:

- **Relevance:** Data collected are good measures of the issue, targets and metrics;

- **Accuracy:** Data come from a reputable and unbiased source, are complete, and are of good quality;

- **Spatial resolution:** The resolution of the data matches up with the jurisdictional boundaries and the resolution at which the related sustainability issue is meaningfully measured;

- **Temporal resolution:** Data are up-to-date and are updated frequently enough to maintain the relevance of the data over time; and

- **Availability:** Data are accessible, so they can be validated.

The integrity of the monitoring process can be assessed through a review of the data management protocols outlined in section 3.2.3, including protocols for:

- Data collection and analysis;

- Data management (register of metrics and data sources);
- Data cleaning;

- Data storage;

Additionally, there may be value in including the following issues within the scope of the verification assessment:

- Integrity of the process to define the metrics against which to assess performance, e.g. are they representative of the critical sustainability issues within the jurisdiction?;

- Extent to which the data management protocols have been implemented in practice;

- Credibility of the data analysis in drawing conclusions about jurisdictional performance; and

- Accuracy in how the conclusions from the analysis are communicated.

3.2.3.2. How to Verify
Verification of performance data and of the monitoring process aims to build trust in the quality and reliability of the conclusions drawn from the data. While it is challenging to prescribe one verification approach for all situations, it is important that all verification approaches strive to align with the following principles:

- **Consistency:** A documented methodology and decision-making protocol is applied when making determinations of the integrity of the monitoring process and data. The verification methodology should include steps for how the monitoring process and data quality are assessed.

- **Competence:** Evaluators have the appropriate skills, knowledge, and experience for the topics and context being verified. Qualifications should be defined and documented, recognising that this is an emerging field and appropriate qualifications may need to be refined over time.

- **Impartiality:** People and organisations engaged in verification are free from affiliation or relationships that could impair their objectivity. This applies to the impartiality of both the data collectors and data managers, and to the individuals carrying out the verification. Independent third-party verification minimizes risks of impartiality in the verification process.

- **Transparency:** Relevant information from the verification process is accessible and understandable by interested stakeholders. Being transparent helps to foster external review and scrutiny of the data and verification process and builds confidence in the integrity of the data.

Verification of the integrity and quality of the performance data, monitoring process, and analyses is primarily a desk-based exercise. However, if the assessment process identifies shortcomings in the data itself or in how the data was analysed or managed, then further interrogation may be required. This should include correlating the data or any questionable results by cross-referencing it with other sources of data. Where other, appropriate secondary sources of data do not exist, this may require additional primary data collection, e.g. through low-level sampling.

4. Supporting Action Claims

While governance and performance claims are focused on progress that is happening in a jurisdiction, producing companies, sourcing companies, investors and other market-based actors may also seek to make claims about what they are doing to support that progress.

There are a broad range of actions that these stakeholders can take to strengthen sustainability performance in a jurisdiction. The types of possible actions are described in this section, along with examples of each type, how these actions can be verified, and the claims that such stakeholders can make as a result.

4.1 RANGE OF ACTIONS

Stakeholders operating directly in a jurisdiction, such as producing or primary processing companies may choose to focus on direct support to producing enterprises, broader actions in the landscape, or on putting in place the enabling conditions for uptake of improved practices. For example, a processing company can train growers directly in good agricultural practices, support restoration of degraded land and forests, or invest in infrastructure such as silos or warehouses, among other actions. Their choice of actions is likely to be based on:

- internal priorities;

- where they have the most capacity and influence;

BOX 5: BUSINESS CASE FOR COMPANIES TO ENGAGE IN JURISDICTIONAL INITIATIVES

Companies committed to address sustainability issues will find that jurisdictional initiatives are an important approach that complements and strengthens their supply chain-focussed efforts. The business case for engaging and supporting jurisdictional initiatives is growing as many companies acknowledge more coordinated, localized efforts are needed to drive broad sustainability improvements, and that they have a shared responsibility and business interest in doing so. Various guidance documents are useful for companies to start identifying their potential roles in jurisdictional initiatives:

- Landscape Scale Action for Forests, People and Sustainable Production: A Practical Guide for Companies

- Value beyond value chains

- Implementing responsible sourcing: Using landscape/ jurisdictional initiatives

For similar resources, the TFA's Jurisdictional Exchange Platform has a resource hub to help support private sector action in jurisdictional initiatives.

- the extent to which their actions align with the priorities and sustainability outcomes of the jurisdictional initiative; and

- what other actions are being planned or implemented in the jurisdiction.

Stakeholders operating outside of the jurisdiction, including sourcing companies, financial institutions, international NGOs, and donors, are more likely to be supporting other entities to act directly in the jurisdiction, providing financing and in-kind support for actions in the jurisdiction, or supply chain actions like preferential sourcing. Not only do these stakeholders have to decide how to engage in a jurisdiction, they first have to decide where to engage, assuming they have the potential to invest in and support a number of different jurisdictional initiatives. Factors that influence this decision include:

- how important the jurisdiction is as a production region for specific commodities;

- investment opportunities;

- extent to which it is a supply shed for the sourcing company; and

- the company's relative sourcing footprint within the jurisdiction.

BOX 6: SEQUENCING OF SUPPORTING ACTIONS

Substantial progress against sustainability outcomes in a jurisdiction can take a number of years. Stakeholder support for jurisdictional efforts likewise requires a long-term vision. Companies are likely to maintain or increase their support in a jurisdiction as they see progress materialise. Similarly, non-corporate stakeholders can map out pathways for businesses to scale up their efforts over time.

Actions need to be coordinated, sequential and build on progress realized over time. For example, a collaboration to map smallholders in a jurisdiction might be useful at the outset and enable other supporting actions (e.g. preferential sourcing) in later stages. Jurisdictional initiatives might want to outline these expectations to enhance alignment over time of supporting actions by companies.

While the range of supporting actions that stakeholders can take is varied[4], they can be categorised as follows:

- **Jurisdictional actions**

  • Provide support to the jurisdictional initiative, e.g. expertise and staff resources, communications

  • Participate in the jurisdictional initiative, e.g. on planning and alignment of interventions

  • Support local governments in developing jurisdictional policies, tools, and investment strategies

  • Support landscape restoration in line with objectives of the jurisdictional initiative

  • Support better monitoring and measuring of progress, e.g. through sharing data

- **Actions to improve production**

  • Support enterprise adoption of best management practices through training and extension services
  • Coordinate with others on this direct support to individual enterprises or cooperatives

  • Enhance sustainability-pegged financial flows to producing enterprises

  • Encourage government policies and tax incentives that support production in line with the objectives of the jurisdictional initiative

  • Support additional/alternative livelihood activities and practices

  • Facilitate technology transfer to producing enterprises

- **Supply chain actions and incentives**

  • Align procurement specifications and supplier contract terms with jurisdictional goals and targets

  • Institute preferential sourcing based on demonstrated progress in the jurisdiction

  • Offer better financing to enterprises implementing better practices: longer-term sourcing contracts, price floors or premiums, upfront financing

  • Finance carbon credits or other ecosystem services realized by actors in the jurisdiction

  • Collaborate on joint commodity traceability for the jurisdiction

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4. *For a more extensive overview of different supporting actions, see Proforest/WWF/TFA Landscape Scale Action for Forests, People and Sustainable Production: A Practical Guide for Companies, September 2020.*

4.2. CLAIMS ABOUT SUPPORTING ACTIONS

Only actions that contribute to the goals and sustainability outcomes of the jurisdictional initiative should be considered as supporting actions. One of the roles of jurisdictional initiatives is to align interventions and coordinate efforts in pursuit of a set of broadly agreed sustainability outcomes, ensuring that any gaps are identified and addressed. Even if stakeholders are not formally participating in a jurisdictional initiative, their actions should be aligned with the action plans and sustainability outcomes of the jurisdictional initiative, particularly if they plan to make claims about their actions. If no jurisdictional initiative or plan is in place, companies are limited in the claims they can make that relate to jurisdictional outcomes.

As with the types of supporting actions a stakeholder can take, the range of associated claims is varied. Claims can be made about engaging with the jurisdictional initiative, contributing to the sustainability goals or outcomes of the initiative, or making links between these actions and the resulting progress in the jurisdiction (attribution):

ENGAGEMENT:
We are participating in development and implementation of a jurisdictional initiative

- Applies to all stakeholders that have made a commitment to support, directly or indirectly, the development of a jurisdictional initiative and/or its ongoing operation.

- Engagement also implies that a stakeholder is aligning its activities and policies with the jurisdictional initiative and its goals. As such, engagement claims may precede more concrete contribution claims.

CONTRIBUTION:
We are taking this action in line with action plans and sustainability outcomes of the jurisdictional initiative

- Stakeholders should ensure that the action is aligned with the action plans and contributes to the outcomes agreed by the jurisdictional initiative. Stakeholders can make contribution claims even if they are not formally engaged in a jurisdictional initiative, so long as the actions are aligned with the jurisdictional initiative.

- Contribution claims should ideally be made about actions that have already taken place but, where the actions are ongoing, stakeholders can make claims that include the current status of the action.

- Contribution claims need to be put in context, including a sense of the relative scale and intensity of the contribution[5]:

  - The nature of the actions should be described clearly, specifically, and truthfully.
  - The extent of the actions should be specified, typically in quantitative terms, and should be contextualized so that their scale and scope can be interpreted properly.

    - For companies, this means describing the action relative to the jurisdiction and to its full operations. For example, if the claim is about providing support for training to 1,000 oil palm smallholders, it should also state the total number of oil palm smallholders in the jurisdiction and in the company's full supply chain. For financial contributions, it might also be useful for companies to report the contribution relative to its turnover or volumes sourced for that particular commodity.

  - The timeframe for implementing actions should be defined and documented, along with progress being made in implementation. Where actions are ongoing, the stakeholder should publish information at least once a year that summarises this progress.

  - If the action entails a contribution to a broader effort (e.g. a collaborative effort of companies to support a jurisdictional initiative), then the extent and nature of the stakeholder's specific contribution should be specified, e.g. were they fully or partially responsible for this action, an anchor partner or supporting partner, delivering the action or supporting others to do so?

- While not part of the contribution claim itself, the supporting actions that a stakeholder takes should be consistent with its broader policies and operations. For example, companies should not unduly benefit from implementing positive actions while simultaneously working to weaken related efforts in or beyond the jurisdiction.

ATTRIBUTION:
Our actions resulted in or contributed to specific sustainability outcomes in the jurisdiction

- Claims of attribution link supporting actions to monitoring of sustainability performance within a jurisdiction (see previous section). Attribution requires that an entity can show a causal link between their supporting action and a change in performance.

- In theory, this causal link can be assessed through impact studies with counterfactuals or a control group to show what would have happened in a similar situation with no intervention, or at least through a rigorous output to outcome analysis. However, in practice, this is inherently complicated at a jurisdictional level where many actions are being taken by many different stakeholders. It is recommended that if an entity does seek to make an attribution claim, they do so for a specific and limited group or area that they have supported within the jurisdiction. Even in these cases, attribution claims will require that a credible research approach is followed to establish the causal links.

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5. Adapted from AFi Operational Guidance on Reporting, Disclosure and Claims

■ Despite these challenges, stakeholders will want to make claims or communicate about performance improvements in the jurisdictions they are supporting. It is likely that stakeholders will make claims or statements about the nature of their supporting action and, independently and without attribution, communicate about performance improvements. This is feasible but creates a high potential for ambiguous communication that needs to be avoided, e.g. that an entity presents information in a way that implies a causal link. This risk can be mitigated by taking into account the following considerations:

• Where jurisdictional initiatives are responsible for performance monitoring, they have a right to determine how that monitoring data is used. They can choose whether to allow a stakeholder that implements supporting actions in the jurisdiction to communicate about performance improvements. This decision could be based on whether the jurisdictional initiative feels that the stakeholder's actions reflect sufficient levels of engagement and commitment.

• Where this is an option, stakeholders should communicate about sustainability performance in the jurisdiction in a way that is consistent with how that information is presented by the jurisdictional initiative.

• Stakeholders should not present performance results in conjunction with supporting action claims, even if no link is implied.

• Sourcing companies that seek to communicate performance results will need to have sufficiently robust traceability, supply chain mapping, and/or effective control mechanisms in place to show that they are in fact sourcing from within the jurisdiction.

4.3. VERIFICATION OF SUPPORTING ACTIONS

Verification of supporting actions is primarily about determining whether or to what extent a proposed action has been undertaken, though there are some cases where claims can be made about future commitments, such as a company's forward commitment to preferential sourcing from a jurisdiction.

The default practice should be that documentation about undertaken actions is made publicly available (e.g. through a company's website), except in the few cases where this would conflict with data confidentiality requirements or antitrust regulations, e.g. details about preferential sourcing or pricing. Where information is made publicly available, verification of supporting actions is a process of interested stakeholders comparing what has been achieved with the commitments made. Where the entity has concerns about data confidentiality, a formal and independent review of the information, in which only the results are then made publicly available, can help to assuage these concerns while maintaining some level of transparency.

Ideally, information about various supporting actions is also linked to by the jurisdictional initiative as part of its coordination efforts. This would enable any stakeholder to have easier access to information on the range of supporting actions and be able to compare progress with the original commitments.

In a limited number of cases, such as donors vetting the use of their funds or the data confidentiality issue mentioned above, there may be cause for a formal review of the documentation by a second (related) or third (independent) party. The parameters for this review should be agreed between the stakeholder undertaking the supporting action and the stakeholder interested to vet the results of that action.

The following list is indicative of the types of information that can be made publicly available or used as inputs to a formal assessment:

TYPE OF ACTION	TYPE OF EVIDENCE
SUPPORT TO A JURISDICTIONAL INITIATIVE	- job descriptions for staff seconded to a jurisdictional initiative - contracts with external experts - records of in-kind support such as pro bono legal advice - media articles, blog posts, and/or statements posted on a website - monitoring data shared with jurisdictional initiative
ACTIONS IN THE JURISDICTION	- records of the amount and nature of investment, e.g. for landscape restoration - local government policies or project descriptions
ACTIONS TO IMPROVE PRODUCTION	- records of the amount and nature of investment - agreements and workplans with project implementers - activity records such as workshop reports or meeting agendas
SUPPLY CHAIN ACTIONS	- procurement specifications or contract terms - records of volumes of a particular commodity sourced from the jurisdiction - contracts for future purchases from the jurisdiction with preferable terms - records from traceability systems

About ISEAL

ISEAL is the global membership organisation for credible sustainability systems.

We support and challenge our members to continually improve their impact for the benefit of people and planet. Our members are sustainability standards and related systems, which collaborate in order to scale and demonstrate positive impact. Our regularly updated codes are a recognised framework for best practice, and compliance with them is a mark of credibility.

We support and challenge our members to continually improve by providing forums for collaboration, collective action and sharing of experience; delivering expertise, advice and training; facilitating access to funding to promote innovation; and advocating for the adoption of better, more credible sustainability systems.

For businesses, governments and NGOs, we provide opportunities to connect with sustainability systems, as well as information, resources and events to encourage the use of credible schemes.

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