

External Review of the ALS

Rapid review of the HCVN Assessor Licensing Scheme (ALS)

An aerial photograph showing a vast expanse of terraced rice fields carved into a hillside. The terraces are filled with vibrant green rice plants, creating a rhythmic, wavy pattern across the landscape. The surrounding area is densely forested with tall, thin trees, likely palm trees, which frame the terraced fields. The overall scene is lush and verdant, capturing the traditional agricultural practices of the region.

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The primary audience for this report is the HCV Network Secretariat and ALS staff to inform decisions on future direction and priorities of the ALS, as well as contributing to the upcoming HCV Network Summit discussions.

Note

The findings and contents of this document are the responsibility of the author and do not necessarily represent the opinions and/or positions of the HCV Network. This rapid assessment took place over 3 ½ weeks in April with no validation of findings. A special thanks to those who offered their valuable time and input through the survey and/or interviews. Although the author has received a great deal of information from others, the responsibility for any errors or interpretation lies with the author.

The author has worked with some of the stakeholders, including as an independent consultant, but declares that she has no known financial interests or personal relationships that would influence this review.

Executive Summary

The Assessor Licensing Scheme (ALS) was launched in 2014 by the HCV Network (HCVN) to address the variability in quality of the assessment reports, lack of standardized procedures and oversight of the assessors. An external review of the Assessor Licensing Scheme (ALS) was commissioned in April to provide an independent perspective of the ALS system for continuous improvement. A rapid review reviewed organisational documents, gathered input through stakeholders' interviews and surveys.

Section 1 covers the high-level **Results and Impacts** of the ALS based on its objectives. The HCVN Secretariat is a young organization and has successfully developed a credible ALS system with limited resources over a short period of time despite being under resourced and lack of longer-term planning. Overall, the ALS has delivered on its objective of improving the competency of HCV Licensed Assessors (LA) and the quality of their assessment reports. There is room for improvement especially in terms of consistency, timeliness, accessibility, transparency and learning. Currently there is no system or data on the outcomes or impacts of the ALS, but the potential impact of the ALS is significant with over half a million hectares of HCV management area identified for protection or enhancement. The ALS contributes to the HCVN mission through independently verifying identification of HCVs.

Section 2 covers **Findings** from an external perspective. Many of the findings of the review are not new to the HCVN Secretariat, have been raised previously and there are already some efforts towards addressing some of them. Others are more systemic challenges and need to be further explored to prioritize strategies and solutions. The interrelated findings are organised around topic areas and are not presented in a specific order.

- **Core strengths include staff and commitment to continuous improvement**
- **Lack of overall strategy**
- **Desk-based evaluations take too long**
- **Need for Quality Assurance fit for purpose**
- **Lack of Monitoring and Evaluation for learning, improving and accountability**
- **Organisational Risks**
- **Other Issues**

The HCVN is at an inflection point with the ALS and the current model and ways of working are not sustainable if the objectives of the ALS are to be met. Business as usual means not only that the problems will continue, but in many cases could be exacerbated, leading to more challenges.

Section 3 summarizes **Recommendations** made throughout the report. Many of these need to be further explored for further discussions and/or research to prioritize strategies and solutions. It is recommended that the HCVN create an Action Plan in response to these recommendations. These should be done within an overarching strategy and participatory Theory of Change development process that refocuses on the shared goal of partners and stakeholders - protecting HCVs.

Background and Context

The HCV Network (HCVN) was created in 2005 by a group of organisations and individuals that were committed to the identification and protection of HCVs. The HCVN has three main “strategies”¹: **Promote** the HCV Approach as a tool for responsible development, **Achieve consistent application** of the HCV Approach and Bring HCV users together in essentially three main roles: leadership, setting the “standard” and as a platform.

Since the early years, the HCVN was successful in promoting the HCV Approach and bringing together HCV users. More challenging was the consistent application of the approach. The Assessor Licensing Scheme (ALS) was launched in 2014 by the HCVN to address the variability in quality of the assessment reports, lack of standardized procedures and oversight of the assessors. The primary objectives were to improve the competency of HCV Licensed Assessors (LA) and the quality of their assessment reports. The ALS also provides a platform for support and peer to peer learning. It is the key tool within the HCVN Quality Assurance workstream.

Since its launch in 2014, the ALS has been continually developing and improving to respond to stakeholder feedback, learning and developing robust assurance systems. This has been supported by a small core dedicated staff that has grown incrementally to support the increased demand for ALS reviewed reports. The HCVN Secretariat is young² and operates on a narrow budget with limited resources for investment in systems and processes to improve services while meeting demand.

An external review of the Assessor Licensing Scheme (ALS) was commissioned in April to provide an independent perspective of the ALS system for continuous improvement.

The review aimed to address the following areas as per the Terms of Reference (ToR):

- 1) Identify short-, medium-, and long-term **opportunities** for ALS improvement.
- 2) Assess **results and impacts** based on objectives (as per the ALS Specification).
- 3) How effective has the ALS been in contributing to the HCV Network’s **mission** and provide **recommendations** on how it could further contribute.
- 4) Recommend how the ALS can be **strengthened** and/or complementary ways of assuring quality of HCV and HCV-HCSA assessments.

This rapid review took place between April 7th - 30th 2021 and is based on a survey, key stakeholder interviews and an analysis of organizational documents. See Annex for details.

This report is divided into 3 sections based on the ToR: Results and Impacts (Question2), Findings including opportunities (Questions 1 and 3) and Recommendations (Questions 3 and 4). Some of the Findings and Recommendations are related to wider issues than the ALS but are included as enablers or barriers to the effectiveness of the ALS.

The HCV Assessor Licensing Scheme (ALS) supports HCV identification in high-risk scenarios by:

- **guidance** on assessments and reports
- **licencing** assessors
- **monitoring** their performance

¹ From the HCVN website “What We Do”

² the HCVN Secretariat was legally established in England and Wales as HCV Network Ltd. in July 2015 and formally started trading January 2016

I. Results and Impacts

Assess results and impacts based on objectives. As per the ALS Specification, the ALS was created to improve the competency of HCV assessors and the quality of assessment reports.

- ✓ *Stakeholders overall see the ALS is doing above average on its objectives and purpose, with room for improvement.*
- ✓ *External stakeholders perceive the ALS as doing below average*
- ✓ *The ALS contributes to the HCVN mission through independently verifying identification of HCVs.*
- ✓ *The potential impact of the ALS is significant with over half a million hectares of HCV management area identified for protection or enhancement*
- ✓ *Currently there is no system or data on the longer term outcomes or impacts of ALS*
- ✓ *Learning elements of the systems are new*

The ALS has been the key tool to deliver on the HCVN Charter to seek quality, consistency, and continuous improvement in the application of the HCV approach as part of its Quality Assurance workstream.

Overall, the survey respondents and interviews indicate agreement that the **quality** of the reports have significantly improved over the past 5 years with less agreement on the consistency. On how the ALS is meeting its objectives and purpose, the survey rated the ALS 3.65 on a scale of 1-5. This is above average, indicating “ok” with room for improvement. Ratings of external stakeholders versus HCVN Secretariat staff on overall were significantly lower, highlighting some potential **perception** issues.

Much has been done over the last several years to improve the competency of assessors including the licensing process itself, manuals, templates, and training. Tailored training has been done specifically with RSPO as part of a joint strategy for “for strengthening Licensed Assessor capacity”. HCSA has also substantially contributed to training activities, setting up the online system to evaluate reports and development of manuals and other tools via two rounds of funding provided by the Partnership for Forests (P4F). To date, there are fifty-three (53) Licensed Assessors with about half of them having conducted 3 or more assessments. Most of them (75%) are in Southeast Asia (SEA), reflecting the demand due to RSPO requirements.

The role of ALS as a support and learning platform has more recently been strengthened with the establishment of two working groups (one for Licensed Assessors and Quality Panel members, and another for organisations commissioning assessments) in Q1 2020 as a space for sharing and learning. Both Quality Panel (QP) members and assessors expressed frustration at the lack of open exchange and learning, but this could be due the lack of awareness of the forum or time limitations to participate. There is a **demand** for this sharing and learning and a real **need** across QP members.

Currently assessors’ performance is monitored through the QP’s desk-based evaluation of the licensed assessors’ reports. There is public reporting on their track record. This does not reflect several underlying issues discussed in the next section as only *approximately* 10% of reports are Satisfactory with the first submission, another 30% making it with a second attempt and another 30% requiring 3 attempts to be considered Satisfactory. The remainder are cancelled, withdrawn or pending. While a certain level of reports not passing is expected and would signal that the quality assurance is functioning. However, the high rate of needed attempts and stakeholder feedback indicate variability in the licensed assessors and quality of the

Mission

The HCV Network strives to **identify**, maintain and enhance critically important ecological, social and cultural values, by bringing together and helping stakeholders to consistently use the High Conservation Value approach.

reports. The HCVN Secretariat is working on reducing the number of resubmissions through improved guidance and supporting tools (templates and checklists) and calibration training.

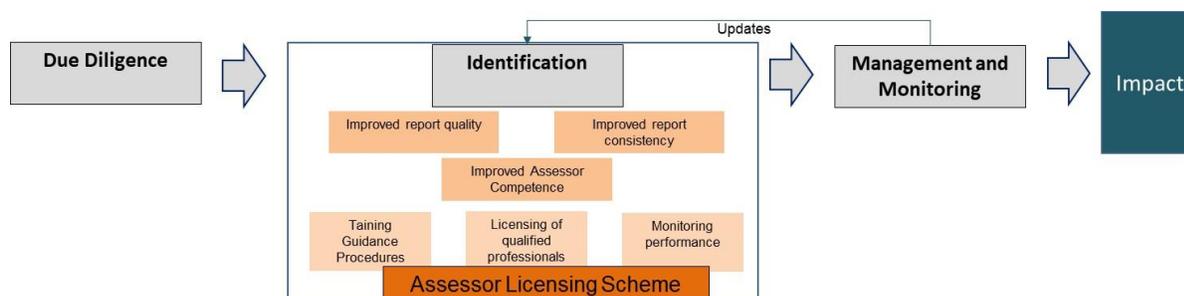
Ultimately, the competency of the assessors should be measured in the effectiveness of the management and monitoring (M&M) plans in maintaining or enhancing HCVs.

The ALS quality assurance process has ensured that all Key Issues were addressed and successfully identified *additional* HCVs and HCV management area in almost half of the reports.

ALS Outputs as of 19th April 2021³ for all dates

Evaluations	Identified HCV Management Areas	Identified HCVs
210 reports submitted 156 Satisfactory reports <ul style="list-style-type: none"> • 129 HCV • 27 HCV/HCSA 1,670,275 ha total area assessed	Total HCV management area (MA) of 538,354 ha Net additional HCV ha identified 115,121 ha after quality assurance 15 reports reduced HCVMA (<2%) 72 reports increased HCVMA 68 reports no change	not possible to calculate within the review period. Data requires cleaning or manual calculation

Currently there is no system or data on the outcomes or impacts of the ALS robust process for HCV identification. However, the assumption is that the credible identification of HCVs is the critical foundation for the long-term management and monitoring of them to guarantee their long-term protection.



Lack of data on impacts is not just an ALS issue, a systematic review of HCV Assessments noted this challenge of data deficiency in the effectiveness of HCV assessments.⁴ Establishing a Monitoring and Evaluation system would be an important step towards addressing this gap (discussed next section).

The HCVN Secretariat is a young organization and has successfully developed a credible ALS system with limited resources over a short period of time. Investments have been made in staff, website and improving guidance, training and other tools. The HCVN took on the quality assurance of HCSA assessments, integrating them into the ALS process with limited advance forethought of system needs and implications.

A lot has been accomplished despite being under resourced and lack of longer-term planning.

ALS is doing *GOOD*, but is it doing *WELL*?

³ Data from the ALS system was provided on April 19th, 2021 to the consultant.

⁴ [A systematic review on high conservation value assessment \(HCVs\): Challenges and framework for future research on conservation strategy](#)

2. Findings

The following interrelated findings are organised around topic areas. They are not conclusions but provide an independent perspective for further discussion and should be considered coherently. Many of the findings are not new to the HCVN Secretariat, have been raised previously and there are already some efforts towards addressing some of them. Others are more systemic challenges and need to be further explored to prioritize strategies and solutions.

- **Core strengths include staff and commitment to continuous improvement**
- **Lack of overall strategy**
- **Desk-based evaluations take too long**
- **Need for Quality Assurance fit for purpose**
- **Lack of Monitoring and Evaluation for learning, improving and accountability**
- **Organisational Risks**
- **Other Issues**

The Good

There is wide acknowledgement that the HCVN ALS has accomplished quite a lot in the short time with limited (and uncertain) resources. There has been continuity with core staff, ensuring good institutional memory and continuity in the development of systems. The dedication and competency are also widely acknowledged.

There is a commitment to continuous improvement and development reflected by the regular reviews, surveys and actively seeking stakeholder feedback. There is evidence that this is taken on in terms of improving tools and systems.

Overall stakeholders feel that the ALS has done a great job on the training, using trainers with deep field experience and hands on knowledge.

These core strengths should be leveraged and protected. The following focuses on issues to identify areas and opportunities for improvement.

Lack of overall strategy

Business as usual is not feasible for ALS with the current resources, processes and results. Even acknowledging all of the critical hard work going into developing more guidance, better training and more tools - the ALS is at an inflection point.

Currently there is a range of understanding and expectations of ALS and quality assurance across stakeholders. This leads to different expectations and assumptions. This is part of the root cause of some of the issues and criticisms raised. There are a number of improvements and/or changes that can be made to the ALS, some already in progress. These investments should reflect what the HCVN is trying to achieve and more specifically what are the best strategies (and tools) to achieve that. This will inform the design of the program and establish ways to monitor for continuous improvement and evaluate its impacts over time.

ALS fee income is about one third of the HCVN Secretariat budget in 2020 in terms of income and expenditures. Yet it is only a small part of the Secretariat's work, sometimes dominating other areas in terms of resources and perceptions of stakeholders. It has become a lightning rod in terms of stakeholder criticisms.

Losing sight of the goal?

The ALS currently operates primarily as the certification function of the RSPO requirement on HCV/HCSA assessments. With this comes expectations that ALS "guarantees" the licensed assessor and the assessment. This leads to caution and cross checking by HCVN staff. The evaluation process is the front line to protecting HCVs. With development, these HCVs could disappear if not properly identified. Yet ALS is not a standard setting or certification body itself, nor does it adhere to international best practice (ISO/ISEAL) or have any independent oversight.

Going this route requires ALS to be more prescriptive, striving to create black and white answers with more templates, guidance and checklists. Perceptions with many external stakeholders in this review is that the ALS has become bureaucratic and burdensome, merely a tick box rather than a practical management tool for responsible land use. Sustainability managers in companies are challenged to "defend" the ALS internally with operations due to the bureaucratic approach and unpredictable timelines, negatively affecting their business.

"The conversation needs to be changed from adversarial to bringing HCV users together with common goals for long term management of HCVs." – company stakeholder

Companies want to be associated with the **positive**. This is an opportunity for the HCVN.

Other opportunities exist to leverage the knowledge and experience with ALS with other actors such as financial institutions and governments. The fundamental question of whether HCVN wants to be the standard setter in terms of methodologies and tools, or the assurance provider "accrediting" assessors? And if that role includes being the assurance provider, how does licensing assessors fit in?

Recommendations

- ✓ *A practical and participatory Theory of Change process is recommended for the HCVN that includes considering the role of quality assurance and the ALS. What are the best levers for change and to achieve its mission?*
- ✓ *Outreach and engagement with companies, proactively recognizing positive outcomes in communications*

Desk based evaluations take too long

By far the biggest concern raised by stakeholders is the overall duration of evaluations. Critics use this to question the value of HCV and HCV-HCSA assessments, it strains HCVN Secretariat resources, frustrates both assessors and QP members and negatively affects the companies commissioning the reports in terms of resources and land

The different actors (ALS staff, QP members, licensed assessors and companies) have **different perspectives** of the problem and causes. While those perspectives overlap, they don't always coincide, highlighting **system gaps**.

management. HCVN Secretariat staff are in the middle of the process and bear the brunt of this from all sides.

Bottom line is that HCV and HCV-HCSA assessment reports are complicated, highly technical and serve as the foundation for long term protection of HCVs and HCS forests. It is critical to get it right. If the HCVN is independently verifying the reports through ALS, there is the reputational risk, regardless of actual liability, to HCVN and the methodologies.

There are several factors and issues which affect the evaluation duration which are presented here together as are contributing factors or issues arising from the timelines.

Current state

The entire process, including submission, first resubmission, second resubmission, and assessor extensions, is theoretically limited to 255 and 295 days for HCV and HCV-HCSA assessment reports respectively.

- Date of the initial submission is posted on the [website](#) with scope, status, country and assessor
- Full reports at any stage, QP feedback and appeals are not public and only noted with generic status
- Public summary is published once the key issues in the full assessment are Satisfactory and the public summary is Satisfactory, this includes “Minor changes” (errors or inconsistencies in key issues)
- High level of resubmissions: 10% of reports verified as Satisfactory with first Submission, 30% with second submission, 30% with third and final submission
- Initial check option not utilized (<5% reports) and even when used, have not improved the quality
- Quality assurance team conducts “checking of checkers” as the ultimate quality assurance
- Fully licensed assessors that fail a report lose their license

Issues/Challenges

Each of these issues could be discussed and debated individually but are presented together to explore opportunities to address them coherently.

- Multiple resubmissions have translated to actual report durations of a year or more on average for 2017 – 2019. 2020 was within deadlines, but also had significantly less report volumes.
- No transparency of where reports are at any stage leading to misunderstandings of timelines or causes of delays
- Public summaries:
 - Length: average more than 50 pages in length requiring more staff and QP time than budgeted
 - Length: limits accessibility and usability
 - Manual: are not automated from reports creating inconsistencies requiring more resources
 - Translation into English required by RSPO: inconsistencies, increased resources and time for quality control
- QP members are pulled into drawn out processes that compensate a few days over a long period making it hard to stay engaged and informed. The unpredictability contributes to their lack of availability.
- Lack of agreement between QP and assessors on interpretations and feedback with no direct engagement for dialogue and clarifications from either party. All communications are funnelled through ALS staff. While very competent, this creates a bottleneck, more back and forth and potential for introducing bias.

- Checking of checkers – final check by the HCVN ALS team of the QP evaluation may identify new issues at the last stage of the process based on new information submitted.
- Issues raised late in the process could even require going back to the site (which may not be feasible - or needed?)
- Clarity between guidance and normative documents blurred and open to interpretation by assessors and QP members
- No incentives for getting a report through with the first submission (except a happy client)
- Perverse incentives for both ALS and assessors to require resubmissions in terms of fees generated – even if in actuality the fees are not covering the costs, time and reputational risk of resubmission
- No sanctions for delays by any parties
- ALS interested to proactively help fully-licensed assessors achieve Satisfactory reports so they are not delicensed

Opportunities	Rationale	Resources (staff for all)	Costs/benefits	Examples
Some transparency: Clear status update of where the report is in the process including identifying delays	Eliminate hearsay Improve planning	\$ Website update	Medium - low	To research
Full transparency: reports, QP feedback, appeals, Minor changes requests	Reduce hearsay Improve quality Identifies minor changes Reduce time Increase learning	\$\$ Website update	High	Mining sector ESIAs
Automate full reports removing sensitive information	Address stakeholder concerns if full transparency	\$\$\$ Website update	High	Standards and ASI do this in Salesforce
Automate Public Summary from full reports leaving in original language	Reduce time and ensure consistency	\$\$ Website/Salesforce	High	Standards and ASI do this in Salesforce
If not automated: Reduce length of Public Summary to max 20 pages with only key information using a template	Make reports more accessible and useful Reduce time	None if no template	High	FSC
Open dialogue between QP members and assessor	Reduce misunderstandings and time Reduce interpretations Alleviate ALS staff	None Staff time savings potential	High	Mining Sector ESIAs To research
Streamline normative documents and make guidance living documents with case examples	Distinguish guidance and normative documents	\$\$	High	

Opportunities	Rationale	Resources (staff for all)	Costs/benefits	Examples
	Interpretation consistency Ongoing learning			
Create a HCV/HCSA phased approach with Quality Assurance at each stage and filtering: 1. Scoping 2. Full Assessment 3. Management and Monitoring report	Step wise allows for early detection of issues Better planning Total cost/time cannot be longer	\$\$\$	High	Mining Sector ESIA's
Develop tools for Management and Monitoring reports to support credible systems implementation and monitoring for data	RSPO P&Cs 2018 require M&M plans and suggest setting up systems to monitor their implementation.	\$\$	High	

Recommendations

- ✓ *Full transparency in reports, documents, feedback and QP members at all stages*
- ✓ *Automated templates for reports and summaries with length limits*
- ✓ *Introduce a step wise approach to the Quality Assurance of the assessments*
- ✓ *With full transparency of reports, phase out “checking of checkers” to a random sample basis with a set target of error and inconsistencies*

Need for Quality Assurance fit for purpose

ALS has developed around high-risk palm oil plantations with conversion of natural ecosystems. To date, ninety five percent (95%) of assessment reports (submitted and satisfactory) are for oil palm, as licensed assessors are a RSPO requirement. Stakeholders noted in the review that there is the real risk that companies considering the ALS process uncertainty and hurdles are driven away from certification.

The current work process is not sustainable, and the system is strained with limited resources. Even with streamlining and other improvements, the ALS system is not always the appropriate tool for other users/uses of HCV and HCV-HCSA assessments. It was designed for high risk scenario palm oil concessions in Asia.

“The ALS tries to fit all assessments through the same keyhole” – QP and LA stakeholder

The ALS has successfully created training modules, templates, guidance and other tools (including integrating HCSA) to set the standard for robust and credible HCV assessments. These are core assets and strengths of the HCVN Secretariat. There is the opportunity to shift the focus to scaling and broadening access to these.

The role of quality assurance and the ALS should be (re)considered in the ToC process. There are many opportunities, but they will depend ultimately on how the HCVN decides to position them.

Assuming quality assurance continues to be a HCVN priority, there are good opportunities to adapt the lessons learned from ALS to broaden the quality assurance to be “fit for purpose” depending on the use and users. This should extend as well to quality assurance of the implementation of management and monitoring plans.

In the short term, the final quality assurance “checking of checkers” may be a necessary frontline defence, especially for oil palm developments, until some of the other system issues are addressed. With full transparency at all stages of the evaluation, this function should be on a random sample basis. Eventually the quality assurance could include random site visits. Depending on the route the HCVN takes with respect to QA, this could be the HCVN, external QPs or even third-party entities such as the conformity assessment bodies (CABs). All of these have different strategic, technical and financial implications.

Regarding ALS specifically, the challenges 10 years ago that led to the launch of the ALS are not the same today. What does licensing an assessor mean and how does this contribute to the HCVN mission and objectives? The current system implies that the ALS is responsible for the assessors’ performance and producing Satisfactory reports. In theory, ALS is a license to operate only. This distinction is not clear with some stakeholders.

great in principle but...

The previous section outlined several challenges leading to a general level of frustration across many participants. The system feels bureaucratic, closed and a hassle to both licensed assessors and QP members. The governance functions are unclear to all parties. There is the general questioning of whether “it is worth it”. This poses a real threat to the integrity of the system if participating in the ALS becomes unattractive to potential professionals and/or qualified QP members and assessors leave the system. The issues from the different perspectives:

Assessors

Poor value proposition

The ALS licensing process is a **barrier** in terms of costs and access to training (in person especially) with relatively high upfront costs with little predictability in getting work. This **disadvantages** younger professionals and freelancers. This is important for HCVN if they want to develop long term capacity. The **risk** of an assessor losing their license due to a failed report is a real **threat** to their reputation and livelihoods, after significant investments. The requirement that a licensed assessor must have all of their assessment reports go through ALS (or lose their license) regardless of the purpose or scope has created a **disincentive** to be a licensed assessor. Companies faced with the uncertainty of timelines and results, as well as the bureaucratic evaluation approach, look outside of the systems for assessors (another strike for ALS assessors). Assessors hired for their expertise, context and local knowledge express frustration with their work being questioned/rejected by QP members or HCVN ALS staff.

Quality Panel members

Some QP members expressed disconnect with the system, having begun very excited by the process, impressed by the training and then little or limited opportunities to participate. It may be that they do

Fit for Purpose

“Assurance models that are fit for the purposes they serve are capable of **scaling-up** while at the same time continuing to serve as effective tools to **mitigate** the risks.” – ISEAL Alliance

not have the match of expertise or language. However, without transparency on the reporting process, or who is participating, the system feels closed to them. How decisions are made is opaque. This includes decisions on QP selection and more general on decisions made during the process, according to QP stakeholders.

Several QP members express frustration by the low quality of some reports, the impression that feedback is not taken on by licensed assessors and the long drawn-out process. These are perceptions by the QP raised in the review and not documented. Lengthy calls with multiple back and forth translate into large time investments.

The anonymity of the QP members involved in a report evaluation provides a curtain for bias and/or unethical behaviour, actual or perceived. There were mixed reactions to the idea of **transparency** of QP members. It was recognized that direct dialogue with licensed assessors would clarify many interpretations and shorten the process. However, some expressed the concern of being pressured or even threatened, citing an example from Indonesia. Other QP members welcomed more transparency, direct dialogue with peers and driving higher quality when ‘your name is on it and you have to stand behind it’. This might require higher compensation. Examples provided of other (different) systems that include transparency of reviewers is the HCSA peer review system and ESIA reports.

Both assessors and QP members seem to agree that more guidance is *not* needed – that there is already too much. It needs to be streamlined and made consistent/explicit on requirements to reduce ambiguity, interpretation and hence minimise risk or errors (both by assessor and/or QP members).

Recommendations

- ✓ *Move away from licensing assessors, focusing on the quality assurance aspect. Would require more standardized (and automated) templates that could be used by anyone to submit an HCV or HCV-HCSA assessment report for evaluation. Training should continue with potentially a roster of experts (as done in the past). Further research on options and implications needed.*
- ✓ *Further research options for open dialogue between QP members and licensed assessors during the evaluation process including possible technology platforms*
- ✓ *If there is not full transparency of reports and QP members comments, then an independent review should be conducted on the quality of the QP members evaluation to ensure that they are accurate and constructive*
- ✓ *Streamline normative documents and make guidance a living document. Include case examples of what is acceptable and what is not both for QP members and licensed assessors.*

Lack of Monitoring and Evaluation for learning, improving and accountability

The HCVN does not have a formal monitoring and evaluation (M&E) system, although it does collect and report on some different aspects of its programs, and the ALS specifically. However, this is not systematic. There is a proposed ALS Theory of Change (ToC) developed with the RSPO joint strategy tied to a specific two year grant ending this year. These include a set of key performance indicators (KPIs) that are tracked and reported on twice a year.

More recently, efforts have started to gather data for big picture reporting on impacts and other elements to feed into the HCVN Learning workstream launched a few months back. It was not clear if this process is collating what data exists or part of a M&E system rooted in a robust framework or Theory of Change. There is a big gap in knowledge and measurement on actual implementation post HCV and HCV-HCSA assessments (management and monitoring).

Without a M&E system, the HCVN cannot support stakeholder learning and organisational improvement over time. There is limited accountability internally or externally.

With over 200 HCV and HCV-HCSA assessment reports, the HCVN has enormous opportunities for data mining. It would require manual extraction (costly and time consuming). If report templates are automated, many data points could be automatically extracted as several standard systems currently do, e.g., FSC, RSPO. What is not clear is the **data governance** and the right of the HCVN to use the data. This was a major barrier to FSC, MSC and many other sustainability schemes in attempting to use data from audits. When reports are not public, the underlying data is not in the public domain and requires permission for use.

The HCVN ALS staff maintains an internal excel database on the evaluation process with data for each step. It has been used for annual reports and includes some data points used for external reporting to donors. There are real opportunities for deeper analysis of the ALS process providing evidence of what is happening in the system. However, the lack of data protocols and/or standards limits the use of this data and requires time consuming manual calculations.

Recommendations

- ✓ *A robust Monitoring and Evaluation system is critical for the HCVN, not just the ALS.*
- ✓ *Develop a M&E framework and lean system based on the ToC that includes management and monitoring*
- ✓ *Develop a data governance strategy*
- ✓ *Define the data value chain for the ALS, create data protocols and clean the existing ALS database*

Organisational Risks

There are approximately 5 full time equivalent (FTE) staff working for the ALS program. More staff was brought on in recent years to support systems development and participate in the QP. ALS tries to have a staff member on every QP for consistency and to shepherd the process. Because of this, much of ALS staff time is spent on evaluations with limited bandwidth to develop and improve systems. Not all of the staff have a good overview of the HCVN and without an overarching strategy it is not clear that everyone is on the same page in terms of priorities and future direction. Staff themselves identified the need for investment in training with shifts in some responsibilities. This should be part of an overall organisational strengthening strategy with clear training goals.

Externally there is the lack of clarity on governance, who is making what decisions. This is not clear from organisational documents on the website for the HCVN overall, or the ALS specifically.

Financially ALS is dependent on evaluation fees, thus restricting hiring staff unless there are “enough” reports. To date, RSPO has not been able to provide HCVN with data on upcoming expansions. This makes it difficult to plan how much staff is needed. There is an expectation that HCVN just ‘hire’ people as needed,

but highly qualified individuals are needed. HCVN needs the time and resources to fully train and onboard new staff and external QPs to be able to do good quality assurance work efficiently.

Additionally, the ALS business model was originally designed for licensing assessors and evaluating reports. It did not consider activities such as training assessors, QPs, growers, engagement with RSPO and HCSA, communications and outreach. Report evaluation fees are intended to be cost recovery only, to cover direct costs associated with report evaluations, not other activities. These generally do not cover all direct costs, partially due to the cumbersome process (multiple reviews, coordinating feedback, long calls). HCVN has consistently depended on external help from HCSA and RSPO, which only partially covers the resourcing needs and is uncertain. This leaves no room for investment in the additional activities expected, nor systems development and improvements. For the ALS to be 'self-sustaining' as is or any new areas, an updated business model is needed.

ALS was designed with and for RSPO. Currently 95% of quality assured reports are for palm oil. This creates a reliance on RSPO both indirectly in terms of evaluation fees received and their direct financial support through grants. This support has been critical to get the systems to where they are today and requires close coordination. However, the HCVN operates more as a "service provider" than a strategic partner with the shared goal of protection of HCVs. The HCVN provides credibility to RSPO through robust quality assurance. For this reason, the HCVN needs to be involved at early stages on RSPO decisions and changes that will impact the quality assurance system. Strategies, timelines and the systems and tools should be mutually agreed upon and developed. As an example, the requirement for HCV-HCSA integrated assessments is draining resources for systems to "catch up" with the demand of reports while developing tools, training and guidelines. HCSA has contributed significantly to the ALS program and systems in the past several years. However, ongoing support is limited. It is critical that HCVN, HCSA and RSPO work together for a coherent strategy of quality assurance and to ensure assessors, QPs, growers and others are up to speed on changes in requirements or systems.

Longer term, more diversified and stable funding is needed to invest in staff and the systems needed to support a credible quality assurance program and monitoring its impacts.

Overall the HCVN could benefit from aligning with best practices in terms of systems such as ISEAL. These are publicly available Codes of Practice on standard setting (the HCV approach), assurance (QA including ALS) and impacts (HCVN M&E system).

Recommendations

- ✓ *Include organisational strengthening as a foundational strategy, develop clear workplans and training goals.*
- ✓ *Update governance document to augment the HCVN charter*
- ✓ *Use the ISEAL Codes for an organisational self-assessment to identify areas for improvement (some previously identified)*
- ✓ *Formalise partnership RSPO, HCSA, HCVN with shared goals and strategies*
- ✓ *Don't let perfection get in the way of progress: transparency in everything, communicate on progress, promote learning and continuous improvement.*

Other Issues

There were a number of other issues flagged by stakeholders that are important to consider, but the time limits of the review did not allow for further exploration of them. Some possible ways forward are noted, but need further consideration. There were a wide range of other suggestions and excellent ideas from ALS users and practitioners. These have been anonymized and will be shared with the ALS staff. Below is a summary of the most recurrent from the review.

Issue	Possible ways forward
Technical	
QP members and licensed assessors noted the lack of knowledge and experience on the social side of issues and methodologies of both QP and licensed assessors	Do not required licensed assessors and targeted outreach and training to experts in social auditing Build learning community of practice
Inconsistency in ALS documents	Public workplan and updates of these documents should be periodical and follow an established and transparent procedure to ensure quality, learning and credibility
Limited opportunities for learning	Public reports Living Guidance Working groups/forums (in process)
Ambiguity / gap in quality assurance on companies' due diligence (without which ALS assessment cannot achieve its purpose)	In process - delivering webinars with HCSA for RSPO grower members on this preparatory phase. Consider within the ToC
Use of technology especially mapping for long term monitoring	Opportunity
Global guidelines developed for Asia palm oil concessions not applicable LatAm/Africa	Different interpretations for other contexts developed in a community of practice
Institutional	
Potential/perceived conflict of interest with organisations in governance and implementation roles e.g. management committee, QP member as well as Licensed Assessors and or Training providers	Transparency in QP members and feedback Separate governance roles
Appeals of evaluation decisions go to the same entity which made the decision	Revise the appeal procedure so 1) appeals are independently processed (but with time to look at the reports and requirements sufficiently to make an informed decision), and 2) the costs of rejected appeals are covered by the assessors (the cost in partially appealed cases can be defined by the person processing the appeal)
Coordination with HCSA and lack of formal contract- currently a MoU is in place	Strengthen formal agreements Develop joint strategy especially around fundraising for quality assurance and involve in ToC development process
Coordination with RSPO and no formal agreement or shared agenda with long term goals	Develop formal agreement Develop joint strategy for quality assurance and involve in ToC development process
Communications! Recognize positive achievements Promote companies to increase their sense of responsibility	Opportunity
Communications and engagement - linked to lack of resources to effectively and routinely train growers, assessors, staff working at RSPO and HCSA so that they understand the system well and can help explain it to their stakeholder base.	Clear strategy and/or ToC that is communicated consistently and simply Communications strategy including tools

3. Recommendations

The HCVN is at an inflection point with the ALS and the current model and ways of working are not sustainable if the objectives of the ALS are to be met. Business as usual means not only that the problems will continue, but in many cases could be exacerbated, leading to more challenges. Recommendations were noted throughout this report but summarized here in the order of the report, not priority.

Many of these need to be further explored for further discussions and/or research to prioritize strategies and solutions. It is recommended that the HCVN create an Action Plan in response to these recommendations.

These should be done within an overarching strategy and participatory Theory of Change development process that refocuses on the shared goal of partners and other stakeholders - protecting HCVs

<i>Recommendations</i>	<i>Timeframe</i>	<i>Notes</i>
A <u>practical</u> and <u>participatory</u> Theory of Change process is recommended for the HCVN that includes considering the role of quality assurance and the ALS. What are the best levers for change and to achieve its mission?	Short term	Overarching HCVN
Outreach and engagement with companies, proactively recognizing positive outcomes in communications	Short term	Communications strategy
Full transparency in reports, documents, feedback and QP members at all stages	Longer term	Further research on options (including independent review), costs and system implications
Automated templates for reports and summaries with length limits	Medium term	Further research on costs and system implications
Introduce a step wise approach to the Quality Assurance of the assessments	Longer term	Further research on options, costs and system implications
Move away from licensing assessors, focusing on the quality assurance aspect.	Medium term	Further research on options, costs and system implications
Open dialogue between QP members and licensed assessors during the evaluation process	Medium term	Further research on options, costs and system implications
Streamline normative documents and make guidance a living document.	Short term Ongoing	Staff resources
Develop a robust M&E system based on the ToC	Medium term	External support
Develop a data governance strategy	Medium term	Overarching HCVN See ISEAL for resources
Define the data value chain for the ALS, create data protocols and clean the existing ALS database	Immediate	Staff resources
Include organisational strengthening as a foundational strategy, develop clear workplans and training goals.	Short term	Overarching HCVN
Update governance document to augment the HCVN charter	Short term	Based on ToC, Strategy development
Use the ISEAL Codes for an organisational self-assessment to identify areas for improvement	Short term	Staff resources
Formalise partnership RSPO, HCSA, HCVN with shared goals and strategies	Medium term	Based on ToC, Strategy development

4. Annex of Details

Consultant Terms of Reference

Objective

The Consultant will:

- Review procedures, processes, and general operation of the ALS.
- Identify short-, medium-, and long-term opportunities for improvement.
- Assess results and impacts based on objectives (as per the ALS Specification).
- Assess if the ALS has contributed to the HCV Network's mission and provide recommendations on how it could further contribute.
- Recommend how the ALS can be strengthened and/or complementary ways of assuring quality of HCV assessments.
- Conduct at least 15 short semi-structured interviews with relevant stakeholders.
- Present conclusions to the HCV Network Secretariat team and the Management Committee

The Consultant may engage with HCV Network Secretariat staff, Management Committee, ALS participants, and other stakeholders as needed. The Consultant will report to the HCV Network Secretariat Global Director.

Deliverables and deadline

- A short report in English (approx. 10 pages, incl. attachments).
- A short presentation in English (10-15 slides max.) summarising findings.

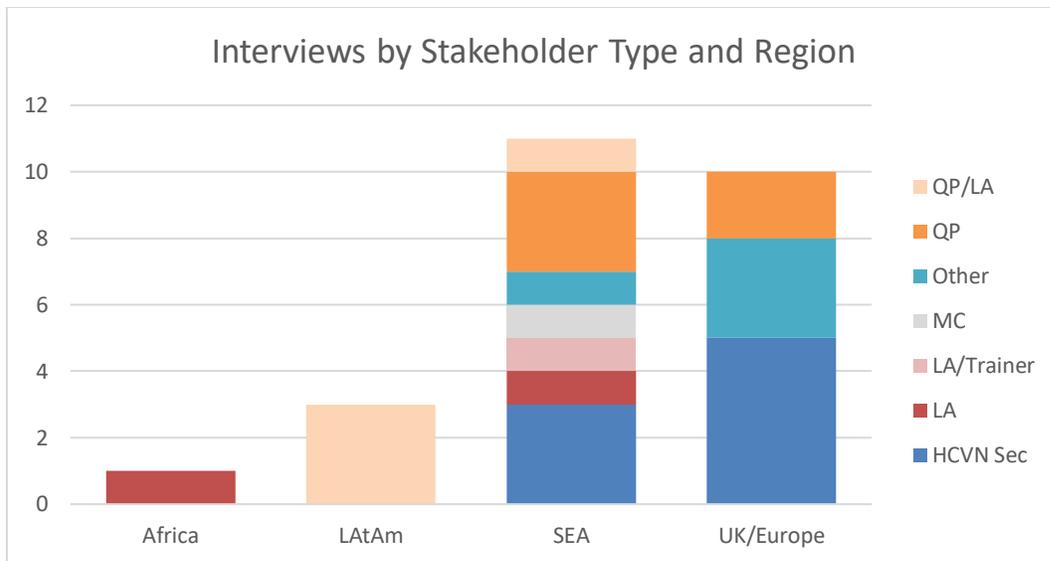
The deadline to submit final deliverables is April 30th.

Methodology

This rapid review took place between April 7th - 30th 2021 and is based on 39 survey respondents and 25 key stakeholder interviews representing a range of stakeholder categories and geographies across the HCVN. This was complemented with an analysis of organizational documents including outputs from previous workshops and surveys.

Interviews

The HCVN identified and introduced the consultant to approximately 25 stakeholders with another 10 stakeholders contacted expressing interest through the survey. Not all stakeholders responded to the invitation, but a fairly good representation was covered in terms of type of stakeholder and geography.



The approximately 30-45 minute semi-structured interview took place between April 15th – 27th and covered basic key questions learn about their past experiences, expectations, and potential concerns related to the ALS specifically.

Further input included a debrief from the HCVN Executive Director on key points from previously held interviews with staff and growers and summary workshop results from RSPO.

Survey

In order to facilitate input from a broader range of stakeholders in the short time, an anonymous survey was set up with 8 key questions in SurveyMonkey. There was some overlap with interviewees, with 39 total respondents. Over 40% of the respondents were Licensed Assessors and half of the respondents were from SEA. Fifty percent of the respondents had 3 or more years of experience with the ALS.

Anonymized and collated results of the summary have been provided to the ALS.