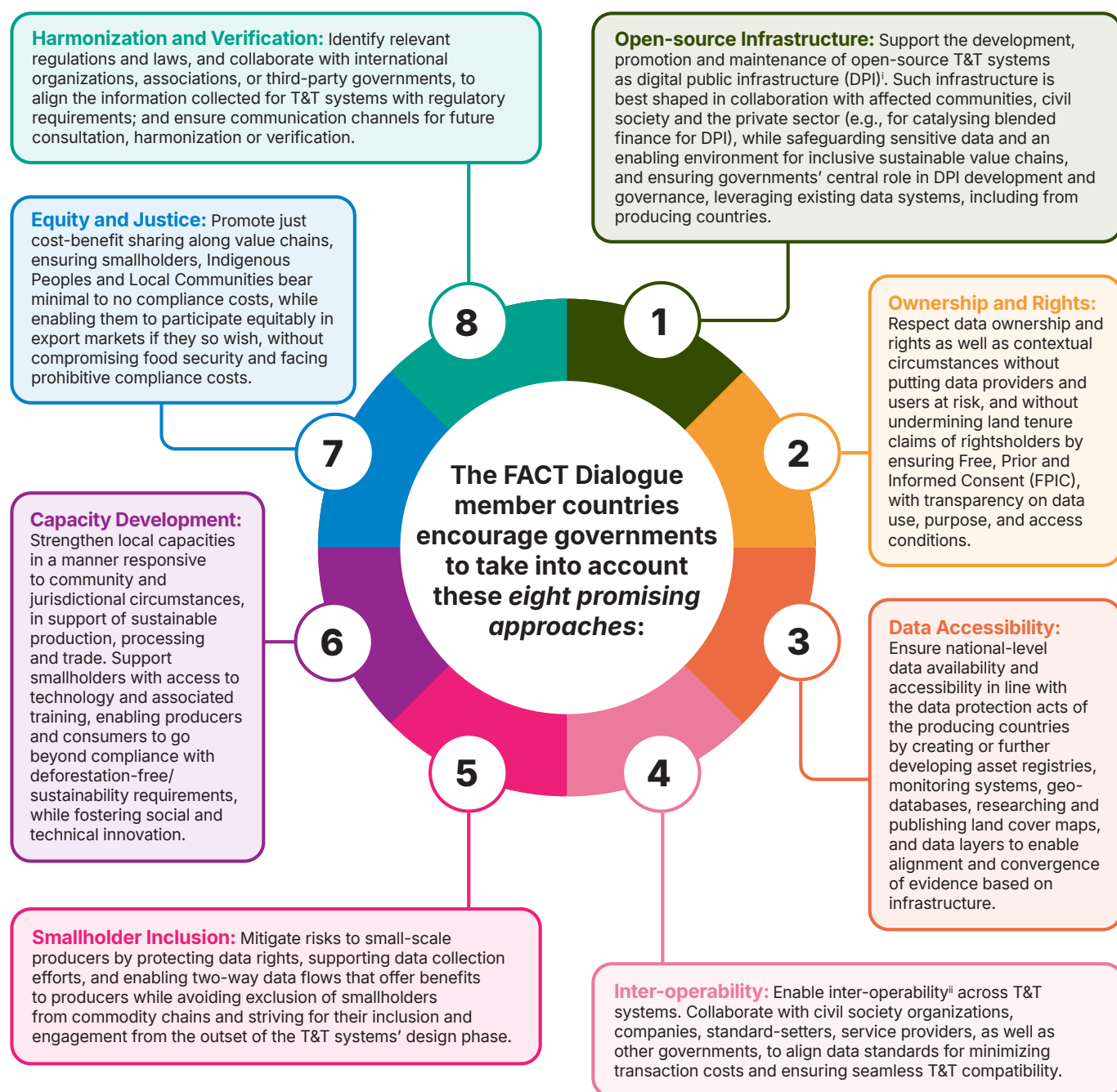


Promising Approaches by Governments to Strengthen Forest and Agricultural Traceability and Transparency Systems

Governments have a key role to play in Traceability and Transparency (T&T) systems within forest and agricultural commodity value chains, in particular those at risk of causing deforestation or forest degradation. In this paper, the Forest, Agriculture

and Commodity Trade (FACT) Dialogue member countries compile promising approaches for action by governments toward shaping a conducive environment for inclusive T&T schemes in the realm of sustainable supply chains and landscapes.



Moving forward, it is recommended that governments implement and build on such promising approaches by governments as they support delivery of the **FACT Roadmap** – adopted in 2021 by 28 member countries at UNFCCC COP26. These promising approaches can be used by countries to further deliver on the Roadmap. There are already collaborative efforts underway, such as the Digital Integration of Agricultural Supply Chains Alliance (DIASCA) and Forest Data Partnership. Ultimately, governments in dialogue and concerted action on promising approaches can effectively co-shape inclusive T&T systems in the realm of sustainable value chains of forest and agricultural commodities.

Background

The **FACT Dialogue**ⁱⁱⁱ held a Forum in Putrajaya, Malaysia from 14 to 17 April 2025^{iv}. The event focused on enhancing support for smallholder farmers within the context of sustainable agriculture and forestry. It provided space to discuss traceability and transparency in value chains, and the need for inclusive dialogue among governments, the private sector and local communities, while addressing the challenges smallholders face in

accessing resources and markets. At the 2025 Forum, the co-facilitators of the FACT Dialogue Action Group on Traceability and Transparency^v (T&T) – the United Kingdom and Ghana – presented a set of promising approaches by governments to strengthen T&T systems as a basis for discussion.

This paper has been prepared taking into consideration the valuable contributions by FACT member countries and research commissioned by the FACT Dialogue Secretariat, reviewing enabling conditions for T&T systems across commodity chain sectors and actors, prepared by the World Resources Institute (WRI) in collaboration with FAO and EFECA (**WRI, 2023**). Technicalities of Traceability and Transparency of trade in agricultural commodities, such as beef, cocoa, coffee, palm oil, rubber, soy and timber which can further significantly impact forest and other ecosystems are generally discussed among practitioners and businesses. Yet, this paper focuses on addressing the role that governments can play in shaping an enabling environment for T&T systems, by sharing eight promising approaches, many already undertaken by FACT Dialogue member governments, toward co-developing and operating inclusive T&T systems.

Endnotes

i Digital Public Infrastructure (DPI) consists of foundational digital services and technologies provided by the government or public-private partnerships to support efficient, secure and accessible digital services and transactions in the public interest (**DIASCA, 2024**). For more information, see **Proforest (2025)**.

ii Interoperability refers to the ability of different systems, devices or applications to work together seamlessly, exchanging and using information effectively. This ability ensures that disparate technologies can communicate, operate and integrate without compatibility issues, enabling seamless collaboration and data sharing (**DIASCA, 2024**). For more information, see **Proforest (2025)**.

iii The FACT Dialogue is a government-to-government dialogue bringing together the largest producers and consumers of internationally traded agricultural commodities (such as beef, cocoa, coffee, palm oil, rubber, soy and timber) to protect forests and other ecosystems, while promoting sustainable trade and development, and addressing the climate and biodiversity crises. For further information, see: <https://www.factdialogue.org/>.

iv In attendance were representatives from Belgium, Brazil, Cameroon, China, Denmark, the European Commission, France, Gabon, Germany, Ghana, Indonesia, Liberia, Malaysia, the Netherlands, Nigeria, Peru, Spain, the United Kingdom and Uruguay. Further FACT members and other countries provided feedback to an earlier version of this paper, which is reflected herein.

v Traceability refers to generating data about the origin of agricultural and forest commodities, including compliance with relevant regulations and adherence to (certification) standards. Transparency refers to making accessible and communicating relevant information, ensuring accountability along the value chain, including through data standardization, which allows common understanding, accessibility, clarity and comparison. For more information, see **Proforest (2025)**.