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CONSERVATION INTERNATIONAL Europe



NGO Statement

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Tackling deforestation and forest degradation: a case for EU action in 2017

A MAJOR GLOBAL PRIORITY

Forests are essential for life on earth. Three hundred million people worldwide live in forests and 1.6 billion depend on them for their livelihoods. Forests are the largest stores of carbon after oceans and provide habitat for 80 per cent of the world's terrestrial biodiversity.

According to the Food and Agriculture Organization of the United Nations (FAO), 8.8 million hectares of natural forest were lost each year between 2010-2015, a total area roughly equivalent to Sweden. Such destruction causes massive loss of biodiversity, often violates the rights of indigenous peoples and local communities, and contributes to climate change. Deforestation and forest degradation account for 11 per cent of greenhouse gas (GHG) emissions¹, more than the entire global transportation sector and second only to the energy sector. Emissions and biodiversity loss may increase significantly when considering the effect of converting other ecosystems to agricultural land.

Halting deforestation and forest degradation, and allowing forests as well as other natural ecosystems to continue to function naturally would provide at least 30 per cent of all mitigation action needed to limit global warming to 1.5°C, as well as dramatically slowing biodiversity loss and enabling forest dependent people to maintain their livelihoods.²

AN OPPORTUNITY FOR EU ACTION

80 per cent of global deforestation is caused by commodity-driven commercial agricultural expansion. In addition, the environmental impact of unsustainable and illegal logging remains significant, especially in terms of forest degradation, which is a precursor of deforestation. Associated commodities are the fastest growing threat. By importing these products, which include palm oil, beef and leather, soy, cocoa and timber, the EU is part of this problem. The EU was the leading importer of products linked to deforestation between 1990-2008 causing an area of deforestation at least the size of Portugal.

Action on the full suite of drivers of deforestation and forest degradation will reinforce the EU's position as a leader on biodiversity conservation, sustainable development and climate action. It will demonstrate the EU's added value on global issues that EU citizens care about, which Member States cannot

address individually. It will provide the private sector with legislation and incentives that will create a fair and level playing field and speed up the implementation of sustainable supply chains. It will support ongoing efforts to address unsustainable logging practices and improve forest governance in countries which export to the EU.

MEETING GLOBAL COMMITMENTS

Action to halt global deforestation and tackle the impact of its consumption on forests will help the EU meet its global commitments, including:

- Most of the **Sustainable Development Goals (SDGs) adopted in 2015, including, but not limited to, SDGs 12, 13, and 15**: Ensure sustainable consumption and production patterns, including the sustainable management and efficient use of natural resources; take urgent action to combat climate change; and by 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
- **The Paris Agreement** under the United Nations Framework Convention on Climate Change adopted in 2016 to keep global temperature rise below 2 degrees and pursue efforts to limit temperature rise to 1.5 degrees.
- The **2014 UN Declaration on Forests**, which aims to end deforestation, reduce forest degradation, and restore 350 million hectares of forests, while respecting the customary rights of indigenous peoples and local communities.

REINFORCING CORPORATE COMMITMENTS

Major private sector actors have pledged to eliminate deforestation from their supply chains and investments. Examples include the Consumer Goods Forum's zero net deforestation by 2020 initiative, the Banking Environment Initiative to provide deforestation-free financing; numerous commitments by individual retailers, brands and traders; and place-specific actions such as the Brazilian moratorium on purchasing soy from lands that have been deforested in the Amazon. Amongst these actors and initiatives are some of the largest EU retailers, importers, processors, producers and banks. A number of them also engage in stopping the conversion of other ecosystems.³

As a major trading bloc, the EU must rise to the challenge and reinforce private sector efforts through policies and regulatory measures creating a common baseline for all companies and levelling the playing field. This would boost pledges, generate trust and make the companies more accountable to their commitments.

MEETING EXPECTATIONS OF MEMBER STATES

Having approved the Seventh Environmental Action Programme, which commits the EU to considering an Action

Plan on Deforestation and Forest Degradation, EU Member States are keen for the Commission to follow up. During 2015, the governments of Germany, the UK, France, Belgium and the Netherlands have repeated that they support action taken by the EU to tackle its forest footprint and combat global deforestation. The UK, Netherlands, Germany, France and Denmark signed the “[Amsterdam Declaration](#)” restating their commitment to eliminate deforestation from agricultural commodity supply chains by 2020, as agreed in the 2014 UN New York Declaration on Forests.

AN EU ACTION PLAN TO TACKLE DEFORESTATION AND FOREST DEGRADATION

Our vision is for an Action Plan that proposes new measures that build on and strengthen governmental and corporate commitments for zero deforestation and respect for community rights. This Action Plan would:

1. Provide more financial and technical assistance to producer countries to protect, maintain and restore forest and other critical ecosystems, including by improving governance; clarifying and strengthening land tenure and respecting human rights, including the rights of indigenous peoples; supporting protected areas that uphold community rights; ensuring that FLEGT and REDD+ strategies contribute to addressing commodity supply-chain related drivers of deforestation and forest degradation; and improving the productivity of all producers through ecological farming practices and management. Bilateral agreements and partnerships with developing countries could provide a foundation for such support. This could be financed by redirecting existing subsidies that are harmful for the environment, forests and food security as well as levying taxes and other forms of public support.

2. Establish a regulatory framework to ensure that all supply chains linked to the EU market are sustainable, free from deforestation and forest degradation and comply with international standards and obligations on rights of indigenous peoples and local communities, including Free, Prior and Informed Consent and the UN Declaration on the Rights of Indigenous Peoples. Building on corporate zero deforestation commitments and reflecting existing best practices, this framework would create a single baseline for the sustainability of commodities and derived products. It would make claims easily comparable and verifiable by all stakeholders, and provide mandatory and verifiable requirements for products placed on the EU market.

3. Introduce forest-specific provisions in EU trade and investment agreements and require due diligence measures to ensure that the banking sector, financial institutions and public agencies do not lend to companies or invest in activities that contribute to deforestation, forest degradation, illegal land grabs and illegal logging or violate the rights of indigenous peoples.

4. Tackle the drivers of deforestation and forest degradation, by putting in place new policy mechanisms to deliver sustainable, resource-efficient production and consumption, as planned for in the EU Circular Economy Package. In particular, the EU should minimise food waste

and overconsumption of products. In addition, the EU and its Member States should take immediate action to prevent negative consequences of bioenergy use on biodiversity, food security, soil, water, land use and human rights and to ensure that bioenergy is resource efficient and genuinely low carbon, including through the revision of policies on bioenergy and the introduction of strict safeguards. Further information on selected aspects of EU bioenergy can be found in the NGO briefing ‘[A new EU Sustainable Bioenergy Policy](#)’⁴

5. Strengthen implementation of policies and legislation such as the FLEGT Action Plan, the EU Timber Regulation and EU Wildlife Trade Regulation that play an important role in fighting illegal logging and preventing the unsustainable exploitation of timber species because of international trade. EU Member States must ensure that these laws and policies are fully aligned with international standards and applicable EU policies on environmental protection, human rights and indigenous peoples, enforce them robustly and apply sanctions against companies that break the law. States must also coordinate all actors along the national enforcement chain, from customs inspectors and the police to competent authorities, prosecutors and judges, to ensure thorough investigation and diligent prosecution. Persistent and emerging problems in the global trade in timber products, such as conflict timber and conversion timber (timber produced when forested land is cleared for other uses), need to be given specific attention and adequate policy responses must be formulated, adopted and swiftly implemented.

1 UN-REDD Programme Fact Sheet, February 2016

2 Goodman R. C. and Herold M. (November 2014) *Why Maintaining Tropical Forests is Essential and Urgent for Maintaining a Stable Climate*, Working Paper 385, Center for Global Development. McKinsey & Company. 2009. *Pathways to a low-carbon economy*. McKinsey & Company (2009). *Pathways to a Low - Carbon Economy: Version 2 of the Global Greenhouse Gas Abatement Cost Curve*

3 See. Unilever Agriculture Code 2015. Consumer Goods Forum Sustainable Soy Sourcing Guidelines.

4 This briefing was produced by: ActionAid, Birdlife International, Brot für die Welt, Dogwood Alliance, Fern, Greenpeace, NRDC, Oxfam, the Southern Environmental Law Center, Transport & Environment and Wetlands International.

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