# WWF Forest and Climate Programme Forests at UNFCCC-COP21: Brief



## **Bring Deforestation-Free Commitments to Life**

#### Overview

There has been a groundswell of support from the private sector to stop or greatly reduce global deforestation and degradation—much which is caused by illegal logging and clearing forest land to produce palm oil, soy, beef, rubber, paper and other commodities that are in high demand globally. More than 100 companies have made commitments centered on improving the way the forest and agricultural sectors produce and source such commodities.

The challenge now is ensuring that these ambitious commitments are realized and the best, most effective measures are used to do so. Meeting them would help to save the world's forests and address several major threats to our planet, including climate change. (Forests are the second largest store houses of carbon in the world and changes in the land sector, including forests, account for a quarter of global greenhouse gas emissions.)

The approach used most often in the private sector to achieve sustainable production and sourcing is voluntary market-based initiatives, such as the Forest Stewardship Council, Roundtable for Sustainable Palm Oil and other certification schemes. Responsible management practice—including sourcing legal timber and creating palm oil plantations on land that is not categorized as high value—are at the heart of these initiatives. This approach has been met with significant success, as it is a means for the private sector to achieve responsible management and sustainable production and sourcing practices. Certification will continue to play a critical role in verifying good practice.

#### What's Next?

Now it is time to bring market-based initiatives to the next level by converging the ambition of companies with the ambition of governments. In a nutshell, marry the strengths of voluntary market-based initiatives (e.g., producers embracing sustainable management practices and companies harnessing the market forces that so often drive forest loss) with the strengths of REDD+ programs (e.g., incentivizing policy reform, improving governance and measuring climate benefits). Despite the striking potential for coordinated, complimentary actions between these two approaches, they have remained in isolated silos due to culture and language barriers among private and public sector players.

The solution, proposed by WWF and others, is connecting buyers and traders of commodities who want to source sustainably with jurisdictions (countries, states or provinces) that are prepared to demonstrate that they are producing commodities sustainably. If this model is successful, it will fundamentally shift approaches to commodity sourcing in a way that rewards improved governance and sustainability with access to markets.

Although WWF does not strive to have this approach codified in the 2015 Climate CoP agreement, we believe it is a promising approach that will complement the agreement.

Over the next year, WWF will work with companies, governments and civil society partners to create and test this approach, looking back on similar initiatives as examples to build from. In Brazil, for example, corporate commitments to deforestation were combined with government enforcement of a soy moratorium brought on by increased consumer expectations. This contributed to the 80 percent reduction in deforestation in the Brazilian Amazon over the last 10 years. During the same time period, agricultural production increased significantly. As we begin this journey, we'll apply the lessons learned from the Brazil initiative to this approach.

#### Why is a New Approach Needed?

This approach would address some of the challenges that arise when REDD+ programs and voluntary market-based initiatives are done independently of one another. Specifically, with this approach:

- Jurisdictions would create the foundation companies need in order to meet their commitments. For example, laws that prohibit illegal logging would help ensure that the private sector does not have to compete with low-priced illegally sourced wood that is on the market.
- The scale of responsible production would be greater, as it would be done at the
  jurisdictional level instead of the farm or forest level. It also would be greater because
  irresponsible production would not be stopped in one region but then pushed to another
  region.
- The road to being deforestation-free would be clearer and less risky for companies, as they
  would not have to track individual producers to determine where to source products from
  and they would know that the jurisdiction's policies and processes were created in
  compliance with environmental and social safeguards.

#### The Outcome

If this model is successful, there would be a significant increase in funding for saving the world's forests. Billions of dollars of pay-for-performance funds available via REDD+ would be unlocked, as REDD+ financing could be used to help a jurisdiction do land use planning, reach producers with extension services and more. Also, private sector investments in sustainable commodity production would increase. And the buying power of millions of conscientious consumers would be tapped.

This approach also would be a means for engaging with indigenous people and local communities, as well as safeguarding their rights to their land and way of life—as REDD+ programs require. Many indigenous people rely on healthy forests to earn a living and provide their families with food, water and fuelwood. They are essential stakeholders in combating deforestation and degradation.

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