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## WWF Forest Expectations for UNFCCC COP28

At the 2023 United Nations climate change conference (COP28) in Dubai, United Arab Emirates, the world has an opportunity to channel finance toward tailored and targeted actions to conserve, sustainably manage, and restore the world's forests. <u>Commitments</u> made to end and reverse deforestation by public and private sector actors at COP26 in Glasgow were a welcome step. However, the recently released <u>Forest Declaration Assessment 2023</u> makes it clear the world is not on track to halt deforestation by 2030. In 2022 alone, 6.6 million hectares of forests were lost globally, 96% of this in tropical regions, while degradation prevailed in tropical and nontropical regions. And annual emissions from deforestation and degradation in 2022 climbed to over 4 billion metric tons of  $CO_2e^{-1}$ 

The world cannot reach the Paris Agreement goal of limiting global warming to 1.5°C or address the biodiversity crisis without forests and the land sector.<sup>2</sup> Protecting standing forests, halting deforestation, and restoring forests are vital to the climate action agenda and a nature-positive future. Forests, therefore, need to remain front and center in global efforts to tackle climate change, from mechanisms being finalized within the UN Framework Convention on Climate Change (UNFCCC) to continued engagement by state and nonstate actors, including the Forest and Climate Leaders' Partnership (FCLP) and through the Global Climate Action Agenda and its High-Level Champions.

Following is a summary of WWF priorities for forests at COP28.

### Increase Ambition of Forest Conservation Nationally and Globally

- Parties should revisit and strengthen pre-2030 forest commitments and communicate 2035 forest targets in nationally determined contributions (NDCs)<sup>3</sup> in line with an equitable global pathway to 1.5°C and take account of the findings from the first Global Stocktake (GST).
- The GST outcomes in this year's decision and related texts should provide clear guidance and support mechanisms for parties to develop and implement NDCs in a tailored and participatory manner. They should also highlight the importance of forests in the global response to climate change mitigation and adaptation, referencing existing decisions, agreements, and findings<sup>4</sup> related to forests under the UNFCCC. These include Article 5 of the Paris Agreement or the Warsaw Framework for REDD+, which celebrates its 10th anniversary this year. The outcomes should also contain strong calls to implement the commitments under the <u>Glasgow Leaders' Declaration on Forests and Land Use</u>.

<sup>&</sup>lt;sup>1</sup> Forest Declaration Assessment Partners. (2023). Off track and falling behind: Tracking progress on 2030 forest goals. Climate Focus (coordinator and editor). Accessible at <u>www.forestdeclaration.org</u>.

<sup>&</sup>lt;sup>2</sup> Roe, S., Streck, C., Obersteiner, M. et al. Contribution of the land sector to a 1.5 °C world. Nat. Clim. Chang. 9, 817–828 (2019). DOI: <u>10.1038/s41558-019-0591-9</u>

<sup>&</sup>lt;sup>3</sup> WWF, Climate Focus, UN-REDD, UNEP DTU. (2020) #NDCs We Want: Enhancing Forest Targets and Measures in Nationally Determined Contributions (NDCs).

https://wwf.panda.org/discover/our\_focus/forests\_practice/forest\_climate/forest\_climate\_publications/?1112441/NDCsWeWant-Enhancingforest-targets-and-measures-in-Nationally-Determined-Contributions-NDCs

<sup>&</sup>lt;sup>4</sup> <u>UNFCCC synthesis report</u> on the technical dialogue related to forests, which includes emphasis on the critical role of agriculture as a driver of deforestation and the urgency to transform food systems.

 Countries that are major consumers of deforestation- and conversion-risk commodities must address their "outsourced" emissions from imported deforestation, halt the trade of illegal forest products, disincentivize unsustainable product trade, and promote inclusive, sustainable forest value chains. This includes enacting legislation that prevents the import of products associated with deforestation and conversion, making supply chains transparent and traceable. Financial and technical support for producer countries should be readily available to enable smallholders to produce deforestation- and conversion-free commodities and address deforestation.

### Support Forests Through Climate Finance Mechanisms

- Forests are enshrined in Article 5 of the Paris Agreement due to their vital role as sinks and reservoirs of biogenic carbon. There have been legitimate criticisms highlighting the challenges and shortcomings of forest projects in the voluntary carbon market. However, these criticisms should not cause neglect or rejection of actions to protect forests within the Global Climate Action Agenda moving forward. Decisions made at COP28 about any UNFCCC mechanisms should include forests' eligibility to enable much-needed financial and technical support.
- To ensure integrity, carbon performance-based finance, including carbon markets, must play a role where forest governance is improved.<sup>5</sup> However, this finance is one tool in a diverse financial toolbox and cannot substitute for deep decarbonization by countries and companies<sup>6</sup> across the board.
- Investments in forests and other natural ecosystems need to be targeted toward transformational interventions that push beyond localized projects, address systemic drivers, and generate benefits for people, nature, and climate at broader spatial scales. Such interventions must be designed to ensure fair and equitable distribution of benefits from conservation actions and be based on free, prior, and informed consent.
- Now is the time to support jurisdictions and associated landscape initiatives with the promise of results-based payments and increased finance from other sources (public, private, blended, innovative)—as well as public-private partnerships—to implement the actions needed to deliver change on the ground. Catalyzing real change requires multiple incentives (e.g., scaling up public finance and repurposing harmful subsidies, improved market access, and technical partnerships). These incentives should target diverse stakeholders, particularly those on the ground seeking sustainable livelihood alternatives.
- Country leaders of the high-ambition FCLP should leverage new and existing large-scale initiatives and announce new public, private, and philanthropic finance and associated policy reforms to accelerate progress to halt and reverse forest loss by 2030 as committed under the Glasgow Leaders' Declaration on Forests and Land Use. These actions need to be scalable, transformative, inclusive, and trackable for governments and the private sector to be held accountable.
- Businesses can consult the <u>Tropical Forest Credit Integrity Guide</u>, a valuable resource outlining how to differentiate forest carbon credits and help move the market toward credits with high social and environmental integrity. This guidance provides recommendations to companies

<sup>&</sup>lt;sup>5</sup> COICA, CI, EDF, IPAM, TNC, WCS, WRI, WWF. (2022). Tropical Forest Credit Integrity Guide for Companies: Differentiating Tropical Forest Carbon Credit by Impact, Quality, and Scale, available at <u>TFCIGuide.org</u>.

<sup>&</sup>lt;sup>6</sup> WWF's recommended approach to corporate climate leadership is outlined in <u>Beyond Science-Based Targets: A Blueprint for Corporate</u> <u>Action on Climate and Nature</u>.

interested in purchasing carbon credits in the voluntary carbon market as part of their support for climate mitigation beyond their own emissions reductions goals.

# Center Indigenous and Community Voices in Climate Finance and Other Decision-Making

- Indigenous peoples and local communities are the world's strongest stewards<sup>7</sup> of our remaining natural landscapes. Given this vital role, they must be present and prominent in planning, governance, and decision-making processes internationally and domestically. Recognition of Indigenous and community rights and land tenure must be drastically accelerated.
- Governments must improve forest and land governance and enable the active participation of Indigenous peoples and local communities in national and international processes relevant to climate action. They can do so by gathering political will, developing policies and programs that recognize and protect Indigenous and community rights, and providing financial support to fund more transparent approaches to policy- and decision-making.
- WWF also urges governments, multilateral institutions, and private foundations to prioritize establishing new and direct finance mechanisms to meet this need, codesigning them with Indigenous peoples and local community groups.

### Protect the World's Remaining Forests

- Halting deforestation and addressing the drivers of deforestation and forest degradation must remain a critical priority in the climate action agenda. However, this needs to go hand in hand with robust strategies to protect standing forests, especially intact forest landscapes that are critical for carbon storage and sequestration, and conserving biodiversity. In the tropics alone, these areas store approximately 40% of the above-ground carbon found in forests.<sup>8</sup>
- Standing forests have historically received far less attention and fewer dedicated resources from climate finance mechanisms such as REDD+, leading to inadequate support to protect and maintain these essential carbon stocks. WWF strongly encourages increased attention and funding to protect the world's standing forests and the myriad benefits they provide to humanity and the natural world. This funding includes new finance mechanisms, incentives such as payments for ecosystem services, and methodological frameworks tailored to these unique ecosystems.

#### For more information

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<sup>&</sup>lt;sup>7</sup> WWF, UNEP-WCMC, SGP/ICCA-GSI, LM, TNC, CI, WCS, EP, ILC-S, CM, IUCN. The State of Indigenous Peoples' and Local Communities' Lands and Territories: A technical review of the state of Indigenous Peoples' and Local Communities' lands, their contributions to global biodiversity conservation and ecosystem services, the pressures they face, and recommendations for actions. Gland, Switzerland (2021). https://wwflac.awsassets.panda.org/downloads/report the state of the indigenous peoples and local communities lands and territorie s 1.pdf

<sup>&</sup>lt;sup>8</sup> Potapov et.al. The last frontiers of wilderness: Tracking loss of intact forest landscapes from 2000 to 2013. Sci. Adv. 3 (1), e1600821. DOI: 10.1126/sciadv.1600821