



IDEAS FOR FACT G2G WORKING
GROUPS

WWF IDEAS FOR THE FACT DIALOGUE

07 July 2021

Copyright Credit © Luis Barreto / WWF-UK

WWF, AS PART OF THE FACT DIALOGUE GLOBAL MULTI-STAKEHOLDER TASKFORCE, HAS PRIORITISED THREE IDEAS TO BE DISCUSSED IN THE UPCOMING MEETINGS OF THE GOVERNMENT-TO-GOVERNMENT FACT WORKING GROUPS.

The opportunity

The FACT Dialogue will be difficult. It will be complicated. But it is necessary. And the prize is big.

Addressing the loss of tropical forests has been a policy and campaigning priority for about half a century. There have been successes, but it is clear that the challenge has not been met yet.

Ending deforestation and conversion of other natural ecosystems is a wicked problem.¹ And one we must solve to address the climate and nature crises.^{2,3} If we fail to end the conversion of forests and other ecosystems, we will not be able to limit global warming to 1.5°C,⁴ we will undermine our food security^{3,5} and increase the risk of future pandemics.^{6,7}

In the aftermath of the covid-19 pandemic, we have a unique opportunity to choose how we want to progress. We should seize this opportunity to build back better.

Because the problem is complex, so will be the route to its solution. If the FACT Dialogue is uncomfortable, it is probably on the right track.

¹ [One wicked problem, three major challenges](#) (2015). CIFOR Forests News.

² IPCC (2019). Summary for Policymakers. In: Climate Change and Land: an IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems (IPCC).

³ IPBES (2019). Summary for policymakers of the global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES Secretariat).

⁴ IPCC (2018). Summary for Policymakers. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty (IPCC).

⁵ Willett, W., et al. (2019). Food in the Anthropocene: the EAT–Lancet Commission on healthy diets from sustainable food systems. *The Lancet* 393, 447–492.

⁶ Jones, K.E., et al. (2008). Global trends in emerging infectious diseases. *Nature* 451, 990–993.

⁷ Jones, B.A., et al. (2013). Zoonosis emergence linked to agricultural intensification and environmental change. *Proc Natl Acad Sci USA* 110, 8399.

Those pioneers who lead a successful initiative to unearth and address the deep-rooted causes behind deforestation and the conversion of other ecosystems will be remembered in history. The co-chairs and participants in the FACT Dialogue have a chance to be those pioneers.

Many approaches have been tried before. None have worked on their own. But the right combination of solutions might.

The FACT Dialogue offers the opportunity for the main global economies, commodity producers and forest nations to come together and take action. Aligned policies and legislations are essential to halting deforestation and other negative impacts from supply chains and to put us all on the right path, towards a more sustainable and equitable future while equally addressing the current climate and nature emergencies.

Proposals

A broad set of actions will be needed, as outlined in the briefing note 'What WWF wants from the Forest, Agriculture and Commodity Trade (FACT) Dialogue' (attached). Specifically, here we choose to highlight the following three key ideas to be discussed in the government-to-government technical working groups:

1) Consumer countries coming together to adopt legally-binding demand-side measures to ensure trade supports only products not associated with deforestation, conversion of other natural ecosystems, harmful agricultural practices and human rights abuses.

To ensure that we limit global warming to 1.5°C, bend the curve on biodiversity loss and secure resilient production systems we need to reduce the impacts of production and consumption globally by half.⁸ This means countries not only need to take action to reduce the impact of what they produce domestically but also to ensure products they import are produced sustainably.

Markets have a key role in driving the demand for sustainable production. There is momentum in some key consumer countries (e.g., in China⁹, the EU¹⁰, the UK¹¹, and the US¹²) for strengthening and increasing the ambition of sustainability criteria within import standards, adopting legislation on imported commodities, such as due diligence obligations on companies importing forest-risk commodities and other binding trade standards.

FACT participating countries that are large importers should seize this opportunity to come together as a coalition and agree on a timeline (by no later than 2022) and minimum criteria for adopting aligned policies and legislations to ensure trade supports only products and embedded materials that are not associated with deforestation, conversion of other natural ecosystems, harmful agricultural practices and human rights abuses. Ensuring governments alignment on the requirements of relevant legislations and trade standards and implementing systems to enforce and monitor these is critical to guaranteeing effective implementation and desired global impact. Moreover, due diligence obligations should be aligned with the UN Guiding Principles on Business and Human Rights. Adopting strong and aligned due diligence obligations and core trade standards¹³ would facilitate implementation and compliance by global companies, as well as help avoiding leakage of

⁸ WWF and Metabolic (2020) [Halving the footprint of production and consumption](#).

⁹ [Chinese Sustainable Meat Declaration](#), signed by over 60 companies in 2017.

¹⁰ [EU Communication \(2019\) on Stepping up EU Action to Protect and Restore the World's Forests](#).

¹¹ [UK due diligence bill and other measures to tackle nature destruction abroad](#), proposed in 2020.

¹² [Senator Schatz's Bill](#) (2021) and [California's Deforestation-free Procurement Act](#) (passed in 2021).

¹³ Due diligence requirements put obligations on companies to ensure that their supply chains are free of deforestation and other harmful environmental or social practices. Core environmental standards ensure that only products which fulfil minimum sustainability requirements are allowed to be sold in the consumer country, whether these are products from import or produced domestically. They create obligations on the state to ensure that it does not allow imports to undermine its environmental goals, and that environmental impact is not offshored.

products tainted with deforestation, conversion, harmful agricultural practices and human rights abuses into markets with lower environmental and human rights standards and safeguards.

[Additional information:

On due diligence: [Addressing the EU's role in the destruction and degradation of natural forests and natural ecosystems](#), [A Blueprint for Responsible Business](#), [UN Guiding Principles on Business and Human Rights](#).

On core standards: [the Twin Track approach](#) to international and domestic standards; [report](#) on how core environmental standards could be designed.]

2) Supporting producer countries' transition to sustainable production.

Recognizing the rights and imperatives for (producer) countries to develop their agriculture and forestry sectors, financial and technical support and incentives must be developed and made available, in parallel with the development of the due diligence and import standards described above. This will be critical to supporting nature-positive economic development - moving from a conversion economy to a restoration economy.

Nature positive economic development, meaning economic growth that is decoupled from conversion and deforestation and free from human rights abuses, should include the rehabilitation of degraded land along with the adoption of sustainable agricultural best practices. There is sufficient degraded land available to expand production in many producer landscapes and smart agriculture approaches (e.g. regenerative agriculture) that can support a transition to sustainable production, without the need to further convert natural ecosystems. Nevertheless, rehabilitating degraded land (instead of converting ecosystems), putting in place new sustainable agricultural practices, and enabling access to markets, all require up front investment.

Much of the current international climate finance and other incentives (e.g. LEAF Coalition) are based on results-based payments, which, although helpful, do not provide the resources for the up-front investments that are usually out of reach of many producer countries. This creates a financing gap that could prevent countries from pursuing these transitions.

WWF proposes a coordinated effort towards financing transitions in landscapes with both demand for agricultural growth and a high risk of conversion of natural ecosystems. FACT participating countries should agree on an enabling and time-bound action plan for providing financial incentives and other support to allow producers to transition to sustainable agriculture and upscale rehabilitation, restoration and conservation and efforts in key producer landscapes at risk of conversion.^{14,15} Other actors, such as commodity buyers and traders and financial institutions should be part of this action plan, first by reducing their impact on both climate and nature, as well as contributing with additional finance (e.g. grants, concessional loans) and promoting sustainable market demand. Besides financial incentives, international cooperation should help develop the enabling conditions necessary to deliver the incentives on the ground, such as strengthening governance, creating easier mechanisms to access finance, and securing monitoring and verification systems to track progress.

[Additional information: [Plan for at-risk Landscapes](#), WWF's Systemic Nature-based solutions - COP26 briefing (attached)]

14 Pacheco, P. et al. (2021). [Deforestation fronts: drivers and responses in a changing world](#).pdf (WWF).

15 WWF and RSPB's 2020. [Riskier Business: the UK's overseas land footprint](#).

3) Securing and formalising indigenous peoples and traditional populations' rights and access to nature and resources.

Indigenous peoples and other traditional communities occupy about a third of the world's land¹⁶, and thus, play a major role in the governance, conservation and sustainable use of nature and biodiversity.¹⁷ The majority of indigenous territories and local communities (IPLCs) lands are in a relatively good ecological state, which demonstrates their key role in nature conservation. Securing the land rights and access to resources of those populations is one of the most effective approaches to the conservation and sustainable management of forests and other natural ecosystems and has social benefits^{14,18}. In fact, we will be unable to meet global biodiversity and climate goals without the full inclusion of and leadership from IPLCs in conservation efforts. However, in places like the Amazon, threats and pressures on Indigenous Peoples and their territories are growing, including from agricultural encroachment.

FACT participating countries should honour their pledges, including their endorsement to the UN Declaration on the Rights of Indigenous Peoples,¹⁹ and urgently act on recognizing and securing the rights and access to land and resources of indigenous peoples and local communities. This will help minimise the risk of land conflicts (e.g., land grabbing and land speculation), the encroachment over natural ecosystems, alongside securing the stability and preservation of local cultures and maximising our chances to meet biodiversity and climate global goals.

[Additional information: [The state of Indigenous Peoples' and Local Communities' lands and territories, WWF's 2021 Deforestation Fronts report](#)]

16 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).

17 ICCA Consortium. 2021. [Territories of Life: 2021 Report](#). ICCA Consortium: worldwide.

18 FAO and FILAC. 2021. [Forest governance by indigenous and tribal peoples. An opportunity for climate action in Latin America and the Caribbean](#). Santiago. FAO.

19 [UN Declaration on the Rights of Indigenous Peoples \(2007\)](#).



Working to sustain the natural world for the benefit of people and wildlife.

together possible. panda.org

WWF® and ©1986 Panda Symbol are owned by WWF. All rights reserved.

WWF, 28 rue Mauverney, 1196 Gland, Switzerland. Tel. +41 22 364 9111

CH-550.0.128.920-7.