



Foreign, Commonwealth
& Development Office

**Rt Hon Lord Goldsmith of
Richmond Park**
Minister of State for Overseas
Territories, Energy, Climate and the
Environment

King Charles Street
London
SW1A 2AH

30 May 2023

Rt Hon Philip Dunne MP
House of Commons
London
SW1A 0AA

Dear Mr. Dunne,

Re. Status of UK International Climate Finance (ICF) International Forests Provision.

I welcomed the opportunity to discuss the UK's role in supporting efforts to tackle global forest loss during the 29 March sitting of the Committee's inquiry into Sustainable Timber and Deforestation. I promised to respond to your request for further detail regarding the government's progress on delivering £1.5 billion UK International Climate Finance for the protection and restoration of international forests.

In 2019 the government announced that it would double its International Climate Finance to £11.6 billion between April 2021 and March 2026 ("ICF3"). As part of this allocation, we pledged to invest £3 billion for projects that protect and restore nature, and of this £1.5 billion was committed to investments to support forests in ODA-eligible countries.

The forest commitment makes up the UK's contribution to the Global Forest Finance Pledge (GFFP) – an agreement between 12 government donors at COP26 to provide USD \$12 billion for forest-related climate finance between 2021-25. Of the £1.5 billion, the UK has set out our intention to invest £300m in the Amazon Basin and £200m for the Congo Basin. The remaining £1 billion is not earmarked for a particular region but will include the UK's contribution to the Indigenous Peoples and Local Communities Forest Tenure Pledge, a USD \$1.7bn collective commitment announced by 22 bilateral and philanthropic donors at COP26.

UK forest-related climate finance includes international forest protection, restoration and related activities consistent with the government's climate, nature and development priorities. This includes activity that supports GFFP aims to strengthen forest governance and improve land tenure for indigenous people and local communities, mobilise greater public and private finance for forests, and encourage the transition to sustainable agriculture.

We estimate that:

- Of the £1.5 billion commitment, the UK government has spent around £340 million across financial years 2021-22 and 2022-23 on forest-related programmes and investments aligned with these aims.
- Through our existing portfolio of 25 programmes, we plan to spend a further c. £628 million over the remaining three years of ICF3. We are also working to develop further programmes that will deliver the remaining c. £532 million of forest-related climate finance, maintaining our track record for high impact interventions that protect forests, nature and support livelihoods in some of the world's most critical ecosystems to 2026 and beyond.

Please see further detail of UK forest-related climate finance programmes and investments approved or currently in delivery in the attending Annex. I hope that this will be of use for your inquiry.

With best wishes,

A handwritten signature in blue ink, appearing to be 'Rt Hon Lord Goldsmith', written in a cursive style.

Rt Hon Lord Goldsmith
Minister of State for Overseas Territories, Energy, Climate and the Environment

ANNEX A – UK International Forest-related Climate Finance (Approved Programmes)

Programme	Geographies	Summary
Investments in Forests and Sustainable Land Use (IFSLU)	Africa, Latin America, Southeast Asia	IFSLU works with businesses committed to using land sustainably and provides support to develop new business models which provide jobs and livelihoods while protecting and restoring forests. IFSLU 1 is an entirely UK funded programme.
Forest Governance, Markets and Climate (FGMC)	Global: Latin America (<i>including Guyana</i>), West and Central Africa (<i>including Congo, Central African Republic, Ghana, Liberia</i>), Southeast Asia (<i>including Vietnam, Laos, Indonesia, Myanmar</i>)	FGMC works globally to tackle illegal logging bringing together action in consumer markets with support in 7 tropical forest countries to reduce illegal logging, secure forest rights of communities and indigenous people and increased revenues previously lost to forest crime.
Territorios Forestales Sostenibles (TEFOS)	Colombia	The TEFOS programme supports the Government of Colombia to tackle deforestation in conflict-affected, deforestation hotspots of rural Colombia, including support to local and indigenous communities in these areas.
The Lowering Emissions by Accelerating Forest Finance (LEAF)	Countries who have submitted eligible proposals to join LEAF: Bolivia, Colombia, Costa Rica, Ecuador, Ghana, Nepal, Vietnam, Brazil, Burkina Faso, Ecuador, Mexico, Kenya, Nigeria, Papua New Guinea, DRC, Uganda and Zambia.	The LEAF coalition is a voluntary global coalition bringing together the private sector and governments to provide finance for tropical and subtropical forest conservation through carbon markets.
Mobilising finance for forests (MFF)	Africa (<i>including Ghana, Ivory Coast, Republic of Congo, Democratic Republic of Congo, Gabon, Ethiopia, Kenya, Tanzania, Mozambique, Zambia, South Africa</i>), Latin America (<i>including Brazil, Colombia, Peru</i>), South East Asia (<i>including Indonesia, Malaysia, India, Myanmar, Thailand, Laos, Cambodia, Vietnam, Philippines</i>).	MFF is a programme aimed at increasing private sector investment in activities which combat deforestation and reduce other environmentally unsustainable land use practices that are contributing to global climate change in tropical forest regions.

Climate Investment Funds (CIFs) – Nature, People and Climate Programme	Global: CIF investments are supporting over 370 projects in 72 countries.	Climate Investment Funds (CIFs) accelerates climate action in clean energy and transport technology, energy access, Nature and climate adaptation and resilience. It works exclusively through Multilateral Development Banks.
Global Environment Facility (GEF)	Global	GEF is the principal multilateral agency to support developing countries in tackling environmental problems, including deforestation. We are currently in the eighth GEF replenishment period (July 2022 to June 2026) where donors pledged a total of \$5.33 billion, of this total the UK is contributing up to £330m.
Supporting a Just Rural Transition to Sustainable Agriculture	Global	UK funding is helping developing countries take steps towards sustainable land use, supporting interested countries to assess their options for policy action and operationalise preferred options. This includes supporting a policy action coalition under the Just Rural Transition initiative.
UK Partnering for Accelerated Climate Transitions (PACT) programme	Africa (<i>including Kenya</i>), Latin America (<i>including Bolivia, Colombia, Ecuador and Peru</i>), Southeast Asia	UK PACT supports ODA-eligible countries with high mitigation potential to reduce their emissions and accelerate just transitions to clean growth. UK PACT is demand-driven and sector agnostic, focusing on supporting low-carbon policies and financial mechanisms, piloting innovative ideas, and improving institutional capacity in line with partner countries' priorities.
Partnerships for Forests (P4F)	Africa, Latin America (<i>including Colombia and Brazil</i>), Southeast Asia	P4F provides grant funding and technical assistance to catalyse investment into sustainable agriculture and forest management.
Inter-American Development Bank (IADB) Amazon Bioeconomy and Forest Management Fund	Latin America: Colombia, Brazil, Ecuador, Peru, Suriname	IADB Amazon Bioeconomy and Forest Management Fund mobilises finance for innovative projects and technical cooperation in sustainable agriculture, livestock, and forest management, and the bioeconomy in 3 areas: governance, people, investment.
AIM for Forests (REDD+)	Africa, Latin America, Southeast Asia/Pacific	AIM for Forests is a five-year programme that supports forest monitoring based on modern monitoring technologies and technical innovation,

		as well as the use of space data and remote sensing.
BIPD Global Land Governance Programme (Land Tenure/Facility)	Latin America (<i>including Brazil, Ecuador, Bolivia, Guatemala</i>), Southeast Asia (<i>including Indonesia and Cambodia</i>) and Sub-Saharan Africa (<i>including Sierra Leone, Zambia, Liberia, Gambia, Chad, Botswana, Tanzania, Cameroon, Guinea, Uganda, South Africa</i>)	The programme supports partner countries to develop more robust land and forest governance systems to strengthen tenure rights and security, facilitate responsible land-based investment, and promote sustainable livelihoods, forest and land use.
Biodiverse landscapes fund	Africa (<i>including Angola, Botswana, Cameroon, Gabon, Namibia, Republic of Congo Zambia, Zimbabwe, Madagascar</i>), Latin America (<i>including Ecuador, Peru, Belize, El Salvador, Guatemala, Honduras</i>), Southeast Asia, (<i>including Cambodia, Laos, Vietnam</i>)	The Biodiverse Landscapes Fund is a UK Government programme focused on poverty reduction, biodiversity protection, conservation, and climate change outcomes across six critical landscapes.
Green Climate Fund	Global, Latin America, Africa and South-East Asia	The Green Climate Fund (GCF) is the largest dedicated climate fund and the central financial mechanism for supporting the implementation of the Paris Agreement. The GCF supports developing countries to address both climate mitigation and adaptation through a wide range of projects to meet country priorities. The GCF also mobilises financial flows from the private sectors in support of low-carbon, climate resilient development
Supporting a Sustainable Future for Papua's Forests	Southeast Asia – Indonesia	The programme supports green growth in Papua, focussing on sustainable commodities, addressing key barriers to private sector development in Papua, enabling enable firms to pursue low-carbon business opportunities.
Reducing Deforestation through improved spatial planning in Papua provinces	Southeast Asia – Indonesia	The programme provides technical assistance to local governments in Papua and West Papua provinces to improve creation and implementation spatial plans, working with communities – including indigenous groups - to strengthen protection of Papua's forests, in line with Indonesia's low-carbon development goals.

Green Economic Growth for Papua	Southeast Asia – Indonesia	The programme aims to promote green growth in Papua. It will contribute to the government of Papua's vision and spatial plan that intends to preserve 90 per cent forest cover in the province.
Blue Forests Initiative	Madagascar and Indonesia	The Blue Forests Initiative aims to design a holistic model for replication for community-led mangrove forest restoration and protection.
Central African Forest Initiative (CAFI)	The Central African Republic, the Democratic Republic of the Congo (DRC), the Republic of Cameroon, the Republic of the Congo, the Republic of Equatorial Guinea, and the Gabonese Republic.	CAFI is a UN multi-donor trust fund, which supports the protection of the Congo Basin Forests and improved livelihoods for the people who live there through improving agricultural practices amongst other interventions.
Nature Based Solutions/ICF R&D Programme/Global Centre of Biodiversity and Climate	Global, Central & Eastern Europe, Africa, Latin America	Kew Timber – Developing a global timber reference library to support the regulation and enforcement of the international timber trade, as part of a transformative approach to halt illegal logging. Ukraine Timber - Supporting the collection of timber samples in Central and Eastern Europe to contribute to ongoing work to build the world's largest geo-located reference collection of timber and other forest risk commodities. The data from the reference library will enable Russian 'conflict timber' to be identified which will make it harder for Russia to circumvent existing tariffs and sanctions'. T&T - UK contribution towards the FACT dialogue (COP26 commitment) which aims to raise awareness for and propose improvement to promote good traceability and transparency systems for Forest Risk Commodities (FRCs) Kew African Cluster and Agrobiodiversity – Aims to identify and characterise high-value plant biodiversity hotspots, and pathways to develop bioresources within them, in three strategic countries (Ethiopia, Guinea, Sierra Leone)

		NERC LATAM - The ARBOLES project aims to advance understanding of the biodiversity of South American forests and their sensitivity to climate change and direct anthropogenic degradation.
Cities 4 Forests Extension (Defra)	Africa, Asia, North & Central America	The Cities4Forests programme provides a network, between cities in developing nations, to share lessons learned and baselines on forest restoration and protection programmes.
UNDP Climate Promise (Defra)	Latin America (Colombia, Dominica, Ecuador), Sub-Saharan Africa (Cote d'Ivoire, Kenya, Liberia, Republic of Congo), Southeast Asia (Cambodia, Indonesia, Viet Nam)	Climate Promise work funded by Defra includes a mix of global, regional and country-specific activities. The former includes the development of analysis, tracking systems and guidance for forest mitigation, and support to indigenous communities. Country-specific work varies, and includes activities supporting the setup of carbon markets, the provision of grants to indigenous communities, and capacity building in both government bodies and stakeholder communities
BIOFIN	Georgia, Mexico, Nepal, Tanzania	Georgia - Catalysing reforestation and forest conservation activities through participation of private sector and General Public. Mexico - Financing Sustainable Forest Management through Carbon Compensation Credits. Nepal - Accounting biodiversity expenditure of community-based forest conservation initiatives in the national system. Tanzania - Mainstreaming Biodiversity in the Climate Change Fund and the Blue Economy Revolving Fund in Zanzibar.
Investing in Nature and Forests (INAFOLU) Indonesia Partnership	Indonesia	Programme to boost investment and strengthen governance for Indonesia's unique natural capital - tropical forests, peatlands and mangroves – enabling restoration, conservation and sustainable land use in support of Indonesia's ambitious climate goals. The programme will work with national and local government, the private sector and civil society in line with Indonesia's low-carbon development objectives.

