



House of Commons
International Development
Committee

**International climate
finance: UK aid for
halting deforestation
and preventing
irreversible biodiversity
loss: report from the
Sub-Committee on the
Work of ICAI**

Fourth Report of Session 2021–22

*Report, together with formal minutes relating
to the report*

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The International Development Committee

The International Development Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for International Development and its associated public bodies.

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Conclusions and recommendations

Introduction

1. If unchanged, current rates of biodiversity loss and deforestation will have devastating consequences for the planet. We welcome ICAI's Review into this important subject and endorse its conclusions and recommendations. *In its response to this Report, the Government should provide an update on the progress it has made implementing ICAI's recommendations.* (Paragraph 10)

Strategy and cross-government working

2. It is clear from ICAI's evidence that the Government has real expertise in climate change and biodiversity. However, we are concerned that there may not be sufficient capacity in Government to deal with the increased focus that there will be on biodiversity and deforestation following COP 26. It is crucial that the long-awaited International Climate Finance Strategy (ICFS) addresses the key challenges on biodiversity loss and deforestation. *The Government should draw upon its invaluable cross-departmental expertise and network of staff to identify and prioritise the main actions that the UK can take to address deforestation and biodiversity loss and to ensure that these actions are adequately recognised in the ICFS.* (Paragraph 14)
3. *As the Government's work on biodiversity and deforestation gathers pace, it must ensure that the considerable expertise it has on these subjects is protected. It should review the level of resource that is available across government and commit to increasing it if needed.* (Paragraph 15)
4. When facing resource constraints, it is vital that the Government makes the very best use of the funds and talent at its disposal. This means ensuring that work across government is well-coordinated and avoids duplication of effort, not just at the policy level, but also at the programme delivery level. *The Government should explore what actions it can take to improve coordination between departments at country level and set out, in response to this Report, what steps it will take to improve this, including how this could be incorporated into country Integrated Delivery Plans as and when they are refreshed. The Government should also explore how it can make best use of the talent and resources that are already available in low- and middle-income countries, ensuring that its actions are aligned with local actions to combat deforestation and biodiversity loss.* (Paragraph 16)

The Government's work with external partners

5. As ICAI's Review identified, the UK has worked well with its multilateral partners. We share Lord Goldsmith's concern, however, around the significant proportion of Official Development Assistance (ODA) that is spent through multilateral institutions compared to bilateral aid. *The Government should review the effectiveness of ODA for tackling deforestation and biodiversity loss that is administered through multilateral channels compared to that administered through bilateral channels, considering the benefits each channel provides for local communities and UK development priorities.*

The Government should write to us in six months with its findings. (Paragraph 21)

Marginalised groups

6. It is clear from what we heard that, as with other areas of development, women are disproportionately affected by deforestation and biodiversity loss. Indigenous Peoples and Local Communities (IPLCs), who are often on the frontline of deforestation and biodiversity loss, will keep seeing their livelihoods disrupted if this practice continues. The Government has said that it will consider ICAI's recommendations carefully, but action is now needed. (Paragraph 31)
7. *The Government should take a stronger, inclusive-approach at the design stage of programmes and projects to ensure women, IPLCs and other marginalised groups are given the opportunity for involvement in UK-supported initiatives. It should use the forthcoming International Climate Finance Strategy to set out how it intends to incorporate the voices of women and other marginalised groups, including Indigenous Peoples and Local Communities, into its work. It should also set out, in response to this Report, what action it has taken to implement ICAI's recommendations on gender and social impact analysis.* (Paragraph 32)

COP26

8. We welcome the commitments made at COP26, particularly on ending and reversing deforestation by 2030, and the Committee will continue to monitor progress against this commitment. But it is vital that these pledges, while welcome, translate into concrete actions. *The Government must not let its achievements at COP26 go to waste, and in response to this Report, it should set out what actions it will take to deliver on the commitments it has made. It must also use the second part of the UN Biodiversity Conference in Kunming to build on these pledges and to strengthen action on biodiversity loss.* (Paragraph 37)

Summary

Rates of deforestation and biodiversity loss are at “catastrophic” levels, with the potential to disrupt the lives of millions of people.¹ It is against this backdrop that the Independent Commission for Aid Impact (ICAI) conducted its Review into *International climate finance: UK aid for halting deforestation and preventing irreversible biodiversity loss*. ICAI awarded the Government a Green/Amber score, recognising that while UK aid has made a valuable contribution to addressing these challenges, improvements could be made in some areas. We are grateful to ICAI for its recommendations.

The Government has responded to the immense challenge posed by climate change by announcing £11.6 billion of International Climate Finance (ICF), of which £3 billion will go towards measures aimed at protecting and restoring nature. While the Government’s ambition to do more in this area is welcome, it must ensure that it has the resource and capacity to match this. The long-awaited International Climate Finance Strategy is an opportunity for the Government to set out how it will use its ICF to address the threats posed by deforestation and irreversible biodiversity loss. We share the concerns that Lord Zac Goldsmith, the Minister for the Pacific and the International Environment, expressed about the vast amounts of climate finance that are spent through multilateral institutions. The Government should use the Strategy to reassess how it spends ICF through both bilateral and multilateral channels.

We took evidence from both ICAI and the Government in the run-up to COP26, the United Nations Climate Change Conference, which took place in Glasgow in November last year. A number of welcome commitments relating to nature were made at the conference including, crucially, a commitment to end deforestation by 2030. We will continue to monitor progress against that commitment. The Government should also grasp the opportunities presented by the COP15 biodiversity conference in April to ensure that efforts aimed at preventing biodiversity loss do not lose momentum.

¹ ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, Summary

1 Introduction

1. The Independent Commission for Aid Impact (ICAI) published its Review, *International Climate Finance: UK aid for preventing deforestation and halting irreversible biodiversity loss*, on 15 July 2021. The Government’s response was published on 13 September.

2. The role of the Sub-Committee on the work of the Independent Commission for Aid Impact is to examine ICAI’s reviews and the Government’s responses to them. In this Report we set out our findings and make recommendations to the Government.

Conduct of scrutiny

3. Following publication of the Review, we heard oral evidence from Tamsyn Barton, Chief Commissioner of ICAI and the lead commissioner for this review, and Nigel Thornton, Team Leader for the Review and Director at Agulhas Applied Knowledge, ICAI’s Lead Service Provider. We then took evidence from Lord Zac Goldsmith, Minister for the Pacific and the International Environment; Sally Taylor, Deputy Director for Climate and Environment at the FCDO; and Maggie Charnley, Deputy Director for International Climate Finance: Forests, Land Use and Carbon Markets at the Department for Business, Energy and Industrial Strategy (BEIS). We questioned the witnesses on both the contents of the Review and Government response, and on preparations for the United Nations Climate Change Conference (COP26), which took place from 31 October to 12 November. We are grateful to them for giving evidence.

ICAI’s review

4. Giving evidence to the Sub-Committee, Dr Tamsyn Barton described biodiversity and deforestation as an area that is “relatively neglected within climate finance”.² Despite tropical forest loss accounting for 8% of the world’s annual carbon dioxide (CO₂) emissions, only 3% of International Climate Finance allocated to reduce emissions goes towards protecting forests and other ecosystems. This is despite the fact that, according to ICAI, global rates of deforestation and biodiversity loss are “catastrophic”,³ and that the amount of resource dedicated to tackling them is “dwarfed by the scale of the challenge”.⁴

5. Between 2015 and 2020, the Government spent £1.2 billion on aid for protecting forests and biodiversity.⁵ ICAI estimates that UK aid’s climate change portfolio currently includes “more than £580 million in bilateral aid commitments related to deforestation and biodiversity, including headline programmes addressing illegal timber, forest governance and sustainable land use”.⁶ Upon publication of its Review, ICAI noted that the Government had announced a further £1.3 billion for climate-related programming. This includes £220 million for an International Biodiversity Fund, aimed at protecting habitats and endangered species, and a £100 million Biodiverse Landscapes Fund for protecting mangroves and forests.⁷

2 [Q2](#) [Dr Barton]

3 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021

4 *Ibid.*, p.40

5 *Ibid.*, p.i

6 *Ibid.*

7 ICAI, [UK aid for halting deforestation and preventing biodiversity loss – an ICAI review](#), Summary

Findings

6. In its Review, ICAI focused on a sample of nine programmes, spread across three departments, with a combined value of over £700 million. It also conducted case studies of the Government’s work on deforestation and biodiversity loss in three countries: Colombia, Ghana and Indonesia.

7. ICAI found that most of the Government’s programmes were well targeted at the prevailing drivers of deforestation and biodiversity loss. In conclusion, however, it found there was a “lack of a clearly prioritised strategy, that has contributed to a portfolio that is too widely spread, thematically and geographically”.⁸ ICAI described the quality of the evidence and contextual analysis as “mixed”, with work such as strong engagement on illegal logging counterbalanced by poorer programming aimed at developing alternative livelihood options for people in forest communities (this includes interventions aimed at deterring activities such as illegal logging or the sale of bush meat).⁹ ICAI also found that some programmes engaged and worked well with forest communities, including indigenous peoples, but that consultation during programme design was not consistent, and that more could be done to strengthen women’s participation in local forest governance.¹⁰

8. For this Review, ICAI awarded an overall score of Green/Amber, which means “satisfactory achievement in most areas, but partial achievement in others”.¹¹ It also awarded a Green/Amber score against each of the following criteria:

- **Relevance:** How well are UK aid programmes related to halting deforestation and preventing biodiversity loss responding to global, national and community needs and priorities?
- **Coherence:** How internally and externally coherent are UK aid programmes directed at halting deforestation and preventing biodiversity loss?
- **Effectiveness:** To what extent has UK aid contributed to halting deforestation and preventing biodiversity loss?¹²

ICAI Recommendations

9. ICAI made the following recommendations:

- **Recommendation 1:** UK bilateral ODA support to tackle deforestation and biodiversity loss should have a tighter strategic focus, concentrating resources to increase impact.
- **Recommendation 2:** All programmes addressing deforestation and biodiversity loss should be monitored and evaluated against common, measurable indicators designed specifically for assessing deforestation and biodiversity impacts.

8 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, Summary

9 Ibid.

10 Ibid.

11 ICAI, [How we work](#), accessed December 2021

12 Ibid., pp.i-iii

- **Recommendation 3:** Independent external evaluations of the bilateral programme should be carried out regularly at programme, country and global levels and then used to shape strategic funding decisions.
- **Recommendation 4:** UK bilateral programmes should be guided by social impact analysis and should include safeguarding measures, to maximise the benefits for and minimise negative impacts on local communities, women and vulnerable groups.
- **Recommendation 5:** Gender issues need greater prioritisation in policies and programming to ensure that women benefit from investments in forests and biodiversity.¹³

In its response to ICAI's Review, the Government accepted three of the five recommendations. It accepted recommendations 1 (on strategic focus), 4 (social impact and safeguarding) and 5 (gender issues). The Government partially accepted recommendations 2 (on common, measurable indicators) and 3 (independent external evaluations).¹⁴

10. If unchanged, current rates of biodiversity loss and deforestation will have devastating consequences for the planet. We welcome ICAI's Review into this important subject and endorse its conclusions and recommendations. *In its response to this Report, the Government should provide an update on the progress it has made implementing ICAI's recommendations.*

13 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, pp.40–41

14 [Gov.uk, Government response to ICAI recommendations on international climate finance: UK aid for halting deforestation and preventing irreversible biodiversity loss](#), 13 September 2021

2 Strategy and cross-government working

11. The UK Government's efforts on tackling deforestation and biodiversity loss are concentrated across three departments: the Foreign, Commonwealth and Development Office (FCDO); Department for Business, Energy and Industrial Strategy (BEIS); and Department for Environment, Food and Rural Affairs (Defra). ICAI's review found that, while work across the three departments was consistent at a policy level, in practice they sometimes "[lacked] shared strategies, coordination arrangements and learning mechanisms".¹⁵ It noted that, in-country, the Government did not always take a consistent approach to coordinating programming between the three departments.¹⁶ Dr Tamsyn Barton told us that in Colombia, for example, Defra—unlike BEIS—had missed opportunities to make use of the expertise of embassy staff. She explained that the Government "can achieve more with the same resources if the co-ordination is better".¹⁷

12. ICAI questioned whether the Government's resources match its ambition. Dr Barton told us that while all three departments have significant expertise in these areas, doubts persist over whether this will be sufficient now that there is "so much more focus on climate and, in particular, on deforestation and biodiversity".¹⁸ When we asked Lord Goldsmith, Minister for the Pacific and the International Environment, whether he accepted ICAI's conclusion that the Government does not have a clear strategy on biodiversity and deforestation, he acknowledged that the Government could do more to scale up its work in this area. He said:

Although there is some fantastic work, and I have seen it with my own eyes more recently, that BEIS, the FCDO and Defra do in relation to nature and biodiversity, we do not have a huge pipeline that we can point to and say, "This is what we are going to be doing for the next five years". We are scaling up massively. That means looking at the stuff we have done that works, looking at what other countries are doing, looking for the best opportunities and the best value for money. There is no doubt that those opportunities are out there.¹⁹

13. The UK has pledged to spend £11.6 billion on international climate finance in the five years to 2025, of which £3 billion will go towards measures "that protect and restore nature and biodiversity".²⁰ Building on this, the Government has committed to publishing an International Climate Finance Strategy. In its review, ICAI said that it had seen "unfinished working papers" relating to the Strategy;²¹ Nigel Thornton, Review Team Leader at ICAI, told us that while there was a "degree of anticipation" for it to be finalised, contrary to ICAI's expectations, it was still incomplete.²² We asked the Minister when the Strategy

15 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021

16 *Ibid.*, p.39

17 [Q8](#) (Dr Barton)

18 [Q6](#) (Dr Barton)

19 [Q23](#) (Lord Goldsmith)

20 Prime Minister's Office, [Press release: Prime Minister commits £3bn UK climate finance to supporting nature](#), 11 January 2021

21 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.i

22 [Q13](#) (Nigel Thornton)

is likely to be published; Sally Taylor, Deputy Director for Climate and Environment at FCDO, told us that it would be early in 2022.²³

14. It is clear from ICAI's evidence that the Government has real expertise in climate change and biodiversity. However, we are concerned that there may not be sufficient capacity in Government to deal with the increased focus that there will be on biodiversity and deforestation following COP 26. It is crucial that the long-awaited International Climate Finance Strategy (ICFS) addresses the key challenges on biodiversity loss and deforestation. *The Government should draw upon its invaluable cross-departmental expertise and network of staff to identify and prioritise the main actions that the UK can take to address deforestation and biodiversity loss and to ensure that these actions are adequately recognised in the ICFS.*

15. *As the Government's work on biodiversity and deforestation gathers pace, it must ensure that the considerable expertise it has on these subjects is protected. It should review the level of resource that is available across government and commit to increasing it if needed.*

16. When facing resource constraints, it is vital that the Government makes the very best use of the funds and talent at its disposal. This means ensuring that work across government is well-coordinated and avoids duplication of effort, not just at the policy level, but also at the programme delivery level. *The Government should explore what actions it can take to improve coordination between departments at country level and set out, in response to this Report, what steps it will take to improve this, including how this could be incorporated into country Integrated Delivery Plans as and when they are refreshed. The Government should also explore how it can make best use of the talent and resources that are already available in low- and middle-income countries, ensuring that its actions are aligned with local actions to combat deforestation and biodiversity loss.*

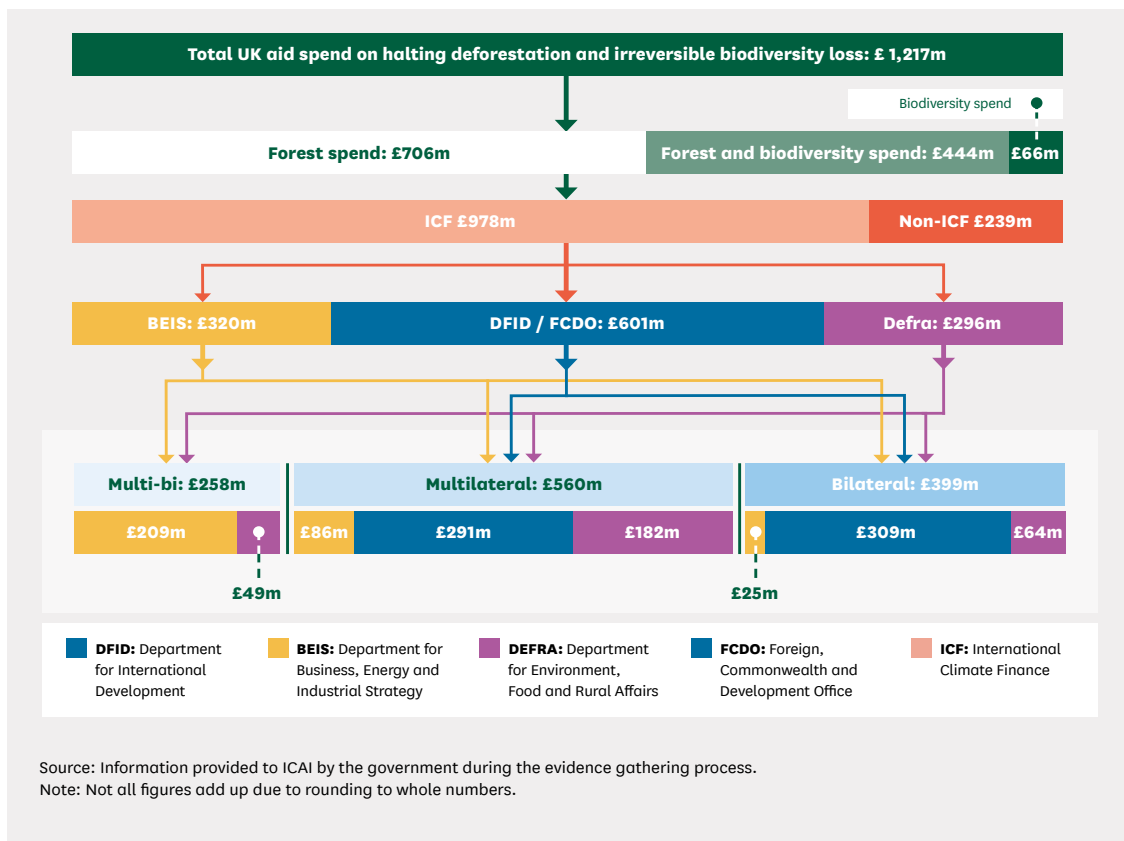
3 The Government’s work with external partners

17. The Government spends aid for combating deforestation and biodiversity loss through bilateral and multilateral channels. ICAI’s Review assessed how well the Government works with external partners, including multilateral institutions such as the World Bank, the Global Environment Facility (GEF) and the Green Climate Fund (GCF). ICAI found that the Government had “engaged strongly” with multilateral organisations and that, more broadly, the UK had “played a significant role at a global level in supporting coordinated action, helping to secure a number of global commitments”.²⁴

18. The figure below includes a breakdown of UK aid spend on biodiversity loss and deforestation, including the division between bilateral and multilateral aid. Some BEIS-run programmes are “multi-bi”: these are programmes where the Department can specify the purpose of the funding and sometimes the recipient, but where a multilateral partner is responsible for delivery.

Figure 1: UK aid spent on halting deforestation and preventing biodiversity loss, 2015–2020

UK aid spent on halting deforestation and preventing biodiversity loss (2015–2020)



Source: ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), p.16

24 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.ii

19. We raised the subject of the UK’s multilateral spending with Lord Goldsmith. When asked how much of the new £11.6 billion of ICF would be spent through multilateral organisations, he said “too much”. He told us, however, that discussions within government on this were ongoing.²⁵ Sally Taylor told us that, currently, around 20% of ICF goes to the GCF and the GEF.²⁶ Between 2015 and 2020, the Government contributed a total of £190.5 million to the GEF, the largest sum for any multilateral programme that it scrutinised as part of this Review over that period.²⁷

20. The Minister went on to say that, in his view, the Government should seek to expand its use of bilateral programmes:

My concern is that sometimes we historically put too much through the really big multilateral development banks. I do not mean to single out the World Bank, but it is the obvious example. I personally think—and this is not just my view; I think it is shared by many colleagues—that there is more scope for us to work on bilateral programmes with the key countries in a way that allows us to be more directly involved and that benefits our relationship as well, which is worth something. In addition to that, we have partnerships with other countries, like Norway, Germany, France and so on, where, collectively, we can use each other’s leverage to increase the amount, but not necessarily going through a multilateral.²⁸

21. **As ICAI’s Review identified, the UK has worked well with its multilateral partners. We share Lord Goldsmith’s concern, however, around the significant proportion of Official Development Assistance (ODA) that is spent through multilateral institutions compared to bilateral aid. *The Government should review the effectiveness of ODA for tackling deforestation and biodiversity loss that is administered through multilateral channels compared to that administered through bilateral channels, considering the benefits each channel provides for local communities and UK development priorities. The Government should write to us in six months with its findings.***

25 [Q32](#) (Lord Goldsmith)

26 [Q32](#) (Sally Taylor)

27 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, Annex 2, p.44

28 [Q33](#) (Lord Goldsmith)

4 Marginalised groups

22. Deforestation and biodiversity loss have a significant impact on the lives and livelihoods of local communities, including indigenous peoples. 25% of the world's total population, and 90% of the world's population who live in extreme poverty, depend on forests for some part of their livelihood.²⁹ As part of its Review, ICAI heard from communities affected by deforestation and biodiversity loss in Colombia and Indonesia, countries in which the UK Government has programmes that engage directly with local people.³⁰ Due to the Covid-19 pandemic, these interviews were conducted remotely.

23. ICAI found that the level of consultation between the Government and local communities during the programme design stage was “inconsistent”.³¹ It also concluded that some groups of people—particularly women, young people and poorer people—were not consistently included in discussions in the early stages of programme design. During our oral evidence session, we asked witnesses how the Government could ensure that the voices of women and Indigenous Peoples and Local Communities (IPLCs) were heard throughout its work on deforestation and biodiversity loss.

Indigenous Peoples and Local Communities

24. We were told that some programmes engage well with IPLCs. Dr Barton said that, for example, the FCDO-supported Forest Governance, Markets and Climate Programme is particularly impactful because it “works effectively with local people and gives them a voice”.³² The Minister also acknowledged the importance of involving IPLCs in efforts to protect and restore nature, saying:

There is massive, I would say unarguable, evidence that, when you empower local communities around issues of land rights and land tenure, when you enable them to assert their rights on land that they have lived in forever, the ecological benefits are very easily measured. Despite all that, I think only about 2% of climate finance has gone towards IPLC, in short. That is something that we hope also to change at COP.³³

25. Sally Taylor, Deputy Director for Climate and Environment at FCDO, said that the Department was committed to considering the interests of indigenous peoples:

One of the programmes that the ICAI team looked at was the Forest Governance, Markets and Climate programme, which has inclusive policymaking, supporting communities to assert their rights and take part in policy discussions. That is very much central to how we approach the issues around governance and how we run that programme. That has been a really important part of the work.

29 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.10

30 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.8

31 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.41

32 [Q9](#) (Dr Barton)

33 [Q27](#) (Lord Goldsmith)

There have been other examples where we have tried to think about different types of groups. How are women doing? How are indigenous people being involved? It is something we are very strongly committed to.³⁴

When challenged on whether FCDO routinely consults indigenous people when designing its programmes, she said that the Department does not normally do so “on every issue”, but that it has “mechanisms and processes” for engaging with IPLCs.³⁵

26. Lord Goldsmith wrote to us following our evidence session with more detail on how the Government engages with IPLCs. He said that the Government recognises the “vital role” played by IPLCs, and that the UK had used its Presidency of the United Nations Climate Change Conference, COP26, to “[prioritise] inclusion of IPLC voices and interests”. The Minister also said that the UK will “consult as directly as possible” with local communities while supporting transformation in industries such as cocoa and palm oil, which contribute to deforestation.³⁶ In its response to the International Development Committee’s report, *Global Britain in demand: UK climate action and international development around COP26*, the Government said that it will “[continue] to place locally-led adaptation at the forefront of its work on adaptation and resilience”, and set out how it is strengthening its engagement with local communities.³⁷

Women

27. ICAI heard from 291 people who were directly affected by the Government’s programmes. Of the 279 who provided their demographic information, 109 (39%) identified as female, compared to 170 who identified as male (61%).³⁸ Based on the evidence it reviewed, ICAI found that women, along with young and poorer people, are “often excluded from consultation around the design and implementation of initiatives to halt deforestation and prevent biodiversity loss”, meaning that these initiatives are “less likely to meet their needs and priorities”.³⁹ In its Review, ICAI said:

In the majority of locations where we conducted citizen engagement exercises, we were told that women had been excluded from both the processes and the benefits. Youth were also said to be at a disadvantage. Out of six locations in Indonesia where we conducted consultations, five reported limited opportunities for women and young people to engage in interventions, at both planning and delivery stages. In two out of three departments in Colombia, women and youth were also found to be disadvantaged in their ability to participate in, and benefit from, projects.⁴⁰

28. Dr Barton expanded on this in evidence, telling us:

34 Ibid. (Sally Taylor)

35 [Q28](#) (Sally Taylor)

36 Letter from Lord Goldsmith to the Chair, dated 17 December 2021

37 International Development Committee, Fourth Special Report of Session 2021–22, [Global Britain in demand: UK climate action and international development around COP26](#), Government response to the Committee’s Second Report, HC 1008, p.2

38 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.8

39 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.10

40 ICAI, [International Climate Finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: a review](#), 15 July 2021, p.36

[...] Probably the most glaring thing that came out of hearing from people on the ground directly was that women in particular were being marginalised. Even where programmes felt that they were taking gender difference into consideration, even where it was evident that there were women farmers who wanted to benefit from the programmes, somehow it was not happening. There is a combination of factors at that local level that prevents it happening and needs that extra effort to make sure it happens.⁴¹

29. ICAI recommended that gender issues should be given greater priority in the FCDO's work on deforestation and biodiversity loss to ensure that women benefit from investments in this area. The Government accepted this recommendation, saying in its response that the UK is committed to implementing the G7 climate and environment communiqué, which is aimed at "addressing barriers to climate and nature finance faced by women".⁴²

30. We pressed the Minister on how the Government will ensure that women benefit from its programming on biodiversity loss and deforestation. He told us that he had not yet come across a programme where gender implications had not been considered and that, in his view, the Government is doing "good work" in this area.⁴³ Maggie Charnley, Deputy Director for International Climate Finance: Forests, Land Use and Carbon Markets at BEIS, acknowledged that ICAI had identified areas for improvement, and said that the Government will look at its recommendations carefully.⁴⁴

31. It is clear from what we heard that, as with other areas of development, women are disproportionately affected by deforestation and biodiversity loss. Indigenous Peoples and Local Communities (IPLCs), who are often on the frontline of deforestation and biodiversity loss, will keep seeing their livelihoods disrupted if this practice continues. The Government has said that it will consider ICAI's recommendations carefully, but action is now needed.

32. *The Government should take a stronger, inclusive-approach at the design stage of programmes and projects to ensure women, IPLCs and other marginalised groups are given the opportunity for involvement in UK-supported initiatives. It should use the forthcoming International Climate Finance Strategy to set out how it intends to incorporate the voices of women and other marginalised groups, including Indigenous Peoples and Local Communities, into its work. It should also set out, in response to this Report, what action it has taken to implement ICAI's recommendations on gender and social impact analysis.*

41 [Q9](#) (Dr Barton)

42 Gov.uk, [Government response to ICAI recommendations on international climate finance: UK aid for halting deforestation and preventing irreversible biodiversity loss](#), 13 September 2021

43 [Q43](#) (Lord Goldsmith)

44 Ibid. (Maggie Charnley)

5 COP26

33. The 2021 United Nations Climate Change Conference, also known as COP26, took place in Glasgow from 31 October to 12 November 2021. At the Sub-Committee’s evidence session ahead of COP26 we asked Lord Goldsmith what the UK Government’s priorities were for the conference in the areas of biodiversity and deforestation. The Minister said:

This is the first COP where nature has been front and centre and not just a secondary, ancillary, even box-ticking thing on the side. We recognise that any net zero plan that does not include nature is not a proper plan. It is not possible to stay within one and a half degrees or to get to net zero using technology alone, no matter how clever that technology is. It is just not possible.

There are gigantic, important ecological systems that are being destroyed. If that continues, in many different ways life on earth becomes that much more difficult and climate change becomes even more of a fact.⁴⁵

He told us, however, that he was not able to go into any detail at the time.⁴⁶

34. Following the Sub-Committee’s evidence session with the Minister, a number of commitments relating to nature and deforestation were made at COP26. Most significantly, 137 countries pledged to end deforestation by 2030; this commitment covers 91% of the world’s forests.⁴⁷ In a letter of 17 December, Lord Goldsmith informed us that the pledge had now been endorsed by 142 countries, and that in addition to actions to protect forests, the commitment also covers actions to tackle the drivers of deforestation, including “unsustainable agricultural practices in the palm oil, soya and cocoa industries”.⁴⁸ COP also saw the following commitments:

- a) 12 developed countries pledged to provide \$12 billion (£8.75 billion) in climate finance to the new Global Forest Finance Pledge. This includes £1.5 billion from the UK.⁴⁹
- b) 28 countries launched a roadmap for protecting forests via a global shift to sustainable development and trade of agricultural goods.
- c) At least \$7.2 billion (£5.3 billion) of funding from the private sector was mobilised at the conference.⁵⁰

35. The Minister also told us that COP26 saw the launch of a joint statement, endorsed by 22 country and philanthropic donors including the UK, which includes a pledge of \$1.7 billion “to support the advancement of IPLC forest tenure rights and greater recognition and rewards for their role as guardians of forests and nature”.⁵¹

45 [Q25](#) (Lord Goldsmith)

46 [Ibid.](#)

47 UN Climate Change Conference, [COP26: The Glasgow Climate Pact](#), p.11

48 Letter from Lord Goldsmith to the Chair, dated 17 December 2021

49 Gov.uk, [Press release: \\$12 billion donor support to halt and reverse forest loss and protect land rights](#), 2 November 2021

50 UN Climate Change Conference, [COP26: The Glasgow Climate Pact](#), p.11

51 Letter from Lord Goldsmith to the Chair, dated 17 December 2021

36. The first part of the UN Biodiversity Conference (COP15) also took place from 11–15 October 2021. This event was held virtually, with the second part scheduled to take place in person from 25 April–8 May in Kunming, China. Lord Goldsmith described COP15 as “just as important” as COP26 despite its lower profile and told us that a “good climate COP [would] have a direct impact on the biodiversity COP and vice versa”.⁵²

37. We welcome the commitments made at COP26, particularly on ending and reversing deforestation by 2030, and the Committee will continue to monitor progress against this commitment. But it is vital that these pledges, while welcome, translate into concrete actions. *The Government must not let its achievements at COP26 go to waste, and in response to this Report, it should set out what actions it will take to deliver on the commitments it has made. It must also use the second part of the UN Biodiversity Conference in Kunming to build on these pledges and to strengthen action on biodiversity loss.*

Formal Minutes

Sub-Committee on the work of the Independent Commission for Aid Impact

Wednesday 26 January 2022

Members present:

Theo Clarke, in the Chair

Nigel Mills

Virendra Sharma

Draft report (*International climate finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: report from the Sub-Committee on the Work of ICAI*), proposed by the Chair, brought up and read.

Ordered, That the draft report be read a second time, paragraph by paragraph.

Paragraphs 1 to 37 read and agreed to.

Summary agreed to.

Resolved, That the report be the Third report of the Sub-Committee to the Committee.

Ordered, That the Chair make the report to the Committee.

[Adjourned till a date and time to be fixed by the Chair]

International Development Committee

Tuesday 1 February 2022

Members present:

Sarah Champion, in the Chair

Richard Bacon

Pauline Latham

Nigel Mills

Navendu Mishra

Kate Osamor

Virendra Sharma

Draft Report (*International climate finance: UK aid for halting deforestation and preventing irreversible biodiversity loss: report from the Sub-Committee on the Work of ICAI*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 37 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Fourth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available in accordance with the provisions of Standing Order No. 134.

[Adjourned till Tuesday 22 February at 2.00 p.m.]

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry [publications page](#) of the Committee's website.

Wednesday 20 October 2021

Dr Tamsyn Barton (Chief Commissioner at Independent Commission for Aid Impact), and **Nigel Thornton** (Review Team Leader, ICAI, and Director, Agulhas at Independent Commission for Aid Impact & Agulhas) [Q1–22](#)

Lord Goldsmith of Richmond Park (Minister for Pacific and the Environment at Foreign, Commonwealth & Development Office (FCDO) and Department for Environment, Food and Rural Affairs (Defra)), **Sally Taylor** (Deputy Director at Foreign, Commonwealth & Development Office), and **Maggie Charnley** (Deputy Director, International Climate Finance: Forests, Land Use and Carbon Markets Department at Department for Business, Energy & Industrial Strategy) [Q23–46](#)

Published written evidence

The following written evidence was received and can be viewed on the inquiry [publications page](#) of the Committee's website.

ICF numbers are generated by the evidence processing system and so may not be complete.

- 1 Foreign, Commonwealth & Development Office ([ICF0001](#))

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2021–22

Number	Title	Reference
1st Report	Assessing DFID's results in nutrition Review: report from the Sub-Committee on the Work of ICAI	HC 103
2nd Report	Global Britain in demand: UK climate action and international development around COP26	HC 99
3rd Report	The UK's approach to tackling modern slavery through the aid programme: report from the Sub-Committee on the Work of ICAI	HC 104
1st Special Report	The humanitarian situation in Tigray: Government Response to the Committee's Tenth Report of Session 2019–21	HC 554
2nd Special Report	The UK's Support to the African Development Bank Group: report from the Sub-Committee on the work of ICAI: Government Response to the Committee's Ninth Report of Session 2019–21	HC 555
3rd Special Report	DFID's results in nutrition Review: report from the Sub-Committee on the work of ICAI: Government response to the Committee's First Report	HC 780
4th Special Report	Global Britain in demand: UK climate action and international development around COP26: Government response to the Committee's Second Report	HC 1008

Session 2019–21

Number	Title	Reference
1st Report	Humanitarian crises monitoring: the Rohingya	HC 259
2nd Report	Effectiveness of UK aid: interim findings	HC 215
3rd Report	The Newton Fund review: report of the Sub-Committee on the work of ICAI	HC 260
4th Report	Effectiveness of UK aid: potential impact of FCO/DFID merger	HC 596
5th Report	Humanitarian crises monitoring: impact of coronavirus (interim findings)	HC 292
6th Report	The Changing Nature of UK Aid in Ghana Review: report from the Sub-Committee on the Work of ICAI	HC 535
7th Report	Progress on tackling the sexual exploitation and abuse of aid beneficiaries	HC 605

Number	Title	Reference
8th Report	Covid-19 in developing countries: secondary impacts	HC 1186
9th Report	The UK's support to the African Development Bank Group: report from the Sub-Committee on the Work of ICAI	HC 1055
10th Report	The humanitarian situation in Tigray	HC 1289
1st Special Report	Follow up: sexual exploitation and abuse in the aid sector: Government Response to the First Report of the Committee	HC 127
2nd Special Report	Humanitarian crises monitoring: the Rohingya: Government Response to the First Report of the Committee	HC 658
3rd Special Report	The Newton Fund review: report of the Sub-Committee on the work of ICAI: Government response to the Committee's Third Report	HC 742
4th Special Report	Effectiveness of UK Aid: Interim Report & Effectiveness of UK Aid: potential impact of FCO/DFID merger: Government Response to the Second & Fourth Reports	HC 820
5th Special Report	Humanitarian crises monitoring: impact of coronavirus (interim findings): Government Response to the Committee's Fifth Report	HC 1160
6th Special Report	The Changing Nature of UK Aid in Ghana Review: report from the Sub-Committee on the Work of ICAI: Government response to the Committee's Sixth Report	HC 1198
7th Special Report	Progress on tackling the sexual exploitation and abuse of aid beneficiaries: Government Response to the Seventh Report of the Committee, Session 2019–21	HC 1332
8th Special Report	Covid-19 in developing countries: secondary impacts: Government Response to the Eighth Report of the Committee	HC 1351