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**FOLLOW UP TO IDC EVIDENCE SESSION REGARDING THE INDEPENDENT
COMMISSION FOR AID IMPACT'S REPORT INTERNATIONAL CLIMATE
FINANCE: UK AID FOR HALTING DEFORESTATION AND PREVENTING
IRREVERSIBLE BIODIVERSITY LOSS**

Thank you again for the opportunity to give evidence on 20th October 2021 regarding the ICAI review of UK Aid for forests and biodiversity. I would like to update you following COP26, and also to return to the Committee's concerns about consultation with local communities.

The Government remains determined to do all it can to halt and reverse forest loss, and I am very pleased that the UK Presidency of COP26 was able to secure landmark commitments that we hope will mark a turning point in global efforts to stop deforestation.

One of the major outcomes of COP26 was the Glasgow Leaders Declaration on Forests and Land Use, setting out a commitment to halt and reverse forest loss by 2030. This has now been endorsed by 142 countries, which together are responsible for more than 90% of the world's forests. It is the largest ever commitment of its kind, both in terms of country endorsement and financing. The Declaration includes actions to protect forests as well as effort to tackle the underlying causes of deforestation, such as unsustainable agricultural practices in the palm oil, soya and cocoa industries. The commitment is supported by a pledge of £12 billion in funding for forests from 12 donor countries over a five-year period. This includes a UK contribution of £1.5 billion to the pledge.

Other achievements and commitments led by the UK Presidency at COP26 included the launch of the Forest and Agriculture Commodity Trade (FACT) Dialogue, establishing a new partnership between the largest producers and consumers of agricultural commodities, such as palm oil, soya and cocoa, and aiming to build collaboration to protect forests while promoting sustainable trade.

We are also taking actions that address the Committee's concern that the UK should improve consultation with Indigenous Peoples during programme design and delivery. The UK Government recognises the vital role played by Indigenous Peoples and Local Communities (IPLCs) in protecting tropical forests. We are using our COP26 presidency to build an alliance of donor governments and organisations committed to advancing support for IPLC tenure rights and their forest guardianship.

The UK Presidency prioritised inclusion of IPLC voices and interests at a number of COP plenary and side events. A joint statement launched at COP26, currently endorsed by 22 donors including the governments of the UK, USA, Norway and Netherlands, the Ford Foundation and Bezos Earth Fund, includes a collective pledge of \$1.7 billion of financing, from 2021 to 2025, to support the advancement of IPLC forest tenure rights and greater recognition and rewards for their role as guardians of forests and nature.

The statement includes commitments to strengthen land tenure systems, protecting the land and resource rights of IPLCs, to promote the effective participation and inclusion of IPLCs in decision-making and to include, consult and partner with them in the design and implementation of relevant programmes and finance instruments, recognising the specific interests of women and girls, youth, persons with disabilities, and others often marginalised from decision-making.

Halting deforestation requires action at scale to tackle drivers of deforestation, such as land clearance to grow crops like palm oil and cocoa. These crops provide livelihoods for smallholder farmers and their dependents in rural communities. For example, 60% of the global supply of cocoa is produced by 2m smallholders in West Africa; 3m smallholders in Indonesia and Malaysia produce 40% of palm oil. Smallholders play a similarly important role in the rubber and coffee industries.

As we work to support transformation in these industries, we will consult as directly as possible with farmers and affected communities. In addition, the work we support is focused on ensuring that farmers and communities have a voice in processes to support reforms in the sector, such as through the Africa Palm Oil Initiative, the Cocoa and Forests Initiative and the Global Platform for Sustainable Natural Rubber (GNSPR). We also support pilot work at landscape scale to ensure smallholder farmers and communities benefit from the transition to more sustainable practices, such as through climate smart cocoa which improves productivity as well as reducing environmental harm. At this scale of operations, our support is also focused on ensuring community engagement in decision-making and planning, ensuring that local people benefit from the changes which are implemented.



RT HON LORD GOLDSMITH OF RICHMOND PARK

