

2022 CDP EUROPE WORKSHOP LEADING THE DECADE OF DELIVERY

Wednesday 27 April 2022 – 10:00 – 12:00 CEST

DEFORESTATION POLICY

HOUSEKEEPING NOTES



- ▼ Slides will be shared with you after the event
- ▼ The event is being recorded

SPEAKER



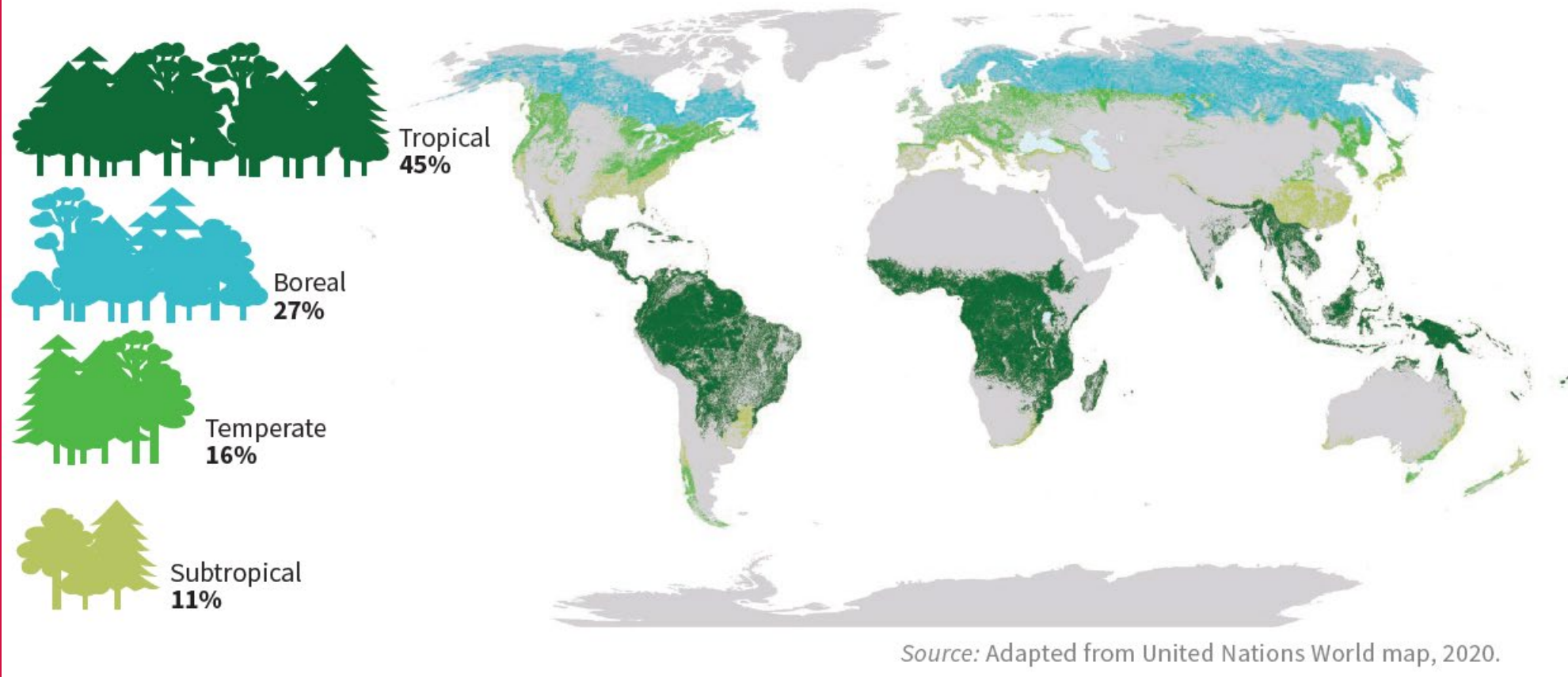
Guilherme Cassaro
Reporter Service Account Manager
CDP Europe

AGENDA

- ▼ **Why are Forests Important?**
- ▼ **The State of Deforestation.**
- ▼ **What are The Latest International Developments on Forests?**
- ▼ **What is The European Context?**
- ▼ **CDP Forest Questionnaire: Staying ahead of Regulation.**
- ▼ **Q&A**

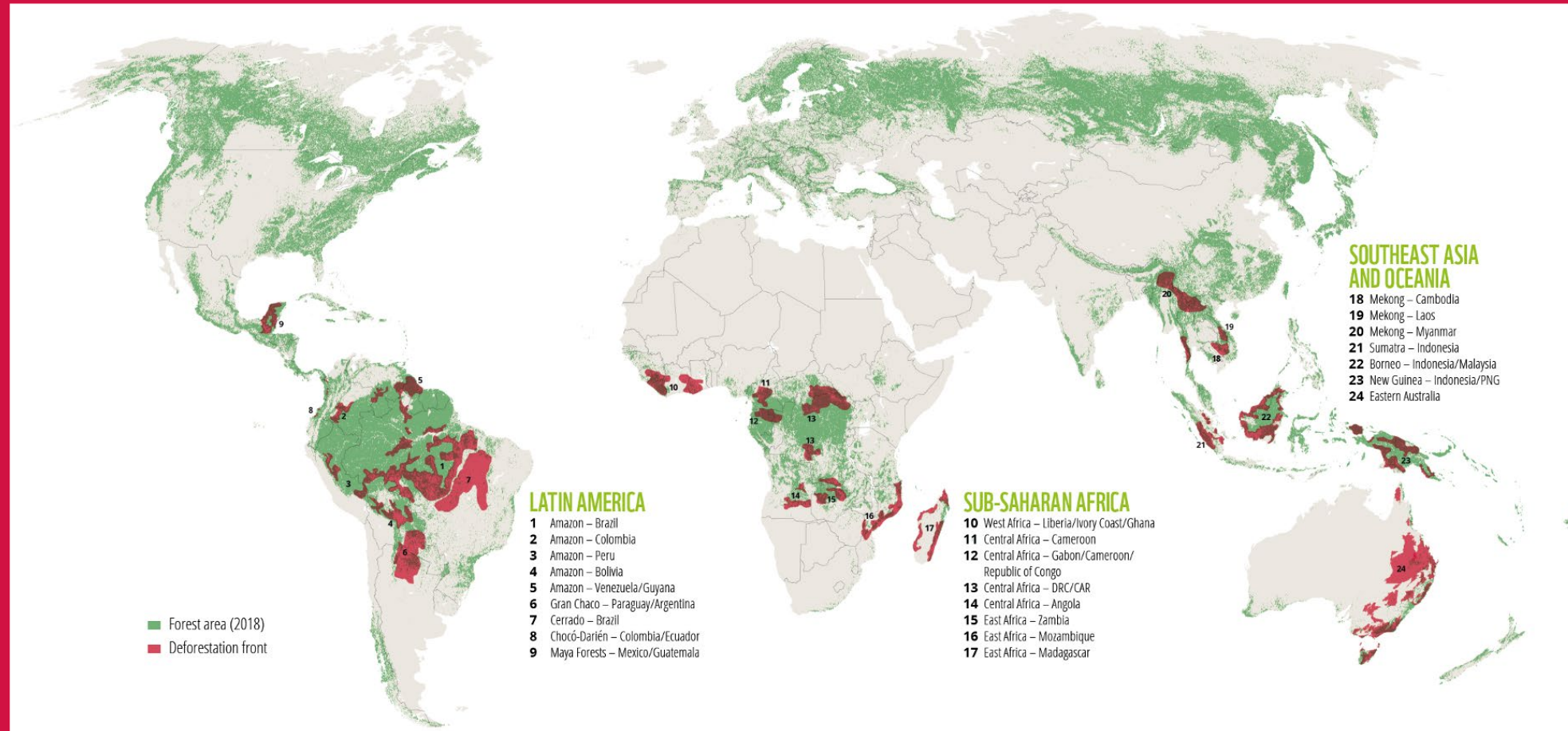
THE WORLD'S FORESTS

Proportion and distribution of global forest area by climatic domain, 2020



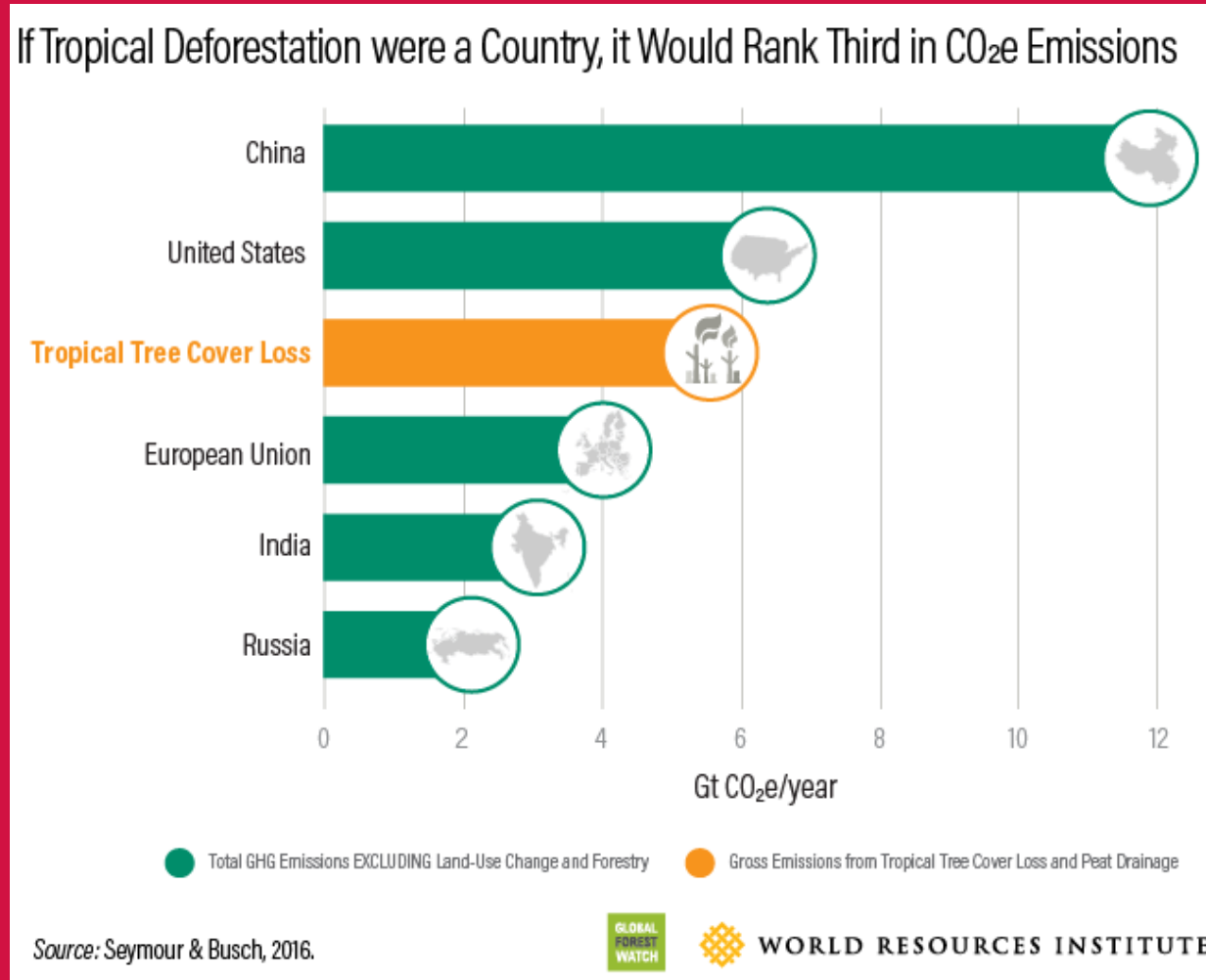
Source: FAO. 2020. *Global Forest Resources Assessment 2020 – Key findings*. Rome. <https://doi.org/10.4060/ca8753en>

DEFORESTATION: HOT SPOTS



Source: Pacheco, P., Mo, K., Dudley, N., Shapiro, A., Aguilar-Amuchastegui, N., Ling, P.Y., Anderson, C. and Marx, A. 2021. Deforestation fronts: Drivers and responses in a changing world. WWF, Gland, Switzerland.

WHY TACKLE DEFORESTATION?



Unprecedented political and financial pledges on forests have been announced at COP26

- ▶ 141 countries signed the Glasgow Leaders' Declaration on Forests and Land Use, committing to work together to halt and reverse forest loss and land degradation by 2030.
- ▶ 28 Governments are committing to Forests, Agriculture and Commodity Trade (FACT) Statement to deliver sustainable trade and reduce pressure on forests.

The European Union is taking unprecedented action against deforestation

Deforestation-free

- ▶ (a) Means that the relevant commodities and products, including those used for or contained in relevant products, were produced on land that has not been subject to deforestation after December 31, 2020, and
- ▶ (b) that the wood has been harvested from the forest without inducing forest degradation after December 31, 2020;

Scope

- ▶ Relevant commodities – cattle, cocoa, coffee, oil palm, soya and wood – as well as relevant products as classified in the Combined Nomenclature set out in Council Reg (EEC) 2658/87.

What it implies

- ▶ Ban on products associated with deforestation.
- ▶ Companies to collect information about products placed on the EU market from January 2021 onwards.
- ▶ Builds on the existing frameworks of the EUTR (EU Timber Regulation) and FLEGT (Forest Law Enforcement, Governance and Trade), laying out renewed due diligence rules while complementing the EU's Sustainable Corporate Governance initiative.

NEW EU DEFORESTATION POLICY



Purpose

- ▶ Minimize consumption of products coming from supply chains associated with deforestation or forest degradation.
- ▶ Increase EU demand for and trade in legal and 'deforestation free' commodities and products.

Criteria

- ▶ Due diligence rules establish a 3-step, mandatory due diligence system, relying on a deforestation-free definition, combined with a benchmarking system.

Objectives

- ▶ Collect information about the products they have placed on the EU market from January 2021 onwards to confirm these are not linked to deforestation.
- ▶ Exercise mandatory due diligence and analyze and evaluate the risks in their supply chain.
- ▶ Take adequate and proportionate mitigation measures, such as using satellite monitoring tools, field audits, capacity building of suppliers or isotope testing to check the origin of a product.

CDP's ROLE IN FOREST CONSERVATION



Driving transparency and disclosure – critical mass of companies reporting comparable, high quality data on how they assess and manage deforestation risk.



Shape a sustainable finance system, driving a shift away from investment and lending practices that drive deforestation.



Development and implementation of **transition plans** for the **sustainable production and consumption of Forest Risk Commodities** for all stakeholders touching the sector



Decoupling production of FRCs from deforestation, forests degradation and land conversion through the socialization and scaling of **jurisdictional approaches**.

THANK YOU!



CONTACT



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LEARN MORE

- ▼ [CDP Deforestation-free products on the EU market](#)
- ▼ [Global Forest Review – World Resources Institute](#)
- ▼ [Global Forest Resources Assessment 2020 – Food and Agriculture organization of the United Nations](#)
- ▼ [Deforestation Fronts: Drivers and Responses in a Changing World – WWF](#)