Strictly Embargoed until 15.00 EET on 7 November

Forest and Climate Leaders' Partnership (FCLP) Briefing Document

COP26 represented a huge political moment for 145 countries signing up to the Glasgow Leaders' Declaration (GLD) to halt and reverse forest loss and land degradation by 2030, while also delivering sustainable development and supporting an inclusive rural transformation. **Twelve months later, an influential group of more than 25 countries – which together account for [35%] of the world's forests and [nearly 60%] of world's GDP – will come together to launch the Forest and Climate Leaders' Partnership (FCLP). This will create an enduring partnership to ensure a long-term delivery and accountability mechanism for the pledges that were made in Glasgow.**

The GLD was underpinned by landmark commitments for mobilising public and private finance, shifting the financial system, and greening trade in agricultural commodities. Significant progress has been made in the past year, although more must be done.

During the first public meeting of the Forest and Climate Leaders' Partnership (FCLP) at COP27, an alliance of Government leaders, companies, financial actors and Indigenous peoples' will come together at the Forest and Climate Leaders' Summit to demonstrate delivery and ambition to halt and reverse forest loss by 2030.

Key Finance Announcements Expected at the FCLP event (more details below):

- $12 billion of public forest-related finance was committed in Glasgow over 5 years; $2.67 billion of this was spent in Year 1 (22%); 1 billion EUR additional public money to be committed at COP27
- In addition to $7.2 billion of private funds committed in Glasgow, at least $3.6 billion of additional private capital will be committed at COP27.
- Together this brings the total funds mobilised to halt and reverse forest loss and land degradation by 2030 to $23.8 billion.

WHAT IS THE FCLP?

The Forest and Climate Leaders' Partnership (FCLP) will be launched by world leaders on Monday 7 November at COP27. The FCLP is a voluntary partnership of countries committed to accelerating momentum to halt and reverse forest loss and land degradation by 2030 while also delivering sustainable development and supporting an inclusive rural transformation. The partnership will drive delivery and accountability to global forest commitments through annual high-level events. It will also provide a space for governments to innovate, and problem solve to create collective consensus about how to drive progress towards the 2030 target.

Member countries will commit to be a leader in at least one of the FCLP's action areas. Within each action area, the FCLP will support, lead, establish or showcase, as appropriate, one or more initiatives as the principal mechanism to scale and drive delivery.

Action areas: 1/ International collaboration on the sustainable land use economy and supply chains; 2/ Mobilising public and donor finance to support implementation; 3/ Shifting the private finance system; 4/ Supporting Indigenous Peoples' and local communities' initiatives; 5/Strengthening and scaling carbon markets for forests; 6/ Partnerships and incentives for preserving high-integrity forests.

WHO IS IN THE FCLP?

The final list of countries that will be included in the launch of the FCLP will be published at 15.00 EET on 7 November.

The initial co-chairs of the FCLP will be the United States and Ghana.

ANNOUNCEMENTS EXPECTED AT FPLC EVENT AT COP27

At COP27, the Forest and Climate Leaders' Partnership will hold its first public facing event. An alliance of Government leaders, Companies, Financial Actors and Indigenous Peoples' will come together at the Forest and Climate Leaders' Summit to demonstrate delivery and ambition to halt and reverse forest loss by 2030.

Political Commitment

More than 25 leaders will launch the FCLP. Leader's will work together to halt and reverse forest loss and land degradation by 2030 while delivering sustainable development and promoting an inclusive rural transformation.

Public Finance

$12 billion of public money committed in Glasgow over 5 years; $2.67 billion spent in 2021 (22%); 1 billion EUR additional public money committed at COP27.

Progress on COP26 Commitments

- At COP26, 12 governments came together to make the Global Forest Finance Pledge for $12 billion of forest-related finance by 2025. $2.67 billion of this $12 billion pledge was spent in the first year. This equates to 22% of the COP26 pledge and means that donors are on track to deliver by 2025, translating headline commitments into action on the ground.
  - This includes $717 million in Africa; $452 million in Latin America and the Caribbean; and, $239 million in Asia
  - The UK Prime Minister announced delivery of a £90M programme in the Congo Basin and £65M for the nature pillar of the Nature, People and Climate Investment Fund, which supports indigenous and local forest communities.
- At COP26, donors committed $1.5bn to the Congo Basin over 5 years through the Congo Basin Joint Donor Statement. At COP27, those donors reported that they had provided $508 million support for forest and people in the Congo Basin. The scale of this investment reflects the importance of the second-largest tropical rainforest in the world for sustainable development, for climate mitigation and for adaptation.
- At COP26, donors committed $1.7bn through the Indigenous People and Local Communities Forest Tenure Pledge. At COP27, those donors reported that $321 million of finance has been disbursed from the pledge. The pledge responds to long-standing demands from Indigenous Peoples and Local Communities and civil society for increased climate finance to support IPs' and LCs' critical role as guardians of forests and nature.
- President Macron will announce that the coalition of donors behind the Great Green Wall Accelerator initiative have spent $2.5 billion since The One Planet Summit in 2021. The GGW initiative is driving investment to restore 393 million hectares of degraded land that has the restoration potential, if conserved, managed, and restored to lead to net carbon sequestration of between 1.5 and 3.5 GtCO2 equivalent.

New Commitments

- Germany will double its finance for forests from €1 billion to €2 billion through 2025.

Private Finance

In addition to $7.2 billion of private funds committed in Glasgow; an additional $3.6 billion of private capital will be committed at COP27.

Progress on COP26 Commitments

- One year after launch, IFACC commitments have risen from $3 billion to $4.2 billion **[increase of $1.2 billion**] and the initiative now comprises 13 financial institutions and agribusiness companies.
- The Lowering Emissions by Accelerating Forest Finance (LEAF) Coalition has increased the total amount of finance mobilised for the purchase of high-integrity emissions reductions credits to over USD **$1.5 billion** [**$500 million new**]. This represents a 100% increase in financial commitments from the private sector since COP26. Volkswagen Group and H&M Group have become the latest global corporations make a financial commitment to the LEAF Coalition. The Republic of Korea has been unveiled as the first Asian government to provide financial support to LEAF. The Republic of Korea joins the governments of the UK, US and Norway in backing the Coalition.In addition, Ecuador has become the first forest nation to sign a LEAF memorandum of agreement. This set out next steps and a clear roadmap for the signing of a binding Emissions Reduction Purchase Agreements by April 2023.

New Commitments

- The establishment of a new collaborative of philanthropic donors, Forests, People, Climate (FPC), was announced. Its aim is to mobilise and deploy significantly increased philanthropic funding in support of the Glasgow Leaders Declaration's goal. Today, **$400 million** over five years in new philanthropic funding has been committed to the FPC with a goal of raising another $1.2 billion over the next five years. These new commitments go beyond the $380 million over five years that the thirteen donors currently involved in the collaboration already planned to spend toward the FPC goal.
- The **Dutch entrepreneurial development bank** will commit to invest at least **EUR 500 million** by 2030 in sustainable forestry.
- &Green will be committing up to **$88 million** of additional resources to build a portfolio of investible projects in the Congo basin.
- Southbridge Investments has developed a major new partnership, The African Restoration Fund, with the Arab Bank for Economic Development in Africa (BADEA), blending **$500 million** of concessional finance with $1.5 private investment to support local restoration efforts across the continent, starting with mangrove restoration.

- The Bezos Earth Fund will announce a contribution to efforts to increase restoration in Africa.

Systemic Shifts

- Leading financial institutions from Japan to Norway to Brazil, all signatories to the Financial Sector Commitment on Eliminating Commodity-driven Deforestation have been moving forward with implementation through the Finance Sector Deforestation Action (FSDA) initiative. FSDA members have published shared investor expectations for companies, are stepping up engagement activity and are working with policymakers and data providers. New members joining in 2022 include SouthBridge Group, the first African financial institution to join the initiative, Banco Estado de Chile, London CIV and GAM Investments.

- In their call to action, the GFANZ co-chairs and vice chair, including Mark Carney, are calling on all financial institutions to embed deforestation into their net zero transition plans.
- Central Bank Governors from Chile, Zambia and Malaysia highlighted the vital steps they are taking to better understand nature-related climate risks, ensuring that the protection and restoration of critical ecosystems are properly accounted for in ensuring financial stability and contributing to economic prosperity.
- The 28 Governments participating in the Forest, Agriculture and Commodities (FACT) Dialogue, representing over 75% of global trade in key commodities will present the FACT Dialogue Progress Report that renews the commitments of the largest producer and consumer countries to working together to achieve shared goals and promote sustainable development and trader, while protecting forests and other critical ecosystems.