

To the Ministry of Foreign Affairs, Green Diplomacy Office

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Forests of the World's response to DANIDA's strategic framework For the Tropical Forests Initiative for Climate and Sustainable Development

Forests of the World supports the Ministry of Foreign Affairs' tropical forest initiative and the increasing focus on the importance of supporting rights- and smallholders in preserving forests. We support the global effort to stop and reverse deforestation and forest degradation and the active role that Denmark is taking in this effort. We also support the increased focus on nature-based solutions as a means to combat global climate change and threats to biodiversity, while supporting improving local livelihoods. The emphasis on human rights-based approaches combined with the strengthening of rule of law in natural resource management underline the potential for enhancing sustainable development of the forest and land use sectors through the TFI.

We welcome the opportunity to provide comments to the draft strategic framework and look forward to future engagement in the process.

In this document we present our comments divided into three sections: i) programme comments, ii) selection of partners and iii) specific project-related comments.

Our overall recommendations for the Ministry of Foreign Affairs can be summarised as follows:

1. **Clear understanding of scope and definitions is important for successful outcomes:** The Tropical Forest Initiative must be clear about what is meant with forest restoration. There should be a clear distinction and understanding of the differences between forest and plantations to ensure that plantation forests are seen

as support to forest restoration and not pretending to be reforestation in itself, as natural forests are needed to provide the range of ecosystem services mentioned repeatedly in the strategic framework. Furthermore, a strong focus on preventing forest fires should be a priority area.

2. **Clear criteria for when to work with commercial plantations should be included:** Investments in commercial monoculture plantations as outlined in both Uganda and Ethiopia projects does not correspond with the overall objective of the Tropical Forest Initiative unless clear criteria can justify them, e.g. motivating engagement from local communities, development and piloting of best practice plantation models aimed at ensuring a broader provision of ecosystem services and benefits for the rural poor and forest-dependent communities without exotic species.
3. **Working with forests and local communities requires long term commitments:** Forest preservation takes time, local presence and interaction with the right local stakeholders. Community engagement over many years is crucial.
4. **Enhancing the strategic framework by including Danish experience:** Previous experience from Danida and partner projects should be taken into account to strengthen the strategic framework.
5. **Consider when to use Indigenous Peoples alongside Local Communities:** The term IPLC is encouraged by Indigenous Peoples' groups to not be used, instead it should be clear that Indigenous Peoples and local communities are two distinct groups.
6. **A focus on the entire value chain is key, but takes time to consolidate:** To halt deforestation and forest degradation, we have to acknowledge the role of trade and global value chains as drivers for deforestation and include the entire supply chain into our solutions. Furthermore, the MFA should align the TFI with new legislation such as the European Deforestation Regulation.
7. **Geographical prioritisation will enhance outcomes of the Tropical Forest Initiative:** Selecting the right geographic locations for forest conservation/restoration will ensure higher biodiversity/conservation impact. MFA should take this into account when choosing target areas. We welcome the suggestion to work in more Latin American countries.
8. **Landscape-based approach is positive when done right:** Using a landscape-based approach can bring positive benefits in relation to landscape planning, conservation efforts and adaptation to climate change, especially given the scale and size of investment brought forward by the MFA. Still this will only be achieved with a stringent and conscious approach to local leadership, ownership and forest governance.
9. **More direct involvement with civil society and local communities:** Changes on the ground and sustainable projects require working with civil society and local communities, especially the forest-dependent ones, as directly as possible. The MFA should strengthen this approach in the strategic framework. This also includes a strong focus on building local leadership.
10. **Unexplored opportunities for working with Indigenous Peoples and forest-dependent communities:** Based on previous initiatives, it is clear that working with indigenous peoples and their territories as well as forest-dependent

communities is the only effective governance mechanism to withstand deforestation and thus should be an essential part of the Tropical Forest Initiative.

- 11. Selection criteria for implementing partners and projects:** The MFA should develop criterias for how to assess projects and in particular how to ensure that projects are implemented with local partners and communities as sub-partners.

Overall comments to the programme

Based on Forests of the World's 40 years of experience working with nature-based solutions involving local forest-dependent communities and forest management, we have learned that forest preservation requires **long term commitment, local presence and interaction** with the right stakeholders especially rights-holders and duty-bearers.

The above eleven recommendations are outlined below.

- 1. Clear understanding of scope and definitions is important for successful outcomes**

The MFA must ensure a clear understanding of definitions, especially forest restoration and plantation forest. Furthermore, an increased focus on activities related to forest fires is recommended.

There needs to be a clear understanding of what is meant with forest restoration versus plantation forests, especially when forest restoration includes plantation forest and what this means for the forests. In doing so, the TFI must clearly distinguish between forest and plantations in order to ensure that plantation forests are seen as a support to forest restoration and not as reforestation in itself, especially not where natural forests are needed to provide the range of ecosystem services mentioned repeatedly in the strategic framework.

Plantation forest can benefit local communities and create local jobs as long as the plantations are community-based and not commercial projects. Typically, plantation forest initiatives, especially monoculture plantations with exotic species, will not benefit the poorest in the local communities, who normally benefit more from access to healthy natural forests and the ecosystem services they provide.

The TFI should consider this distinction on an overall level, and on project level it must be specified what is meant by the terms forest and forest restoration.

We also encourage the MFA to include projects in the chosen countries that focus on prevention, management and control of forest fires as we have seen the devastating effects of forest fires even in the normally humid evergreen part of Amazon in 2019 and 2020 releasing vast amounts of carbon to the atmosphere. Forest fire will have a devastating effect on any investment in forest restoration. Prevention of forest fires is mentioned under the Amazon Fund project, but given the importance of prevention and management of forest

fires when working with forest preservation, this should be raised to the strategic framework as well.

Based on experience working with forest fire prevention and management in Bolivia, Forest of the World recommends having this as an independent focus. Forest fires are a big risk and should be an intervention area at the same level as avoiding forest degradation and ensuring restoration of degraded forests. Emphasising activities to combat forest fires would also help ensure that MFA's other activities succeed, as climate change related risks must be taken into consideration.

2. Clear criteria for when to work with commercial plantations should be included

Level of investments in commercial plantations as outlined in both Uganda and Ethiopia projects does not correspond with the overall objective of the Tropical Forest Initiative, unless clear criteria can justify them, e.g. motivating engagement from local communities, development and piloting of best practice plantation models aimed at ensuring a broader provision of ecosystem services and benefits for the rural poor and local communities, etc.

Forests of the World is concerned about the seemingly strong focus on supporting commercial plantations, which is outlined in both the Uganda and Ethiopia projects. We do not believe that this sufficiently reflects the overall objective of the Tropical Forest Initiative: *"Reduce deforestation and forest degradation in response to global climate change, to protect biodiversity, and to promote sustainable development, including among Indigenous Peoples and local communities living in and of forests."*

Plantations can be designed to create positive benefits for example by establishing shade and protection for native species to restore natural forests or to provide incentives for local communities to reforest agricultural land, but often commercial plantations, especially monoculture plantations with exotic species, do not provide significant local benefits, and in particular the landless and very poor. Plantations mainly benefit the owners, while not producing the same ecosystem services and benefits for the local/national population as natural forest. For some of the most important ecosystem services, e.g. biodiversity and water production, some types of plantations e.g. monoculture of most Eucalyptus clones/species have a direct negative impact compared to other, even agricultural, land use.

In the context of forest restoration, plantations should only be supported in two scenarios. 1) when substantial social and socioeconomic benefits create motivation for restoring more mixed and natural forests as the long term objective. 2) if the objective is to develop and pilot more socially and environmentally beneficial plantations providing a broader range of ecosystem services also benefiting the rural poor and marginalised groups.

In the Uganda and the Ethiopia project there seems to be a strong focus on plantations. We estimate that around 36 million out of the total 95 million budget provided for Ethiopia is

allocated to commercial plantation establishment. If the MFA intends to improve biodiversity and carbon storage while benefiting the rural poor populations, **the level of support to commercial plantations projects should be reconsidered.**

This should be reflected in clear criteria for selection of projects to be supported by the initiative. If the MFA is to finance commercial plantation establishment, we highly recommend considering including clear conditions for the purpose of the investment and whom it will benefit, what species will be used and so on. For more on criteria, see section eleven.

3. Working with forests and local communities requires long term commitments

Forest preservation takes time, local presence and interaction with the right local stakeholders. Community engagement over many years is crucial. We recommend the MFA to consider the long-term perspective in the strategic framework.

Based on Forests of the World's over 40 years of experience working with forests and the communities that live in and of the forest, we can safely say that involvement of local communities is absolutely key to sustainably protect the forests and minimise deforestation. Working with local business development based on sustainable production with an emphasis on finding locally-rooted nature based solutions takes time and local presence. Forests of the World's experiences in Honduras highlights that the timeframe needed (15 years) to establish viable cooperative businesses and sustainable value chains is often longer than five years.

The Tropical Forest Initiative is intended to run from 2024-2027 with some projects running until 2028. Preventing deforestation and protecting forests cannot be limited to such a short timespan, especially not if the MFA wants to create and support local communities, strengthen local production and value chains, and community forest management programmes.

We refer to our comment in section ten below.

4. Enhancing the strategic framework by including previous experiences

Previous experience from Danida and partner projects should be taken into account to strengthen the strategic framework by building on the foundation already laid by partners and embassies.

One example is in Ethiopia, where MFA wants to build a monitoring, reporting and verification scheme (MRV) for measuring carbon. Here it would be possible to build on the experience from Forests of the World's work in Latin America, where we have developed a MRV for measuring not just carbon but also other [non-carbon benefits](#) (NCB) and supporting

tools to evaluate governance structures and develop ToC and manage NCB related projects. This has received very good results and feedback from Indigenous Peoples in Bolivia and Panama, and the Bolivian government is currently interested in incorporating the methodologies and results in the NDC reporting.

We want to highlight the fact that there is an error in the text referring to the 2021 evaluation of Danish funding for climate change mitigation in developing countries. **The evaluation team did NOT conclude that Denmark does not have comparative advantages in nature-based solutions.** This was an observation unfortunately included in the comments on the evaluation (i.e. in the so-called “management response”). On the contrary, as it is clearly stated in the report ([Evaluation of Danish Funding for Climate Change Mitigation in Developing Countries \(um.dk\)](https://um.dk/evaluation-of-danish-funding-for-climate-change-mitigation-in-developing-countries)), the evaluation team concluded that “nature-based solutions involving local institutions, communities and participatory ecosystem management” ARE strengths of Danish development cooperation “which have tended to be neglected...” Activities of numerous Danish NGOs and researchers confirm this as does the broad participation in the newly established nature-based solutions network. Furthermore, since 2014 at least 18 major research grants have been provided by Danida to Copenhagen, Aarhus and Roskilde universities and to CBS and DIIS for investigating forest and land issues (See project summaries at: [Natural resource management Archives | Danida Research Portal \(dfcentre.com\)](https://dfcentre.com/natural-resource-management-archives-danida-research-portal)).

In addition to bilateral funding for improved forest and land management schemes in Bolivia, Indonesia, Nepal and Tanzania, some of the major initiatives funded relatively recently by Danida are scarcely mentioned by the consultants. These include grants to support the establishment of the REDD+ mechanism, for the following: i) the United Nations REDD+ Programme, ii) the Forest Investment Programme (FIP) of the multilateral development bank's Climate Investment Funds (CIF); and iii) the World Bank's Forest Carbon Partnership Facility (FCPF). Through the Board of the GCF, Danish representatives have also participated in the approval of a pilot mechanism for REDD+ results-based payments. Danida has also made significant contributions to IUCN's forest programmes. Evaluations of all of these initiatives are available, as is a recent (2024) evaluation of NICFI's support to civil society organisations. The strategic framework could be enhanced by inclusion of this information.

5. Consider when to use Indigenous Peoples alongside Local Communities

The term IPLC is encouraged by Indigenous Peoples' groups to not be used, instead it should be clear that Indigenous Peoples and local communities are two distinct groups. It is important to consider when to use the two terms together and acknowledge the difference by writing IP and LC or using forest-dependent communities. Based on the below, we encourage the MFA to consider this in the final version of the strategic framework and also to use this distinction going forward.

There is a huge discussion in different UN and indigenous peoples fora about ending the use of the "IPLC" and using the term local communities next to the term indigenous peoples as it conflates the rights specific to IP. Here is reference to the three UN bodies speaking against using the term¹. The Permanent Forum on Indigenous Issues, an advisory body to the Economic and Social Council; the Special Rapporteur on the Rights of Indigenous Peoples, who promotes Indigenous rights and analyses rights violations; and the Expert Mechanism on the Rights of Indigenous Peoples, a subsidiary to the Human Rights Council that conducts studies to help state governments meet the goals of the Indigenous rights declaration stated that:

"We, the U.N. mechanisms of Indigenous peoples, urge all U.N. entities in their methods of work to refrain from conflating, associating, combining, or equating Indigenous peoples with non-Indigenous entities, such as minorities, vulnerable groups, or 'local communities,'

"We further request that all U.N. member-state parties to treaties related to the environment, biodiversity, and climate cease using the term 'local communities' alongside 'Indigenous peoples,' so that the term 'Indigenous peoples and local communities' is no longer used."

Using forest-dependent communities when talking about what communities to work with could be a solution also for the MFA

6. A focus on the entire value chain is key, but takes time to consolidate

To halt deforestation and forest degradation, we have to acknowledge the role of trade and global value chains in driving deforestation and include the entire supply chain into the solutions. Furthermore, the MFA should align the TFI with new legislation such as the European Deforestation Regulation.

The entire supply chain for products with a high risk of deforestation such as palm oil, soy and in the case of Uganda and Ethiopia coffee and cocoa, must be considered by the MFA when programming. **There is a growing understanding of the fact that global supply chains and trade are driving deforestation, and that we need to consider the entire supply chains to create impact on the ground.**

The TFI should be aligned with and connected to legislative processes, especially the European Deforestation Regulation (EUDR), adopted in 2023 to ensure deforestation free supply chains, and which holds multiple opportunities for halting deforestation and strengthening local communities by developing EUDR compliance and novel technical solutions for local cooperatives. Furthermore, the EUDR includes opportunities for strategic partnerships with other European countries i.e. the Team Europe Initiative under the European Global Gateway and with producer countries. Denmark is also a valued member

¹<https://grist.org/global-indigenous-affairs-desk/iplc-the-acronym-that-is-keeping-indigenous-advocates-up-at-night/>

of the Amsterdam Declaration Partnership and Denmark should use this platform to promote experience from the TFI and place the strategic framework into a larger context.

This would also help to develop and access markets for sustainable forest products, thereby creating alternative livelihoods and income streams for Indigenous Peoples and other forest-dependent communities, and at the same time help to introduce agricultural and forest-based value chains.

It is vital to ensure that the new programme includes support for analytical work to determine the best and most effective means of tackling drivers and for policy development in this context. Increased forest finance for projects is important for reducing GHG emissions and conserving biological diversity, but trade measures may also be significant, which needs to be recognized in the TFI as mentioned in the proposal for RIP II in Ethiopia with respect to coffee.

7. A geographical approach can strengthen the Tropical Forest Initiative

Regarding biodiversity and forest conservation, it is important to keep in mind that geographic location means a lot for conservation value - and that the lowland Amazon Basin and Congo Basin are not considered biodiversity hotspots in themselves, and e.g. in the Amazon it is important to include the hotspots of the Tropical Andes, Atlantic Forest and Cerrado when planning where to invest in conservation of natural forests, given Danish experience working in Bolivia, it would be advisable to continue working here. In tropical Africa, the Eastern Afromontane and Albertine Rift valley forests (both the Congo Basin and Nile watersheds) are by far the most valuable for biodiversity so it is very important that e.g. Uganda is a priority country.

While the reference to the IPBES global assessment report and the geographical focus on the big remaining tropical forests of Central Africa and the the Amazon is understandable, if the focus is on biodiversity protection, this geographical focus of the programme should prioritise ecosystems with the combination of high biodiversity, high pressure and availability of tenure/rights-regimes and actors that may provide the results anticipated by the program. In this sense the focus on the Afromontane Rift Valley makes good sense and even more that resources and efforts to promote action in the Western Amazon - and also the unparalleled biodiversity hotspots of the Eastern Andean regions and the five remaining forests of Mesoamerica.

It could also be relevant to include a criteria about the risk of deforestation/degradation as a criteria for selection of geographic areas to support. E.g. forests with low risk of deforestation/degradation outside biodiversity hotspots should not be eligible for funding. In line with this, we would recommend the MFA to elaborate on how the allocation of the 1 billion DKK funding has been decided upon - 150 million to CAFI, 150 million to the Amazon fund, 60 million to Uganda and 95,5 million to Ethiopia. **For the 55 percent unallocated fund, we recommend to include the above points and add a geographic focus when identifying more countries in Latin America, Africa and Southeast Asia to work in.**

In the Ethiopian projects, mapping and demarcation is mentioned and Forests of the World support this approach, as designation of core zones in the local biosphere involving local communities can have multiple benefits.

8. Landscape-based approach has to be done right

Using a landscape-based approach (LBA) can bring positive benefits in relation to landscape planning, conservation efforts and adaptation to climate change, especially given the scale and size of investment brought forward by the MFA. Forests of the World encourage the MFA to ensure the right use of landscape-based approaches to avoid potential problematic uses.

Using a landscape-based approach, can address the multiple and often competing land uses in and around the forest. **This however is only achieved if a stringent and conscious approach to local leadership, ownership and forest governance is carried out. Furthermore, it is a commonly occurring risk that a LBA is used as an excuse to refrain from directly targeting the forest.** Positive experiences in relation to landscape planning and conservation efforts should be strengthened, and the lessons learned further built upon, e.g. reestablishing connectivity between fragmented forests at landscape level and adaptation to climate change - increase tree cover at landscape level increase resilience to droughts and winds causing forest fires.

Selection of partners

9. More direct involvement with civil society and local communities

We welcome that bilateral interventions will be prioritised when possible and that it will also be a priority to work with international and local CSOs to ensure active and direct involvement in the implementation by actors representing or collaborating with local communities living in and of the forest as well as Indigenous Peoples. **We encourage that current capacity and existing working relationships between Danish and local academic and CSOs are supported** to enhance the use and development of best available technologies and practices, including with respect to forest monitoring.

Given the key risks and challenges mentioned, **a strong focus on local leadership will be required, enhancing the capacity of rights holders, CSOs and local government.** We urge that part of the supplementary funding of the proposed phase two (2025-27) will be clearly earmarked with this focus to increase the sustainability of the overall investment.

CSOs engagement and collaboration with government and private sectors, having a separated but still integrated role and responsibilities, can optimise the project results but this opportunity is not exploited well in the current draft program. As a minimum, the MFA should encourage partners to invite local and international NGOs to join projects funded by the MFA. Furthermore, the MFA should explore the opportunities to develop new call in phase two for civil society i.e. calls for joint consortiums of multiple stakeholders.

10. Unexplored opportunities for working with Indigenous Peoples and forest-dependent communities

Based on previous initiatives, it is clear that working with Indigenous Peoples in their territories as well as forest-dependent communities is the only effective governance mechanism to withstand deforestation, and thus should be an essential part of the Tropical Forest Initiative. There are unexplored opportunities to work with these groups and also marginalised communities in Africa.

An example of the potential of working with Indigenous Peoples is from Bolivia, where the investment in IP's and their territorial rights is not mentioned in relation to Forest conservation despite that more than 16.8 million hectares have been incorporated within Native Community Lands as of December 2009,^[2] more than 15% of Bolivia's land area. This shows that there is a huge potential for support of these IP's to manage their territories in a responsible way, conserving forest and investing in alternatives to deforestation and degradation of forest.

Therefore, we recommend that further lessons learned from the evaluation of Danish funding for climate change mitigation in developing countries from June 2021 are taken into account including those² involving Danish actors, (fx Forests of the World - VS mentioned below)

“On indigenous territories and avoided deforestation, the parts of the Bolivian Amazon where indigenous territories received community land titles with Danida's and VS's help are often now green islands in a sea of new soya plantations. This, supported by other evidence from Perú and Brazil, strongly suggests that indigenous territories are the only effective governance mechanism able to withstand deforestation under modern conditions in the Amazon. Emissions avoided by Danish-funded land titling here are thought to equate to about 4 Gt of carbon in biomass and 80 Mt of carbon absorbed annually (Theilade, 2020).”

“On indigenous territories and co-benefits, actions that benefit indigenous peoples are likely to have a disproportionate effect on relieving poverty, since they comprise 6% of the world's population but 15% of the world's poorest people. Also, secure indigenous territories are at least as effective as national parks at protecting biodiversity and natural forests. A cost of about USD 0.26/ha/year for two years is reported for community monitoring of the 500,000 ha Prey Lang Wildlife Sanctuary in Cambodia (Theilade et al., in press), and a cost of about USD 1.00/ha/year is reported for effective community protection of 6,200 hectares of forest in the Monteverde indigenous territory of Bolivia by Bosques del Mundo (2019); these reports are consistent with reports of local communities mounting very effective forest monitoring and protection activities with very modest levels of external support in many countries (e.g. Danielsen et al., 2013; Brofeldt et al., 2015, 2018). Interviewees

² page 56, and further documented in Annex D of the Danish funding for climate change mitigation in developing countries, June 2021

made the point that biodiversity, forests, indigenous interests, poverty and climate change mitigation are inseparable, and that global mitigation targets cannot be met without halting tropical deforestation.”

“On promoting indigenous territorial security, opportunities for this have grown with ubiquitous smart-phones and the availability of satellite-assisted georeferencing, surveillance and carbon density mapping to support community planning and monitoring. The combination of highly-motivated and networked indigenous communities, new technology, modest financial support per unit area²⁵, and technical cooperation with NGOs and universities to document impact and support informed dialogue can be very effective in resisting deforestation pressures.”

In line with above lessons learned from Danish development assistance, in the pursuit of cost effective ways to pursue the strategic priorities of the programme, the MFA should draw further upon its partnerships with CSOs and academic institutions, whereof many have multiple years of experience working with NBS involving communities and forest management/conservation.

The MFA acknowledges the importance of working with Indigenous Peoples, and this is well-merited and raised in important fora and processes, yet there is still a long way to go to see this happen. The MFA can with its renowned HRBA experiences and significant contributions to the UNDRIP process, the ILO169 implementation and important results for climate change mitigation through programmes in fx Bolivia, Central America, Nepal etc. make a significant contribution hereto, however it requires a stringent local leadership effort with explicit focus on local governance, representation and capacity.

In addition to work with Indigenous Peoples, Forests of the World also recommends that the MFA consider working with forest-dependent communities and ethnic groups in Africa, where only few Indigenous Peoples are recognised. This could be done in partnership with civil society or Danish partners, who have the knowhow to work with these groups and can support the MFA getting funding out to the most marginalised ensuring the most value for money.

11. Selection criteria for implementing partners and projects

MFA should have clear requirements for local community involvement and high biodiversity value in the funded projects. In some countries there are existing frameworks for community involvement and co-management of forest and other important ecosystems, e.g the Participatory Forest management (PFM) agreements in Ethiopia and the Collaborative Forest Management (CFM) agreements with the Ugandan government, to use and manage central forest reserves. Thus, in order to ensure community involvement it should be a priority to support and further develop existing frameworks such as CFM and PFM.

In relation to biodiversity impact and provision of other important ecosystem services, it is important to include clear criteria and thresholds for selection of projects to be supported and as per our first recommendation, to be clear about definitions of forest and forest restoration so the priority between larger scale establishment of commercial plantations and restoration of forest with the full potential of socioeconomic benefits and ecosystem services is clear, and support to establishment of plantations is justified as an enabling activity e.g. to motivate local communities to engage in reforestation as part of landscape planning to restore important tracts of forest providing multiple socio economic benefits and important ecosystem services.

MFA should also have clear criteria for projects and selection of sub-partners.

We support the two-phase approach selected by the MFA, but given that phase one is relatively short, it will be important to outline how phase one is intended to inform the development of phase two.

It would also be relevant for the MFA to develop criteria for indicators for each project more directly for important landscape level attributes such as projects contributing to maintain and protect intact forests landscapes or contributing to conservation in biodiversity hotspots.

Specific comments for the Uganda and Ethiopia projects

Below are specific comments for the Uganda and Ethiopia projects. Some of the points have been broadly mentioned already, but will be further elaborated.

An overall comment: **Forest initiatives should be aligned with other strategies to ensure coherence:** i.e. Projects on the African continent must be aligned with the MFA's Africa Strategy. See comments for the Africa Strategy [here](#).

In both Uganda and Ethiopia, Forests of the World support the use of Participatory Forests Management (PFM) and Community Forest Management (CFM), which will help involve local communities in forest management.

EUDR preparedness: Based on Forests of the World's experience working in Ethiopia, as well as Uganda, we highly recommend to consider supporting EUDR compliance and implementation in both countries, since the efforts so far are advancing slowly, especially in Ethiopia.

Uganda:

We welcome the increased focus on Uganda as a crucial place for Denmark to work. The MFA has a strong emphasis on building increased capacity within the management of the remaining Central Forest Reserves thus restoring the rapidly degrading natural forest areas, which would benefit biodiversity in those areas.

We also applaud the strategic focus within the Uganda project on strategic reforestation to recreate some of the natural corridors between Central Forest Reserves, as this is direly needed and very important if we want to ensure biodiversity in the long-run. Forests of the World have experience working with this approach, and look forward to support and share knowhow.

The Danish grant will be provided through a delegated partnership agreement with the EU in Uganda, where “partnering for forests” has been underway since 2003: notably through the Forest Law Enforcement, Governance and Trade (FLEGT) scheme. The proposal entails channelling funds for forest enterprises and income generation as well as the management and protection of high biodiversity forests and for further law enforcement. There is no mention of the Ugandan NDC or emissions reductions envisaged through the project, indeed there are no baseline or targets for the indicators specified in the results framework.

A series of partners operate through the partnership, including an Italian development agency, the UN Office for Drug Control, the FAO and – last but not least – the Ugandan National Forest Authority (NFA). This fragmentation, together with the depressing risk matrix which emphasises continued corruption in the sector and the weaknesses of the public agencies involved, raises questions about the likelihood of impact in terms of reducing forest losses and strengthening the rule of law. As in the case of CAFI and to a lesser extent the RIP II, if risk taking is the name of the game, it will be important to encourage transparent management arrangements as well as thorough monitoring and evaluation.

For the Uganda project, Denmark has chosen to collaborate with the Ugandan EU delegation among other partners. We support cooperation with the EU and other European countries, and would also suggest that Danmark explores opportunities to become a partner in the Team Europe Initiative on Forest, which could create synergies amongst initiatives in Uganda.

The demand for timber and wood is driving deforestation in Uganda, yet only focusing on these commodities would be a missed opportunity for MFA initiatives in Uganda. Forests of the World have experience in working with smallholder cooperatives in Uganda with a strong focus on Coffee and Cocoa, two cash crops that when produced in agroforestry settings can support all of MFA’s targets such as providing climate adaptation and mitigation, supporting biodiversity and improving local livelihoods.

Ethiopia:

REDD+ Investment Programme (RIP II) is the flagship government programme which has been implemented since mid-2023 with funding from Norway. As stated in this program document, the purpose of the Danish support is to close a finance gap in an ongoing programme by contributing to the full programme with no earmarking. There is no change on the original program (RIP II) objective and result chains and lack of own requirements imposed and direct monitoring and evaluation to ensure accountability and transparency while Denmark is going to cover 35% of the total program cost (USD 14m/40m).

It is unclear what the support for RIP II means in terms of possibilities for engagement and collaboration with Danish and International CSOs while RIP II is implemented until 2027. Several CSOs including FoW and Ethiopian partners have considerable experience and capacity that could supplement the bilateral support through RIP II, and hopefully increase both outreach and quality of the Initiatives support to Ethiopia.

Especially in relation to the implementation gaps related to participatory forest management (PFM) agreements and proper implementation, which is a strong focus of the program and RIP II and very rightly so, CSOs both International and Ethiopian have got a lot of experience with both formulation of new PFM agreements and also the good and bad experience from implementation for many years and in many very different regions of the country.

Also supporting RIP II's strong and very commendable focus on development of forest management related benefit sharing with communities, CSOs could play an important supportive role as this is at the centre of any NBS intervention and has been so for the last 30 years plus in the case of FoW.

Lastly, the Interim FSC standard currently under development involving a broad range of stakeholders including government authorities and most important CSOs could come in as a potential as it together with the FSC Ecosystem Services Procedure for five different Ecosystem Services can be used as a tool to document, verify and sell verified impacts to private sector sponsors or donors with the assurance provided by the FSC certification system, a unique opportunity especially in relation to adding value to PFM areas and the communities managing them.

Thus it could prove to be an interesting option to provide assurance for sponsors and capture economic investment based on more Ecosystem Services than only carbon which also increases the credibility of any carbon claims/credits generated and sold.

As mentioned in the overall comments there seems to be a very strong focus on the plantation sector in Ethiopia which we argue will not necessarily create results in alignment with the objectives of the strategic framework, and that funding could be better spent on funding and scaleup of relevant CSO programs better aligned with the strategic framework.

Following on the comments mentioned under section two, **the question on whether the definition of "forest" includes monoculture/exotic plantations** is important in relation to the expected outcomes of the support to RIP II, as natural forests and commercial monoculture plantations of exotic species have very different expected outcomes in relation to pretty much all the important ecosystem services mentioned both in the strategic framework and in the context and justification of the draft program for Ethiopia. Thus to understand what outcomes can be expected from the program, it would be relevant to clarify how much funding/focus will be on protection and restoration of natural forests with high potential for community benefits, biodiversity and water quality/quantity - as opposed to commercial plantations that mainly contribute with quick growth and short term economic

benefits and often have negative impact on biodiversity even compared to a mixed used landscape of traditional cattle grazing and agricultural production. In some cases especially eucalyptus plantations have negative effects on water production as the quick growth also consumes large quantities of water that especially in the dry seasons can have very negative effects for water availability for local communities. This is why many local communities and Indigenous peoples are very weary of plantation projects in the landscapes where they live.

However, initiatives to develop and pilot best practice plantation models mixed with restoration of natural forest on landscape level providing a broader range of ecosystem services and benefits for local communities would be very welcome and of interest for most CSOs and local communities and could potentially influence the investments from both government and other donors in the aim to reforest to increase forest cover to 30% in 2030.

Forest fires are mentioned as a challenge in the context of the Ethiopian program and very rightly so, especially in the extensive areas with drier forest types such as the forest savannas in Gambella. Anthropogenic forest wildfires are seriously degrading the forest, and the ecosystem services they provide. More focus on this challenge mainly linked to lack of enforcement and coordination between federal and state level authorities should clearly be given, as it would have an immediate positive impact both on climate change issues and water production and wildlife habitat.

As in other parts of the world the main driver of the biodiversity crisis in Ethiopia is shrinking and fragmentation of habitats and restoration of natural forest strategically at landscape level could greatly contribute to improving the current situation.

But perhaps the most important measure that could be included in outcome two of the program seems to be missing. In relation to most protected areas in Ethiopia, e.g. Bale Mt. NP and Kafa/Yayu Biospheres there are large areas not designated to use categories mainly due to lack of an inclusive interest/conflict resolution process with local communities and subsequently unclear legal basis for control of e.g. cattle grazing and other types of use affecting the conservation value of the natural ecosystems they have been created to protect. This is causing severe problems for rare and endemic species such as the Ethiopian wolf now extinct in most of the country.

In terms of positive impact for climate, biodiversity and water production, conflict resolution and better protection of these areas should be given priority together with PFM agreements which could be part of the solution when agreements about land designation to e.g. protected core zones are brokered. In the Kafa Biosphere alone more than 200.000 ha of Candidate Core Zone (approximately 175.000 ha is forest, conservatively a carbon stock of 96 million tons of CO₂e³) was still not designated to either Core Zone or Buffer Area in 2011 (ref. NABU Status Report, Elisabeth Dresen 2011), and Bale Mt. NP has still not been finally Gazetted which create a series of serious threats and challenges to the conservation value of the NP in the park authorities own words: "These threats to the biodiversity and

³ Based on assumption of 150 t/C/ha on average.

ecosystem are compounded by the fact that the park is not currently gazetted and therefore has a weak legal framework, the boundary is not yet clearly defined or agreed by communities, the park management is not sufficiently staffed, trained or empowered, the operating budget from the government is small and totally inadequate for effective park operations, there is little revenue from tourism (despite the enormous tourism potential of the park), and there is little involvement of or benefits to communities living in or adjacent to the park”.

As these internationally important conservation areas are also some of Africa's most important water catchment areas, and especially the forested habitats store immense amounts of carbon, they should be given much more attention especially by large bilateral investments by big donors, as the benefits of better protection of them would be huge on all most important ecosystem services.

It will be important to ensure that the rights of smallholders, local communities and Indigenous Peoples are fully considered, which may be difficult in conflict-ridden Ethiopia where there is a strong resistance to even discuss this complicated topic.