

## WWF Denmark’s response to DANIDA’s strategic framework For the Tropical Forests Initiative for Climate and Sustainable Development

WWF Denmark welcomes the Ministry of Foreign Affairs’ Tropical Forest Initiative (TFI) with an emphasis on indigenous peoples’ and local communities and support to actions to halt and reverse deforestation and forest degradation. The TFI acknowledges the financing landscape’s complexity and the need to bridge the forest finance gap, emphasizing local livelihoods, sustainable development, value chains, land use planning, and inclusive forest governance. WWF supports the strategic aim to use Nature-based Solutions (NbS) as the framework to achieve impacts on climate mitigation, adaptation, sustainable development, poverty alleviation, and biodiversity protection.

WWF Denmark appreciates the opportunity to contribute to the formulation of the draft TFI which we find to be an overall good draft however with some key areas for improvement. Our comments are divided in three section covering (1) comments to the strategic framework , (2) implementation modalities, and (3) project related comments.

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## List of recommendations

### Overall comments to the Strategic Framework

1. The TFI should align stronger with the Global Biodiversity Framework and other relevant frameworks for forest and biodiversity (e.g. NYDF, NDCs & UN Decade on Ecosystem Restoration)
2. The TFI should follow widely recognized guidance and principles to ensure high integrity and quality NbS implementation.
3. The TFI should include strategies to tackle the demand side pressures on the tropical forest.
4. Global deforestation fronts should be a key criterion for geographical prioritization in the TFI.
5. The TFI should in its implementation go beyond forests and also protect other ecosystems threatened by conversion.
6. The TFI should have a stronger focus on leveraging private sector partners.
7. The TFI should ensure a robust landscape-based approach.
8. The TFI should be a long-term commitment: working with forest and Nature-based Solutions (NbS) is a long-term effort.
9. The TFI needs to provide clearer guidance on the role of supporting plantations in forest restoration and conservation, emphasizing that it should serve as a means rather than a goal in itself.

### Implementation and modalities

- 10 The TFI should prioritize engaging and supporting civil society organizations (CSOs) in its delivery mechanism, given their importance of CSOs in delivering long-term sustainable results and inclusive forest conservation.
- 11 The TFI should also prioritise direct financial support to Indigenous people.

### Project related comments.

12. TFI geographical prioritization on the Congo Basin is highly needed and should be a long-term and sustained focus in the future.
13. TFI should consider exploring avenues to bolster CAFE's delivery capacity, alongside providing core project funds.
14. Comments to the Partnership for Forests in Uganda – important support to the National Forest Agency (NFA) but lack focus on biodiversity and the crucial role of CSOs working with local communities.

## Overall comments to the Strategic Framework

1. *The TFI should align stronger with the Global Biodiversity Framework and other relevant frameworks for forest and biodiversity (e.g. NYDF, NDCs & UN Decade on Ecosystem Restoration)*

WWF notices a weak alignment with the GBF. It is crucial to underscore the importance of the GBF, along with National Biodiversity Strategies and Action Plans (NBSAPs) and national Biodiversity Finance Plans, as pivotal tools for government ownership and strategic planning. The TFI's political ambition predominantly revolves around climate issues, however, there is an urgent need to increase the political ambition concerning biodiversity conservation as well, which is the third impact level in the TFI. The TFI should refer to the GBF under strategic priorities (section 4.2) as well as under political ambitions and commitments (section 6.2). Depending on the timeframe, indicators could also consider political progress, e.g. inclusion of forest-specific targets and outcomes in the NBSAPs, NDCs or other relevant national and international strategies and regulations and related actions required.

2. *The TFI should follow widely recognized guidance and principles to ensure high integrity and quality NbS implementation.*

WWF supports the TFI's aim and strategy to apply Nature-based Solutions (NbS) in forest ecosystems to address climate, sustainable development, and biodiversity. By using NbS as a framework, TFI has the potential to integrate social, rights-related, and natural dimensions into a holistic approach. However, the strategic framework lacks a clear definition of NbS and references to widely accepted understanding and technical guidance from organizations such as IUCN and UNEA. Without a clear definition and approach, there's a risk of misuse and misunderstanding, potentially leading to harmful applications that undermine biodiversity and communities, eroding trust in the approach. The "How-to Note on Climate Adaptation, Nature, and Environment" states that the MFA will utilize the IUCN Global Standard for NbS, which serves as a tool to assist various stakeholders in implementing high-integrity NbS that effectively address the three intended impacts of the TFI.

3. *The TFI should include strategies to tackle the demand side pressures on the tropical forest.*

Threats to forests, biodiversity, and local livelihoods are intricately linked to global trade and food systems. The TFI highlights structural causes such as poverty, population growth, local conflicts, and weak governance. Deforestation is also driven by demand from global food systems, extractive industries, and trade. Therefore, the TFI should incorporate strategies to address the demand-side pressures as well. Including actions to promote deforestation and conversion-free supply chains and role of agriculture in addressing drivers of deforestation and conversion more broadly would be beneficial. The TFI should here reference and support the implementation of the EU Deforestation Regulation which as of 31st December 2024 require entities placing relevant commodities or products on the EU market, or exporting them from it, to demonstrate their products are deforestation-free, and not linked to forest degradation nor legally non-compliant harvesting and trade. A stronger focus on the supply chains linked to the EU market for risk commodities and cooperation with producer countries, the TFI will support specifically Article 30 of the regulation.

*4. Global deforestation fronts should be a key criterion for geographical prioritization in TFI.*

WWF has done a [detailed analysis](#) of global deforestation, examining 24 "deforestation fronts" - areas with high concentrations of deforestation hotspots and significant threats to remaining forests. The analysis focuses on the tropics and sub-tropics, which accounted for at least two-thirds of global forest cover loss from 2000 to 2018, with significant forest fragmentation. Almost half of the forests in these 24 fronts have experienced some form of fragmentation. Deforestation patterns fluctuate over time, indicating persistent deforestation unless collective action and tailored, integrated approaches are implemented for each front. Also, intervention sites should be a mix of current high deforestation plus future fronts, which is also acknowledged in the CAFI project.

*5. The TFI should in its implementation go beyond forests and also protect other ecosystems threatened by conversion*

Natural ecosystems beyond forests include grasslands, savannahs, peatlands, shrublands, and wetlands, amongst others. They are often highly biodiverse, store vast quantities of carbon, and provide protection, livelihoods, materials, food, fresh water, and a sense of cultural identity to millions of indigenous peoples and local communities. And yet, they are highly threatened by conversion, it is therefore paramount that the TFI implement beyond forests. WWF recommends that project under TFI consider potential leakage to other ecosystems by ensuring a landscape approach and mitigation measures. Grasslands and savannahs can store two times more carbon than tropical forests and the destruction of peatlands is responsible for 5% of global GHG emissions. Cuvette Centrale, in Democratic Republic of Congo (DRC), for example contains the world's largest peatland complex storing 30.6 billion tonnes of carbon below ground. Failing to include other ecosystems risk shifting the pressure from forests to savannahs and grasslands, among others, as has been seen with the shift in conversion from Amazon to the Cerrado.

*6. The TFI should have a stronger focus on leveraging private sector partners*

Private finance is key in closing the current financing gap for climate action and biodiversity protection. There is a growing interest and potential among Danish companies in taking action and financing climate mitigation and strengthening biodiversity both within and beyond the value chain. WWF hence recommends a stronger focus on leveraging private sector partners.

WWF's 20-year partnership with the [VELUX Group](#) is an example of how it is possible to mobilise private sector finance for long term forest carbon interventions that works to generate biodiversity and livelihood co-benefits. As also recommended by WWF in our [Blueprint for high-quality interventions](#) as well as the [Tropical Forest Credit Integrity Guide](#), the VELUX-WWF partnership goes beyond the value chain, as it goes beyond emission reduction and removals in the VELUX Group's own operations and value chain, where the Group has set a target to achieve a 100% reduction in CO2 emissions from operations (scope 1 and 2) and to halve their value chain emissions (scope 3) by 2030.

Key to mobilizing private sector partners is that risks are mitigated and well managed, for this strong national or regional policy frameworks and monitoring systems are key. This could e.g. be in the form of support National Forest Monitoring Systems (NFMS). If global deforestation and restoration targets are to be credible, we need robust NFMS for monitoring. WWF recommends, that the TFI supports

establishment of High-quality Measurement, Reporting and Verification (MRV) in the countries of interventions to ensure credible systems to further enable and support private sector forest climate finance. E.g. in the case of Uganda there is a high potential for influence and impact by supporting MRV systems. The TFI could support: a work program to operationalise an aspect of the NFMS - e.g. standard operating procedures for annual mapping and reporting of deforestation statistics as well as support to Uganda's NDC - developing procedures for more accurate reporting emissions associated with forestry and land use change, etc. The TFI could leverage on engagement of private sector partners by establishing modalities for private sector - CSO collaboration with the aim of mobilising more finance for forest and biodiversity.

*7. The TFI should ensure a robust Landscape-based approach.*

WWF emphasises that scale is crucial, we advocate a shift from isolated projects to national and jurisdictional scale programmes with long term investment to effectively tackle drivers and circumvent issues of leakage and permanence. This however is only achieved if a stringent and conscious approach to local leadership, ownership and forest governance is carried out. Furthermore, there is a risk which is often seen when using the LBA that it is used as an excuse to do nothing at forest ecosystem level.

*8. The TFI should be a long-term commitment: working with forest and Nature-based Solutions (NbS) is a long-term effort.*

The TFI is slated to operate from 2024 to 2027. However, halting and reversing deforestation cannot be confined to such brief periods, especially if the Ministry of Foreign Affairs aims to establish and support local communities and community forest management programs. Implementing Nature-based Solutions in forest areas (such as protection, restoration, sustainable management, and value chains) requires long time, local presence, and collaboration with the appropriate local and national stakeholders. Sustained community engagement over many years is paramount. For instance, WWF DK's partnership with the [Velux Group](#) on tropical forest spans over 20 years.

*9. The TFI needs to provide clearer guidance on the role of supporting plantations in forest restoration and conservation, emphasizing that it should serve as a means to an end, rather than a goal in itself.*

It should explicitly state that the primary objective of projects under the TFI is the restoration and conservation of natural forests. While establishing plantations for timber and wood products to alleviate pressure on natural forests at a landscape level may be one intervention within projects aimed at natural forest restoration and conservation, the establishment of plantations alone should not be considered a restoration effort.

## Implementation and modalities

*10. The TFI should prioritize engaging and supporting civil society organizations (CSOs) in its delivery mechanism, given their importance in delivering long-term sustainable results and inclusive forest conservation.*

The TFI rightly highlight the value of working across governments, civil society and the private sector to create long-term results in forest projects. CSOs working on forests play a critical role to enhance local participation, advocacy efforts, accountability, and empower Indigenous Peoples and Local Communities, contributing to tropical forest ecosystem conservation. While the TFI rightly acknowledges the significance of political will and leadership at the country level, which can fluctuate, CSOs provide consistent, enduring commitment. CSOs can, ensure sustained efforts for sustainable forest management throughout changing political landscapes. NGOs have long term partnerships and relations to indigenous peoples' as well as traditional and local communities and their organisations and should be involved as long-term partners of indigenous peoples' organisations, with thorough knowledge of the context, well-established best practices based on lessons learned and important risks and opportunity assessments. Involvement of and support to civil society organizations should therefore be prioritized in the TFI delivery mechanism supplementing the current focus on bilateral and multilateral relations.

*11. The TFI should also prioritise direct financial support to Indigenous people.*

It's commendable to see the TFI focusing on Indigenous peoples' rights, yet there's a crucial need to prioritize direct support for them. While the introduction references IPs and LCs, there's a lack of emphasis on ensuring their direct access to funding, which requires strengthening. Directly funneling funds to Amazon indigenous organizations is essential for their sustainable territorial protection, especially in light of their efforts to safeguard the Amazon<sup>1</sup>. Currently, barriers impede fund distribution to Indigenous groups, hampering support effectiveness and alignment with their needs. WWF, through its Amazon Coordination Unit, is actively collaborating with national Indigenous organizations to explore sustainable financial models, drawing from diverse national experiences. WWF recommend that the ToC integrates strategies to ensure funding access for Indigenous peoples and local communities and include this as one of the indicators of success.

## Project related comments.

*Comments to the TFI support to the Central African Forest Initiative (CAFI)*

*12. TFI geographical prioritization on the Congo Bassin is highly needed and should be a long-term and sustained focus in the future.*

WWF agrees with the prioritisation given to the Congo Bassin (CB). CB is among the three largest tropical rainforests and among these the CB forest alone has remained a strong net carbon sink, absorbing about 0.61 net. The CB countries have large mitigation potential, especially from forest

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<sup>1</sup> <https://www.theamazonwewant.org/amazon-assessment-report-2021/>

protection measures. Although international finance for forest work in CB has increased (e.g. during COP26 and 27) CB forests are still hugely underfunded, and disbursement is still lagging. Between 2017 and 2022 the CB received USD 40 million for forest and environmental issues, which represents only 4 % of finance allocated the Amazon and Southeast Asia rainforest.

*13. TFI should consider exploring avenues to bolster CAFI's delivery capacity, alongside providing core project funds.*

A significant challenge facing CAFI (a collaborative partner of WWF) lies in the absorptive capacity within the countries where CAFI operates, rather than access to donor funding. In collaboration with COMIFAC and ClimateFocus, WWF recently published a discussion paper titled [Increasing International Finance Flow to Sustain the Congo Basin's Forests](#). One of the central points of the paper is the imperative to invest in pipeline development. The paper proposes the establishment of an Investment and Technical Assistance Facility (ITAF) for the Congo Basin region. The ITAF could facilitate early investments and provide technical assistance funds to support project developers, unlocking potential across various areas. This includes promoting investments that value nature (such as Payments for Ecosystem Services, biodiversity credits, and initiatives beyond the value chain), de-risking investments by offering early financing to projects and supporting their development costs, complemented by technical assistance on feasibility, baseline, or community engagement studies.

*14. Comments to the Partnership for Forests in Uganda – important support to the National Forest Agency (NFA) but lack focus on biodiversity and the crucial role of CSOs working with local communities.*

WWF acknowledges the program's relevance, particularly in addressing important issues, and emphasizes the importance of supporting NFA due to its central role in forest management, which is currently hindered by resource constraints. However, there's a notable lack of emphasis on biodiversity within the program, which is a concern for WWF and also not strongly aligned with the impact aim of the TFI. Additionally, the absence of support for CSOs and their important role in safeguarding the rights of communities residing around forests, as well as the capacity-building they provide to local communities and Indigenous Peoples supporting and empowering them to engage meaningfully with government authorities on forest management issues, is considered a weakness.