## **Climate Action Network**



# Submission: Opportunities, best practices, actionable solutions, challenges, and barriers relevant to the Mitigation Work Programme dialogue on "Mitigation solutions in the forests sector"

March 2025

Climate Action Network (CAN) is a global network of more than 1,900 civil society organisations in over 130 countries driving collective and sustainable action to fight the climate crisis and to achieve social and racial justice.

In response to the encouragement to parties, observers, and non-party stakeholders to submit their perspectives regarding the fifth global dialogue in 2025 under the Sharm el-Sheikh mitigation ambition and implementation work programme (MWP), CAN International submits its views on opportunities, best practices, actionable solutions, challenges and barriers relevant to the topics of the dialogues regarding the topic of "enabling mitigation solutions in the forest sector, drawing on national and regional experience". CAN International welcomes that forests are considered in this year's dialogues for addressing the pre-2030 emissions gap. Forests play a critical role in any credible pathway to limit global warming to 1.5°C, but forests cannot compensate for delayed emissions reductions in other sectors.

#### Summarv

#### CAN recommends that the conversations on forest solutions at this dialogue:

- 1. Are centered on protecting and restoring forest ecosystem integrity:
- 2. Prioritize Indigenous Peoples' and Local Communities' (IP&LC) land tenure and forest management, and ensure all solutions follow a human rights-based approach;
- 3. Adopt a holistic perspective that extends beyond a narrow focus on carbon sequestration, and addresses multiple social and environmental crises and needs;
- 4. Ensure equitable accountability across all forest ecosystems, covering tropical, temperate and boreal biomes;
- 5. Address structural pressures (including current global financial architecture) and proximate drivers of forest conversion and degradation (including commodity driven deforestation and forest management for commodity production).
- 6. Do not use forests to compensate or justify delayed emissions reductions in high emitting sectors;
- 7. Protect against market mechanisms that prioritize carbon offsets over substantive fossil fuel emissions reductions, ensuring genuine finance channels for forest protection:
- 8. Exclude large-scale afforestation, commercial plantations, large-scale woody biomass, and Bioenergy with Carbon Capture and Storage (BECCS) as mitigation solutions.

# **Opportunities**

As CAN, we see the upcoming MWP Global Dialogue on "enabling mitigation solutions in the forest sector" as a key opportunity on different levels:

## 1. Delivering on existing UNFCCC mandates

In line with the priorities and the focus of COP30 on implementation, the MWP forests dialogue provides a critical opportunity to agree on concrete actions to deliver on several mandates, including:

- Article 5 of the Paris Agreement that states that Parties should conserve and enhance, as appropriate, sinks and reservoirs of GHGs (5.1), and to implement and support the Warsaw Framework for REDD+ and alternative policy approaches, such as joint mitigation and adaptation approaches for the integral and sustainable management of forests (5.2);
- Paragraph 33 of the Global Stocktake (GST)¹ emphasising the importance of "conserving, protecting and restoring nature and ecosystems, including through halting and reversing deforestation and forest degradation by 2030 (...) in line with the Kunming-Montreal Global Biodiversity Framework (KM-GBF)"; and
- Paragraph 34 of the GST, which notes the need for "enhanced support and investment, including through financial resources, technology transfer and capacity-building, for efforts towards halting and reversing deforestation and forest degradation by 2030 in the context of sustainable development and poverty eradication", in accordance with Article 5.2 of the Paris Agreement.

In order to ensure that these mandates are delivered, increased cooperation and efforts is required at the global level among countries, including non-state actors and through the engagement of rights-holders, including Indigenous Peoples and marginalized groups whose lives and cultures are deeply intertwined and dependent on forests.

In the context of the MWP dialogue, the following topics and solutions could be discussed to support the implementation and follow-up of forest-related commitments at the UNFCCC level:

- Improving integration and transparency of concrete actions to halt and reverse forest loss and degradation in NDCs, clearly articulating the forest sector's role in achieving climate goals.
- Building on lessons from REDD+: Two decades after the idea of REDD+ was
  first introduced in the UNFCCC, there are important lessons to learn from its
  implementation to date. National implementation of REDD+ has faced significant
  challenges largely due to insufficient and unpredictable financing with limited
  success in curbing deforestation and forest degradation in developing countries,
  and tackling its root causes. Despite the fact that countries are encouraged to
  pursue "non-carbon benefits", its approach has prioritized carbon sequestration

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<sup>&</sup>lt;sup>1</sup> https://unfccc.int/sites/default/files/resource/1 CMA.5.pdf

metrics over more comprehensive biodiversity and social benefits. In some cases, it has even fuelled social conflicts, restricted smallholder forest resource use and led to human rights violations. Importantly, national REDD+ strategies should be developed through full and meaningful participation of all relevant stakeholders, with transparent benefit-sharing mechanisms that genuinely empower local and indigenous communities.

- Addressing key governance gaps in the UNFCCC: The lack of a dedicated space in the SBSTA or CMA to discuss and take decisions on issues related to forests and ecosystems, and to promote the effective implementation of relevant decisions and targets (including Article 5 and the GST outcomes) creates a critical governance gap that undermines holistic climate and biodiversity management and the protection of forest carbon reservoirs. This gap could be addressed through, for example:
  - The establishment of an Ad Hoc Technical Expert Group (AHTEG) with an overarching mandate to advise and support countries in implementing Article 5.1 of the Paris Agreement and paragraphs 33 and 34 of the first GST. Such an expert group could also be tasked with developing guidelines and recommendations for Parties to assess, map, and report on the condition of forests and other ecosystems and the relative stability of carbon stocks and sinks, which will enable identification of ecosystems at varying levels of risk for loss, improve priorities for land-based mitigation pathways and deliver on the goals of the Paris Agreement, while maximizing co-benefits and minimizing trade-offs with other relevant frameworks and societal goals.
  - A new work programme to operationalize the GST in alignment with the Global Biodiversity Framework and CBD decision 16/22 on climate and biodiversity and to support the nature-related Action Agenda and Presidency pledges and initiatives.
  - Agree on an action plan to phase out deforestation and forest degradation by 2030: a concrete action plan is needed that addresses all the factors that contribute to deforestation or forest degradation in all forest biomes. Starting from an assessment of the results achieved by existing initiatives, such an action plan could identify gaps and roadblocks and identify concrete ways forward to address these shortcomings at the multilateral and national levels. Reporting on a yearly basis based on indicators and following principles of equitable accountability (see section below) to measure progress can help increase implementation-driven focus of such an action plan.

#### 2. Protecting and recovering forest ecosystem integrity

Protection and restoration of high integrity forests, including primary and old-growth forests, will be a necessary focus of this global dialogue to maximise the opportunities for long-term mitigation as well as delivering wider adaptation,

biodiversity, ecosystem service and community benefits. High-ecosystem integrity² forests are more resistant to threats, long-lived, and resilient to disturbances compared to those impacted by modern industrial development. Decades of human disturbance – including from roads, logging and other industrial activities – are now converging with the intensifying threats of climate change, such as pests, disease, drought and notably fire. Severe fires result in the release of vast amounts of carbon and increases the risk of ecosystems reaching tipping points. This is already happening in parts of Australia where wood production *Eucalyptus Regnans* forests have been subjected to intense fire so frequently they have not had a chance to set seed and can no longer recover from fire.

Consequently, there is an urgent need to assess and monitor the condition and stability of ecosystem carbon stocks, which is often neglected in current mitigation strategies. Forest ecosystem integrity provides the cornerstone of a comprehensive framework for understanding the "risk of loss" profiles of ecosystem carbon stocks, prioritizing and setting goals and actions to address the decline in ecosystem integrity, and guiding restoration efforts in NDCs and long-term low-emission development strategies (LT-LEDS)<sup>3</sup>. As the converse of degradation, ecosystem integrity also reflects the carbon storage value and recovery potential of an ecosystem.

Some solutions and best practices to prioritize forest ecosystem integrity in climate policy frameworks are described below and in Box 1:

- Assessing, mapping and reporting on the ecological integrity of forests: Assessing, mapping and reporting on the condition of forests across all biomes and other carbon dense ecosystem reservoirs, including the functional role of biodiversity in maintaining and restoring forest ecosystem integrity is crucial for determining their ability to retain carbon in the long-run and, conversely, minimising the risk of carbon loss. The UN 'System of Environmental Economic Accounting Ecosystem Accounts' (SEEA-EA) <sup>4</sup>, constitutes a comprehensive information system for integrating measures of ecosystem integrity and the flows of services from them with measures of economic and other human activity. An application of this system to carbon accounting in forests has also been elaborated and published <sup>5</sup>.
- Focusing on ecological restoration to recover forest ecosystem integrity: Restoration efforts should focus on putting forest ecosystems on a path towards a state of high integrity using their natural state as a reference level, taking into account climate change and natural ecological dynamics when setting objectives<sup>6</sup>. Restoration is often mislabeled when afforestation or reforestation

<sup>&</sup>lt;sup>2</sup> Ecosystem integrity refers to the capacity of an ecosystem to maintain its characteristic composition, structure, functioning and self-organisation over time within a natural range of variability at landscape scales.

<sup>&</sup>lt;sup>3</sup> See Rogers et al. (2022):

https://www.frontiersin.org/journals/forests-and-global-change/articles/10.3389/ffgc.2022.929281/full

<sup>4</sup> https://seea.un.org/ecosystem-accounting

<sup>&</sup>lt;sup>5</sup> See King et al. (2024): https://www.sciencedirect.com/science/article/abs/pii/S1462901123003027?via%3Dihub

<sup>&</sup>lt;sup>6</sup> https://geobon.org/wp-content/uploads/2022/10/EcosystemRestoration\_brief.pdf

with commercial and/or exotic tree species are falsely presented as ecosystem recovery, which can lead to biodiversity loss, reduced ecosystem resilience and weakened long-term carbon storage. While forest restoration is essential for mitigation, countries must first prioritise protection of high integrity forests to avoid the depletion of substantial carbon stocks (see mitigation hierarchy in Box 1 below).

- Long-term financial incentives for forest protection: It is important to address
  the gap in predictable long-term incentives for the conservation of forests with
  high ecosystem integrity such as primary/old growth forests and foster recovery
  of long unlogged, near-natural forests, as they are not eligible for
  REDD+/carbon-flux focused finance.
  - New mechanisms, such as the Tropical Forests Forever Fund might have the potential to help fill this gap, mobilise forest finance at scale and support tropical forest countries to implement policies and programs for forest conservation, restoration and to grant access to Indigenous Peoples and local communities, if its design and guidelines for investments, allocation of proceeds monitoring and reporting are robust, clear and transparent.
  - Specific initiatives from multilateral funds, such as the primary forest project of the Global Environmental Facility (GEF)<sup>7</sup>, can also help stimulate financing for primary forest conservation by establishing robust donor-recipient dialogue and coordination mechanisms and providing information on financing opportunities.
  - Cooperative non-market approaches under Article 6.8 of the Paris Agreement offer a transformative opportunity to advance holistic forest solutions that integrate mitigation and adaptation under joint implementation. By ensuring rights-based, community-led solutions that foster collaboration, knowledge-sharing, and capacity-building, these approaches can enhance the resilience of forest communities and forest ecosystems while maximizing carbon sequestration. Joint implementation strategies can drive synergies between climate action and sustainable development, generating co-benefits across multiple Sustainable Development Goals (SDGs) and the GBF. Through ecosystem-based approaches, cooperative non-market mechanisms can support biodiversity conservation, improve livelihoods, and strengthen climate resilience at scale.

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<sup>&</sup>lt;sup>7</sup> https://www.thegef.org/projects-operations/projects/11495

# Box 1. Best practice policy approaches to prioritize forest ecosystem integrity in climate responses.

a. A mitigation hierarchy based on the best available science IPCC WGIII Sixth Assessment report (AR6) concluded that protection would deliver the highest mitigation benefits of any action in the AFOLU sector<sup>8</sup>. It is important to work according to a mitigation hierarchy in forests that gives priority to the protection of forest ecosystem carbon reservoirs in primary/old growth forests as the most effective mitigation strategy, followed by fostering ecological recovery of lost carbon stocks in secondary natural forests, and finally driving ecological regeneration/restoration of forests on land where forests once naturally occurred. Mitigation strategies and investment plans should discourage actions that have perverse and/or high risk outcomes for climate and/or biodiversity such as forest commodity production management, conversion of natural forests to plantations, and establishment of monoculture plantations and other forms of afforestation on land that has never been forested.

#### b. Improve accounting frameworks to reveal the value of forest protection

LULUCF accounting under the Convention focuses only on net carbon flows, missing the importance of forest ecosystem integrity for retaining relatively stable, low risk carbon reservoirs and how important this is for stability, longevity and reducing risk in climate change mitigation. Stability is crucial for reducing forest ecosystem breakdown and the resulting release of huge volumes of carbon. Additional information is needed to reveal the mitigation benefits of retaining carbon in primary/old growth forests and the carbon recovery potential of secondary natural forests. The ecosystem accounting framework developed by the UN Statistical division (UNSEEA-EA) is rapidly being adopted by countries including developing countries with the support of the World Bank and could be used to reveal the economic benefits to countries from protecting and restoring forest ecosystems - including the benefits of retaining carbon reservoirs (stocks) and sink (sequestration) capacity in forests.

#### c. Adopt clear and robust forest definitions

The way countries define "forest" under the UNFCCC does not differentiate between biodiversity-rich, stable ecosystems and heavily degraded or commercial plantations. This means there is no policy incentive for Parties to avoid degrading or converting primary forests, as countries can potentially clear-cut forests for commodity production or replace them with plantations while claiming "no deforestation". This has profound negative consequences for climate change mitigation, as well as adaptation and biodiversity. Adopting forest definitions that distinguish between primary forests, wood production natural forests and plantations would provide a more appropriate framework for ensuring that climate policies recognize and prioritize the protection of high-integrity forests and prevent perverse incentives for deforestation and forest degradation.

<sup>8</sup> https://www.ipcc.ch/report/sixth-assessment-report-working-group-3/

<sup>&</sup>lt;sup>9</sup> https://iucn.org/our-work/topic/forests/primary-forests-including-intact-forest-landscapes

3. Prioritizing and scaling-up support for Indigenous Peoples and local communities tenure and efforts to protect their forests.

Evidence conclusively shows that Indigenous Peoples and local communities (IPs&LCs) with recognized tenure and forest management rights are extraordinarily effective forest protectors, and manage some of the world's largest carbon stores and biodiversity hotspots worldwide<sup>10</sup>. Yet, they receive only a small fraction of the funding for climate and biodiversity protection<sup>11</sup>, and their lands and rights are increasingly under threat. What's more, a significant portion of funding allocated for IPs&LCs is channeled through large intermediaries or incorporated into broader programs, resulting in only a small fraction directly reaching IPs&LCs organizations and communities themselves. There's a lot of overlap between primary forests and areas requiring conservation attention and the collective landholdings of Indigenous Peoples and local communities, so opportunities to involve communities directly in management should be pursued.

- Mitigation solutions through forest management should prioritise Community-Based Natural Resource Management, including small-holder led agroecology, silvopastoralism, and agroforestry in working lands. Indigenous and local community-managed lands under formal protection will lead to better territorial governance.
- This dialogue also offers an opportunity to discuss how countries, multilateral development banks, climate finance institutions and donors can ensure IPs&LCs tenure and forest management as part of their development aid, and find better ways to channel direct support where possible, or through partnerships with organisations that work in close collaboration. Multiple channels and networks of IP federations exist where funding is needed that could be invited to the dialogue.
- Human rights and inclusivity must be cornerstones of all forest-based climate action. Policies, action, and investments must be informed by human rights, Indigenous Peoples' rights, including Free, Prior and Informed Consent (FPIC), and gender equality, and be responsive to the needs of marginalised communities and groups.

#### Box 2. Supporting Indigenous stewardship

The Indigenous Council of the Tacana People (CIPTA) represents a remarkable success story of indigenous land management and forest protection. After decades of struggle, the Tacana communities managed to secured collective land titles over 389,303 hectares in Bolivia, developing an innovative Indigenous Land Management Plan that balances sustainable livelihoods with ecosystem protection. Through a participatory approach, the Tacana created a sophisticated land use system with protected zones and integrated management areas,

<sup>&</sup>lt;sup>10</sup> See, for example: Garcia et al. (2024); WRI (2023); Baragwanath & Bayi (2020); Rights and Resources Initiative (2018).

<sup>&</sup>lt;sup>11</sup> Rainforest Foundation Norway (2021). Falling Short: Donor funding for Indigenous Peoples and local communities to secure tenure rights and manage forests in tropical countries (2011–2020). Available at: <a href="https://www.regnskog.no/en/news/falling-short">https://www.regnskog.no/en/news/falling-short</a>

implementing diverse sustainable activities including wildlife management, agroforestry, and ecotourism. Their strategic conservation efforts have proven highly effective, with research showing deforestation rates 4.6 times lower than in unmanaged neighboring areas<sup>12</sup>.

# 4. Achieving multiple benefits

Since COP25, the UNFCCC has been calling on parties to pursue synergistic climate and biodiversity action. Ensuring synergistic action in forests would maximise their climate mitigation benefits by helping them retain their reservoir and sink capacity over the long term and minimising the risk of losing forest ecosystem carbon to the atmosphere from threats that are increasing with climate change. IPCC WGIII noted that "protection of high biodiversity ecosystems such as primary forests delivers high synergies with GHG abatement".. Further, paragraph 33 of the GST emphasized the importance of aligning climate responses with the Kunming-Montreal Global Biodiversity Framework (KM-GBF).

• Views on the options for enhanced policy coherence across the Rio Conventions are being collected in response to the <u>CBD notification</u> until May 2025, and a technical information exchange will be taking place to further discuss the opportunities in June 2025. Parties and the UNFCCC Secretariat are encouraged to engage with this process and submit views and proposals for achieving greater policy coherence. Alignment across Conventions provides important policy signals that will encourage investing in forest protection and restoration for climate change mitigation as well as multiple other benefits including adaptation and biodiversity enhancement.

#### 5. Enhancing equitable accountability across all forests

Both developed and developing countries must deliver forest-related climate mitigation, including the targets under GST paragraph 33. It is a misconception that temperate and boreal forests are less threatened than tropical forests. The carbon storage capacity of temperate and boreal forests is declining, and, at the current rate, these forests will turn from a carbon sink into a carbon source in the coming decades. Temperate and boreal forests are some of the most carbon-dense ecosystems on Earth. These carbon stocks must be protected if we are to limit temperature rise of 1.5°C. Improving the protection of forests undisturbed by modern industrial impacts and fostering improvements in protection and the integrity of other natural forests in all biomes would make a major contribution to climate mitigation.

While the international community has aligned around the necessity of halting and reversing deforestation and forest degradation by 2030, industrial pressures on forests

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Painter, L., Siles, T., Reinaga, A., & Wallace, R. (2013). Escenarios de deforestación en el Gran Paisaje Madidi-Tambopata. La Paz. Bolivia: Consejo Indígena del Pueblo Tacana y Wildlife Conservation Society

continue at unsustainable rates. From the tropics to the boreal, there is too little progress on turning commitments into action. Standards and reporting structures have been piecemeal and disproportionately focused on tropical deforestation, leaving large loopholes and data gaps in the temperate and boreal forests of the Global North. Mechanisms that foster equitable global accountability for delivering on these 2030 targets are needed.

• A solution to address the lack of global accountability in meeting forest commitments, is for governments to adopt common standards of success; shared expectations for tracking and reporting progress; and commitments to shared policy action to address systemic barriers to the 2030 goals. To foster this global cooperation and promote effective, timely implementation, we are urging signatories to support the creation of a Global Forest Equity Framework, a government-led mechanism to drive strong, partnership-grounded implementation through aligning countries around common standards, and metrics, and reporting templates that apply equitably across forest biomes.

# **Challenges and barriers**

# 1. Structural pressures preventing countries taking meaningful action on forests

Recent research shows that governments continue to expand extractive activities and sectors that drive forest loss and degradation, despite their clear social and ecological costs and the highly uneven distribution of benefits, because they are structurally incentivized to do so within the international financial system<sup>13</sup>. Maintaining access to foreign exchange, ensuring investment attractiveness, and complying with financial institutions that manage economic crises all contribute to a reliance on extractivism. In many cases, the alternative—moving away from resource-based economies—poses existential economic risks. Reforming extractivism under current political-economic conditions is often seen as destabilizing, as economic volatility can lead to greater debt burdens, forcing governments into austerity or further extraction to meet financial obligations. This cycle perpetuates unregulated extractive growth, driving biodiversity loss, GHG emissions, climate vulnerability and human rights violations.

Global South economies have remained subordinate and structurally disadvantaged within the international financial system, vulnerable to capital flight, fluctuating commodity prices, and monetary policies determined by external actors. While there is increasing momentum for reforming the global financial system driven by calls from developing countries for mechanisms that better support economic transformation and climate resilience, the role of forests in these debates remains underexplored. Much of the climate finance discussion focuses on scaling up positive finance and, to a lesser extent, curbing harmful financial flows and subsidies, but it largely overlooks the underlying financial architecture that continues to expand

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<sup>&</sup>lt;sup>13</sup> See: https://www.nature.com/articles/s41559-021-01619-5 https://twn.my/title2/biotk/2024/btk240504.htm

**extractivism.** Without addressing these foundational biases, efforts to shift finance toward just and equitable transitions will remain constrained by the broader structural pressures that shape national economies.

# 2. Over-reliance on forests to reach net-zero targets.

Forests play a critical role in any credible pathway to limit global warming to 1.5°C, but forests cannot compensate for delayed emissions reductions in other sectors. Unlike fossil fuel emissions reductions, forest-based carbon sequestration is reversible and acknowledged to lack equivalence with GHG emission reductions. Deforestation and forest degradation – exacerbated by climate change itself – releases stored carbon back into the atmosphere. Yet, carbon accounting frameworks under the UNFCCC and carbon markets treat forest carbon as fungible with emissions reductions from fossil fuels. Scaling up forest-based mitigation efforts to offset continued fossil fuel use delays the deep emissions cuts in high-emitting sectors and increases pressure on land, leading to increased risks and pressure on biodiversity, human rights violations and conflicts over land tenure<sup>14</sup>.

 The dialogue should ensure that forests are part of a broader, science-based mitigation framework rather than a substitute for urgent emissions reductions from high-emitting sectors. It must also protect against flawed market mechanisms that prioritize offsets over real emissions reductions in fossil fuel emissions as a means to channel finance for forest protection.

# 3. Industrial forest exploitation

#### a. Commodity driven deforestation

Commodity production remains the predominant driver of deforestation worldwide<sup>15</sup>. This includes the conversion of forests for industrial agriculture and pastures for beef production, as well as mining of commodities like fossil fuels, metals and minerals. Over half of tropical deforestation in the past two decades can be attributed to expansion of agricultural land for commodity production, with approximately 20 to 25% of this production being exported internationally. **Both producer and consumer countries share responsibility for commodity-driven deforestation and forest degradation.** While recognizing dedicated spaces within the UNFCCC for agricultural discussions, this dialogue provides an opportunity for countries to discuss cooperation approaches to:

- Address overconsumption as a cause of commodity-driven deforestation and conversion.
- Enable just transitions toward deforestation and conversion-free commodity production, in order to address equity concerns, manage and mitigate risks for peasants, smallholder farmers and producers. These conversations can also help inform discussions under the Just Transition Work Programme and the need for sectoral approaches that address the transitions in agricultural and land-use systems.

https://landgap.org/

<sup>15</sup> https://forestdeclaration.org/resources/forest-declaration-assessment-2024/

#### b. Forest management for commodity production

Current forest management, mainly based on intensive logging practices such as clearcut logging, is one of the main drivers of forest degradation and carbon loss. This is also sometimes portrayed as "sustainable forest management" or SFM. There is a huge need to transition forest management practices towards ecosystem-based forestry that fosters improvement in ecosystem integrity in wood production forests.

• A shift from forest management to ecosystem-based forest management would improve forest ecosystem integrity and resilience in production forests. Ecosystem-based forestry, ecoforestry and close-to-nature forestry are other names for the same concept, defined as a management approach that aims to maintain healthy and resilient ecosystems by reducing the gaps between natural and managed landscapes to ensure, in the long term, the maintenance of multiple ecosystem functions. Ecosystem-based forestry is based on partial harvesting rather than clear-cutting, retains big old trees (that store the majority of carbon in forest landscapes and are irrecoverable in relevant time frames) ensures younger and ecologically significant trees are left to grow and fill gaps; in a preference for natural regeneration rather than planting; developing structural diversity (different trees of different heights) and spatial variability within forests; fostering mixed species stands rather than monocultures; the maintenance of biomass in the forest (including deadwood) and avoiding intensive practices such as soil cultivation, herbicide application and the use of fertilisers.

## Box 3. Examples of best practices in balancing forest protection with social needs

- Brazil's Plan for Preventing Deforestation in the Amazon (PPCDAm)<sup>16</sup> has been successful when adequately implemented to protect the rainforest, including drastically decreasing deforestation rates in 2024. It addresses deforestation through four interconnected axes: comprehensive land use and territorial planning to organize ecological spaces; robust monitoring and control mechanisms to detect and prevent illegal activities; promotion of sustainable alternative production that offers economic opportunities without forest destruction; and a strong regulatory framework that enforces environmental protections and coordinates multi-level governmental actions.
- Landscape restoration measures such as the Forest Landscape Restoration Fund in Thailand's northern provinces and the Fandriana-Marolambo forest restoration programme in Madagascar indicate how specific interventions can help restore degraded forests into well functioning forest landscapes serving people, nature and the climate.
- The Australian States of Western Australia and Victoria have decided to focus wood production on the existing plantation estate and end native forest logging for climate and biodiversity benefits. A third is actively considering substantially reducing or ending native forest logging to prevent emissions and recover lost carbon stocks.
- The cities of Lübeck (Germany) and Gothenburg (Sweden) have successfully shifted to ecosystem-based forest management, ensuring both greater economic profits as well as

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increased carbon update while strengthening biodiversity and resilience. In Lübeck they have pioneered "near-natural" or "close-to-nature" forest management, emphasizing minimal intervention and prioritizing natural processes, biodiversity, and recreation, while still allowing for sustainable timber production<sup>17</sup>. In Gothenburg, forests are managed by considering the entire ecosystem, including its natural processes and human interactions, to ensure the long-term health and resilience of both the forest and its surrounding environment. This approach emphasizes the importance of maintaining and restoring natural processes within the forest, such as fire, water flow, and nutrient cycling.

#### c. Large scale forest biomass for energy and BECCS:

The role of forests in mitigation risks being substantially undermined by large-scale forest biomass for energy and scaling up Bioenergy with Carbon Capture and Storage (BECCS) as Parties rely on these technologies to meet climate targets. Intensive harvesting of woody biomass damages forest ecosystem integrity, which can lead to reductions in soil carbon stocks and reduce resilience to disturbances.

Exclude large-scale woody biomass from the Global Renewable Energy Target: Under Paragraph 28 of the GST, Parties are called on to contribute to "Tripling renewable energy capacity globally ... by 2030". Flawed UNFCCC accounting rules mean that bioenergy can be counted as renewable energy, which therefore risks Parties relying on large-scale woody biomass to meet their renewable energy targets, increasing the demand for woody biomass and placing more pressure on our global forests 18. Safeguards should therefore be put in place to exclude large-scale woody biomass from the implementation of the GST.

#### Box 4. Positive steps forward for forest protection

- Australia has excluded native forest biomass from eligibility under their Renewable Energy Target<sup>19</sup>, meaning native forest is no longer considered an eligible source of renewable energy and the electricity it generates cannot qualify for financial incentives.
- Similar steps have been taken under revisions to the EU's Renewable Energy Directive, a framework which establishes targets for the rollout of renewable energy in the EU. These revisions include new restrictions on sourcing biomass from old growth and primary forests. Whilst there are still currently no restrictions on sourcing from "natural" forests, and uncertainties around how countries define the forests they exclude, this is a step in the right direction for protecting forests within the bloc.<sup>20</sup>

<sup>&</sup>lt;sup>17</sup>https://www.ecoforestryfoundation.se/en/ecosystem-based-forestry/#:~:text=L%C3%BCbeck%20%E2%80%93%20a%20forerunner\_grow%20or%20can%20grow%20naturally.

<sup>&</sup>lt;sup>18</sup> Burning up the Biosphere" provides an assessment of the IEA's tripling of woody biomass supply for energy assumed to occur between 2021 and 2030.

 $<sup>\</sup>underline{\text{https://environmentalpaper.org/2024/11/burning-up-the-biosphere-a-global-threat-map-of-biomass-energy-development-2024-update}$ 

<sup>&</sup>lt;sup>19</sup> Department of Climate Change, Energy, the Environment and Water (2022), <u>Native Forest Wood Waste removed from Renewable Energy Target I Ministers</u>, Commonwealth of Australia.

<sup>&</sup>lt;sup>20</sup> Art. 29(6) – Requirements for harvesting and sourcing forest biomass - amendment to the Renewable Energy Directive - DIRECTIVE (EU) 2023/2413 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL [2023]

# **Format**

In order to allow for holistic perspectives and inputs, CAN suggests to meaningfully involve the following stakeholders in the upcoming MWP Global Dialogue:

- Invite observer constituencies and experts from observer organisations to actively participate in the Dialogue, in a hybrid format, to contribute their expertise from multilateral policy to local action.
- Invite UNFCCC constituted bodies to share their experience working on and integrating
  forest in their work in this Dialogue, including the Local Communities and Indigenous
  Peoples Platform Facilitative Working Group, Technology Executive Committee,
  Standing Committee on Finance, Paris Committee on Capacity Building (hosted various
  events on Rio Conventions synergies), Adaptation Committee, and more. Encourage
  constituted bodies to take note of the outcome of the Dialogue in their work.
- Invite the secretariat of CBD and UNCCD.
- Invite relevant international financial institutions and multilateral environment funds, including the operating entities of UNFCCC financial mechanism - Adaptation Fund, Fund for Responding to Loss and Damage.

The outcomes of the dialogue should provide clear recommendations, deliver on the GST targets and address the ambition gap in line with the best available science, ensuring that forests are part of a broader, science-based mitigation framework rather than a substitute for urgent emissions reductions from high-emitting sectors. It could identify options and governance gaps going forward, as outlined in the *Delivering on existing UNFCCC mandates* section above, and identify pathways for integrating forests into relevant workstreams, including the Just Transition Work Programme (JTWP) and others, ensuring coherence across UNFCCC and other Rio Convention processes.