2018

Dec

2018: HOPE FOR TROPICAL FORESTS IN A HOT, ANGRY WORLD

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As I look back on this turbulent, exciting, and frightening year, the main lesson I take away is this: our efforts to avoid the most dangerous impacts of climate change must bring people together and build trust in democratic institutions. The good news is that this is happening as a wide array of actors and constituencies work to unlock tropical forests as a fundamental piece of the climate change solution. Divisive, fear-mongering radical populism may dominate the news cycles and some important presidential elections, but a quiet movement in tropical forest regions is taking things in the opposite direction, achieving greater social inclusion, participation and transparency as it forges unlikely partnerships. This collaborative, bridge-building approach to tropical deforestation is an urgently needed counter-balance to more confrontational strategies that try to force farmers and companies to forgo deforestation without positive incentives. I'm happy to share some of the highlights of this quiet movement, with a focus on the achievements that Earth Innovation Institute was part of—every one of which involved collaboration and partnership. Our staff of 25 experts generally works below the radar, carrying out rigorous analyses, building bridges between sectors that have traditionally been at odds, and providing critical hands-on support for the development and implementation of big, bold strategies for achieving forest-, community- and climate-friendly development. The chances that humanity will avoid the most dangerous impacts of climate change will increase substantially if we can nurture this quiet movement, growing and multiplying the partnerships and actions highlighted below.

2018 Highlights:

- **State and provincial governments** whose borders encompass a third of the world's tropical forests **are poised to play a very substantial role** to solve climate change, and some are already making big progress

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In 2018, Earth Innovation Institute completed the "State of Jurisdictional Sustainability", the most comprehensive global assessment to date of the progress made by state and provincial governments in tackling tropical deforestation. The study was conducted in collaboration with

CIFOR and the Governors' Climate and Forests Task Force (GCF). Of the 39 tropical forest states and provinces that we analyzed, all but one have made formal commitments to greatly reduce deforestation or speed forest recovery. Half of these jurisdictions have actually slowed deforestation and 6 have slowed it by more than half, although we can't attribute all of this progress to the actions of these governments alone. A pathway to zero net deforestation by 2030 within these states and provinces is within reach if their governments are able to form the right partnerships. Success would mean keeping 12 billion tons of CO_2 in trees and out of the atmosphere. By comparison, the US Clean Power Plan that President Trump is dismantling would have avoided 2.7 billion tons of CO_2 emissions by 2030.

- Many of the **subnational governments that are striving to solve tropical deforestation are finally receiving recognition and support**

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Map of 41 tropical forest states and provinces that are taking concrete steps to unlock the potential of tropical forests as a climate change solution. Earth Innovation Institute is currently supporting 19 of these jurisdictions.

The "jurisdictional approach" to slow the loss and speed the recovery of tropical forests, championed by EII since its inception, is rapidly gaining traction. It features multi-stakeholder consensus on goals for agricultural production, forest conservation and social inclusion and the empowerment of subnational governments to design and implement the right public policies and programs to drive the transition to forest-, community- and climate-friendly development. An important sign of this traction is formal recognition. In 2018, 35 governments of the GCF were awarded grants from the UNDP, with funding from Norway, to develop their jurisdiction-wide strategies for low-emission rural development. An innovation fund for GCF members is to be launched next year. Earth Innovation Institute (EII) is directly supporting 15 of these jurisdictions and an additional 4 through partners Pronatura Sur, Instituto del Bien Común and the Green Belt Movement (see map). Ten tropical forest governments invited EII to act as their "responsible party" on the UNDP grants. We are also starting new partnerships with the State Governments of Maranhão and Tocantins to develop a regional solution to the rapid loss of Brazil's Cerrado woodland in the "MATOPIBA" region, with funding from the Gordon and Betty Moore Foundation. Our teams on the ground in Peru, Colombia, the Brazilian Amazon states of Mato Grosso, Acre and Pará, and the Indonesian Provinces of Central Kalimantan and West Papua, have been supporting jurisdictional strategies for five years or more, with funding from Norway and Germany.

- **Landmark guiding principles for partnership between subnational governments, indigenous peoples and local communities**

Indigenous people have been guardians of tropical forests for centuries or millennia, and yet their critical stewardship is only beginning to be recognized and respected. A major step forward to resolve this problem was taken in 2018. The tropical states and provinces of the GCF unanimously approved a set of principles for partnering with the indigenous peoples and local communities in their jurisdictions. Indigenous groups and their organizations were co-authors of the Principles, including the major organizations in Indonesia (AMAN), the Amazon (COICA), and Meso-America (AMPB). These partnerships are more than an idea; they are already happening. The Principles were inspired by the 20-year partnership between the Government of Acre State, Brazil, and the indigenous peoples and traditional communities of that state, that we documented in a new study. Three years ago, the giant, agro-industrial powerhouse state of Mato Grosso had a single indigenous representative in its forests and climate forum. Today, a state-wide indigenous peoples' consultation process is underway that extends to all 43 indigenous ethnicities of this 903,000 km ^{2} Brazilian State. Earth Innovation Institute played a pivotal role in initiating and coordinating the discussions and meetings that led to the Principles and is now supporting their implementation, in close collaboration with the GCF Secretariat. EII also played a pivotal role in designing and supporting the Mato Grosso consultation process.

- **Companies are beginning to seek partnerships with subnational governments**

Another surprising finding of our State of Jurisdictional Sustainability report is the lack of formal partnerships between companies and tropical forest governments that have both pledged to help tackle tropical deforestation, despite the explicit call for such partnerships by governments through the Rio Branco Declaration of 2014. Of the 473 companies that have made formal commitments to remove or reduce deforestation associated with their supply chains of palm oil, soybeans, beef, paper pulp and timber (data from www.supplychange.org), only 5 have established formal partnerships with the 39 jurisdictions we analyzed. Unilever, Marks & Spencer, Mars and other consumer goods companies are demonstrating that these partnerships are feasible and can deliver big impacts. In Central Kalimantan, in the Districts of Kotawaringin Barat and Seruyan, a collaboration between local governments

and Unilever has now brought more than 1000 smallholder farmers into the formal economy and international certification, opening up new income opportunities. This project is coordinated by INOBU, Earth Innovation Institute's main partner in Indonesia.

- And the world should see many **more corporate-government partnerships to solve tropical deforestation in 2019**

A framework for fostering a global "race-to-the-top" among tropical forest jurisdictions that are striving to solve deforestation was outlined in 2018, fruit of the "Balikpapan Challenge: Agricultural Production and Tropical Deforestation" initiative, which is led by tropical forest governments. The Global Steering Committee of this process has drafted a simple set of conditions under which the deforestation associated with agricultural production can be slowed and eventually reversed. The "Balikpapan Jurisdictional Framework", named after the East Kalimantan city where the process was launched, will be opened up for public review in 2019. The Global Steering Committee is coordinated by the Earth Innovation Institute and the Secretariat of the GCF. Partly in recognition of the limits of their "supply chain" approach to deforestation that is implemented through sustainability certification and unilateral commitments, the Consumer Goods Forum, whose nearly 400 members include some of the leading retail brands, is developing a new Theory of Change for addressing deforestation that includes a jurisdictional approach. In 2019, the CGF initiative is likely to launch several new partnerships between tropical forest jurisdictions and consumer goods companies that buy raw materials in tropical forest regions. EII has supported this CGF process from the beginning. Earth Innovation Institute has launched an online platform to facilitate these and other partnerships needed to shift entire states and provinces towards forest-, community- and climate friendly development. The platform, www.GCFImpact.org, provides greater access to reliable information on the environmental and social performance, the programs and policies, and the agricultural and forest commodities of the GCF members.

- **Regional low-carbon food transitions are underway** or ready to be launched

Beef is the most carbon-intensive form of protein in the world and

a major driver of deforestation in the Amazon region and across Latin America. Efforts to improve the productivity of cattle ranching to reduce beef's negative environmental impacts are important but, alone, insufficient to address the broader issue. Beef intensification also runs the risk of promoting more beef consumption if it lowers beef prices. Alternative, low-carbon protein systems are urgently needed at scale to address this important source of greenhouse gas emissions. Industries and cooperatives for increasing incomes and jobs from the harvest and processing of non-timber forest products, such as native rubber and Brazil nut, and for promoting low-carbon protein, such as fish, pork and poultry, have been put in place in the State of Acre. Earth Innovation leaders have worked for more than 20 years in this state. We describe these pioneering experiences in a new publication. Stay tuned for EII's new "Amazon Back to Fish" strategy, to be released in early 2019, which charts a pathway for shifting the region's animal protein production from beef back to fish through a blend of aquaculture and community-based management of the *várzea* floodplain wild fishery of the Amazon River. A quiet movement to take on the threat of climate change and prepare for the disruptions that are already upon us is growing stronger, fed by advances in social inclusion, transparency, and a growing body of inspiring stories of hope and optimism. Please help the Earth Innovation Institute strengthen this movement through a tax-deductible donation! My best,

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