Global Canopy

Global Canopy contribution to the COP 30 Presidency Roadmap on Halting and Reversing Deforestation and Forest Degradation by 2030

Global Canopy is a data-driven not for profit that targets the market forces destroying nature. Our entry point for working with financial institutions, companies and governments is halting and reversing deforestation. We offer best-in-class data and insights to promote transparency around commodity supply chains, as well as tracking corporate and finance sector action on deforestation in supply chains and investment portfolios.

Instituto Igarapé has emphasised[1] that the Roadmap should be grounded in a strong scientific diagnosis of global deforestation and forest degradation, supported by robust analysis of its key drivers, the financial flows behind it, and the most influential actors.

Our responses below are rooted in our science-based data innovations (including Trase, Forest 500 and Floresta 250 - Cattle) and close engagement with corporate, finance, public sector, civil society and academic stakeholders in commodity producing and importing countries. We focus on areas where we have greater experience - i.e. considerations linked to global commodity production and trade and its financing. However, we would also like to emphasise the importance of the Roadmap addressing other areas where we have less direct expertise or detailed feedback, especially Indigenous land tenure and ensuring sustainable livelihoods for local communities and smallholder farmers in forest territories. We encourage the Presidency to continue and prioritise consultation with Indigenous Peoples and local communities in developing this Roadmap.

(a) What are the most critical barriers — whether physical, economic, financial, institutional, technological or social — preventing the halting and reversing of deforestation and forest degradation?

Leading scientists have found that agriculture is the ultimate driver of 90-99% of tropical deforestation. (Pendrill et al, 2022) Therefore addressing the structures and incentives within markets for agricultural commodities is necessary in order to halt and reverse deforestation and forest degradation. The most important commodities in the overall global context are cattle, soy, cocoa, palm oil and

[1] INSTITUTO IGARAPÉ. Rumo a um Mapa do Caminho para Zerar o Desmatamento: Insumos e Considerações. Rio de Janeiro. Instituto Igarapé, 2026. Disponível em: https://igarape.org.br/publicacoes

wood pulp, but other forms of agriculture (e.g. cultivation of rice, maize and cassava) are significant in specific areas.

While agriculture is the ultimate driver, only 45-65% of the deforestation results in the expansion of agricultural production. A significant share of agriculture-driven deforestation involves land speculation that never materialised, projects that were abandoned or ill-conceived, land that proved unsuitable for cultivation, as well as fires that spread into forests from neighbouring cleared areas.

Some critical barriers preventing progress include:

- Limited financial, technical and institutional resources to enable strong and consistent enforcement of land governance and regulation in commodity-producing countries.
- Lack of an enabling regulatory environment in commodity-producing countries that supports systemic anti-deforestation measures within high-risk sectors.
- Public subsidies and concessional finance provided to activities that are linked to deforestation, without sufficient safeguards to ensure transparent compliance with environmental standards.
- Lack of robust protection of the human rights of Indigenous Peoples and local communities in forest territories, including lack of attention by supply chain companies and financiers to how their suppliers and portfolio companies are involved in human rights abuses.
- Inaction by companies and financiers in both commodity-producing and importing markets on deforestation linked to their supply chains and portfolios. As of 2024, the 150 financial institutions with the greatest exposure to deforestation risk provided US$8.9 trillion to the 500 companies with the most influence on global deforestation.
- Insufficient action by governments in key importing markets whose imports and consumption are driving deforestation and associated negative effects in producing countries. Many countries fail to monitor or respond to the significant links between their imports and overseas deforestation.
- Inadequate action by governments on tackling global heating, including the phasing out of fossil fuels. In 2024, nearly half of tropical primary forest loss was caused by fire. Record hot, dry conditions combined with human-caused fire, often started to clear land for agriculture, creates dangerous conditions for fires to spread out of control. As temperatures

continue to rise, the interconnection of fossil fuels, climate, agriculture, and forests should be considered holistically to address causes and mitigate impact.

(b) What potential levers, whether economic, financial, institutional, social or technological,exist for accelerating the implementation of the commitment to halt and reverse deforestation and forest degradation?

- **Land use, governance and regulation**
    - Provision of support and financial incentives (including from importing countries) to enhance the enforcement of environmental and land-use regulation by commodity-producing countries. Targeting high-risk regions could help prioritise the allocation of resources (see appendix). This was well implemented in Brazil with the priority municipalities identified under Brazil's PPCDAm plan.
    - Enhancing the political representation of Indigenous Peoples and local communities in forest territories, and strengthening the protection of their human rights, including land tenure.
    - Fostering an enabling regulatory environment that supports systemic anti-deforestation measures within high-risk sectors.
    - Robust supply chain due diligence measures (e.g. best practice frameworks, policies, legislation) by all countries involved in commodity production, trade and consumption, coupled with technical and material exchange between producing and importing countries to ensure that the costs of compliance are equitably shared.
- **International cooperation**
    - Increase collaboration, alignment and coordination across international and regional initiatives, building bridges and enhancing political coherence in multilateral spaces as well as in bilateral relationships.
    - Strengthen international forums to facilitate knowledge exchange, drive innovation, mobilise finance, and support alignment of approaches.
- **Public and private finance**
    - Better integration and utilisation of different sources of climate and nature finance, including through global funds and development

banks, to catalyse and support mechanisms dedicated to forest conservation.

- Redesign of national fiscal policies, including reallocation of public subsidies or introduction of conditions on concessional finance, to avoid financing activities linked with deforestation, especially by high-risk companies that do not provide transparency on their compliance with environmental standards.
- Legal obligations requiring financial institutions to take steps to assess, disclose and address their exposure to deforestation through their investments and portfolios, including through due diligence, expectation setting, engagement, and potential reallocation of capital from companies that fail to address deforestation risks.

- **Technical and sectoral investment**
  - Investment and support (including material support from importing countries) for monitoring, reporting and verification systems, including the development of national traceability norms, standards and systems.
  - Investment in landscape and jurisdictional initiatives (including material support from importing countries), with a focus on high-risk regions.
  - Investment in harmonising data frameworks and best practice around business and finance measures to assess, disclose and address their exposure to deforestation through their supply chains and portfolios.
- **Education and public awareness**
  - Education and awareness campaigns to shift patterns of consumption in alignment with Target 16 of the Global Biodiversity Framework agreed under the United Nations Convention on Biological Diversity. This should address consumption in the highest income countries, as well as domestic markets in commodity-producing countries where these are significant.

(c) What country, regional or sector experiences, best practices, and lessons learned can be shared regarding forest conservation and restoration?

A focus on the experiences of specific communities, regions and landscapes is

critical to answer this question. Our response focuses on our area of expertise - data and best practice connected to the global trade and financing of forest risk commodities - but this is not intended to downplay the importance of other experiences.

- The Amazon Soy Moratorium was a major success as the first market-wide voluntary initiative to significantly reduce soy grown on deforested land from global value chains. Brazil's Ministry of Environment and Climate Change found that as a result of the Moratorium, "between 2006 and 2023, the area dedicated to soybeans in the Amazon biome grew 427%, without impacting deforestation." Its use of rigorous third-party audits and satellite monitoring promotes supply chain transparency and underpins confidence in the sustainable soy sector.
- Between 2008 and 2022, Indonesia's palm oil sector saw significant increases in supply chain transparency, alongside decreases in deforestation linked to palm oil expansion, even though production increased. In 2018–2022, deforestation for industrial palm oil was 32,406 hectares per year – only 18% of its peak a decade earlier, in 2008–2012. The sector is also notable for its widespread adoption of zero-deforestation commitments. Although Indonesian forests continue to be at risk of deforestation for palm oil, these experiences have important lessons for other sectors looking to advance on the transparency which supports effective supply chain measures.
- Overall, there is a significant body of established best practice which global supply chain companies and financial institutions can adopt to tackle deforestation in their value chains and portfolios. This includes the Accountability Framework roadmap (and Global Canopy's Finance Sector Roadmap built on the AFi's principles and guidance). Swedish pension fund Andra AP-fonden (AP2) has applied this to carry out due diligence on its deforestation-related risks and impacts, in an approach which can be replicated by other financial institutions.

(d) How can forest conservation, sustainable management, and restoration best reflect the diverse realities of countries at different stages of development, the rights and knowledge of indigenous peoples and local communities, and different degrees of forest cover?

We have incorporated some reflections on this question in the answers to (a)-(c) above. As set out above, we strongly agree that to succeed, the Roadmap must address the rights and access to political participation of Indigenous Peoples and local communities in forest territories. We encourage the Presidency to

continue and deepen engagement with these groups.

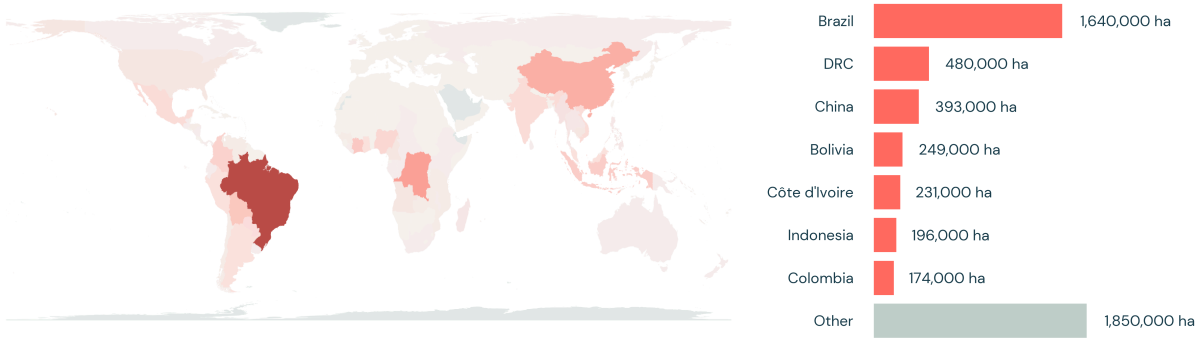
To succeed in mobilising concrete and continued action, the Roadmap will benefit from building on and fostering alignment between existing initiatives, such as the Forest Finance Roadmap for Action, the Forest Tenure Funders Group and the Tropical Forest Forever Facility (TFFF), as well as the COP30 Action Agendas and the Granary of Solutions. A key challenge and imperative will be to combine technical robustness with broad international legitimacy.

Appendix - data from Trase

1. Agricultural commodity deforestation

🔎 Where is agricultural commodity deforestation happening?

Globally, the expansion of agricultural and forestry commodities is linked to 5.2 million ha of deforestation annually (average for 2021 to 2023, Singh & Persson, 2026). Commodity-driven deforestation is concentrated in a few countries, with Brazil seeing the greatest annual losses (1.6 million ha, 31.5% of the global total), followed by DRC (480,000 ha, 9.2%), China (393,000 ha, 7.5%), Bolivia (249,000 ha, 4.8%) and Cote d'Ivoire (231,000 ha, 4.4%). Together, these five countries account for 57% of the global deforestation linked to the expansion of agricultural commodities.



🔎 Where are forest areas most at risk?

Relative to the remaining area of forest, the greatest annual percentage losses are in West Africa and Southeast Asia. This map and chart shows annual commodity deforestation as a percentage of the natural forest area in 2020 (data from the SBTN Natural Lands Map). Countries with relatively low deforestation (<5kha) were not included and are shown in grey below.

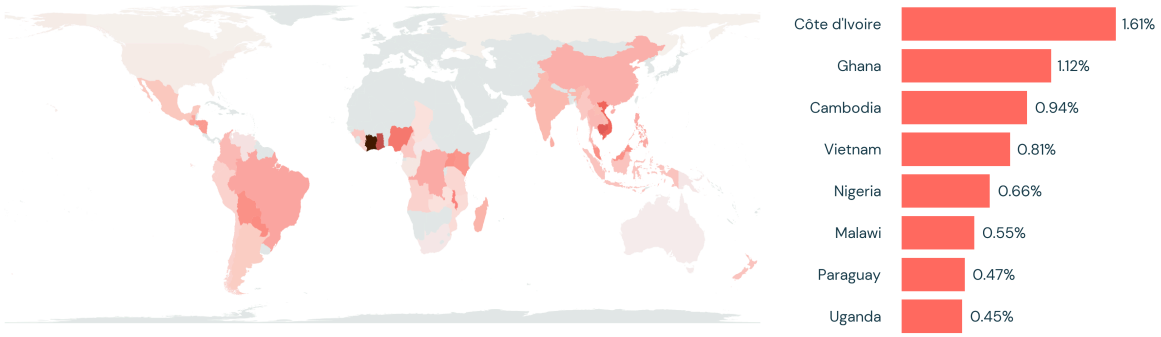


Figure: Annual agriculture-driven deforestation expressed as a percentage of the remaining area of natural forest in 2020. Countries with relatively low agriculture-driven deforestation (<5kha) are shown in grey on the map. For the bars on the right, only the top eight countries are shown.

The commodities driving deforestation vary substantially between countries

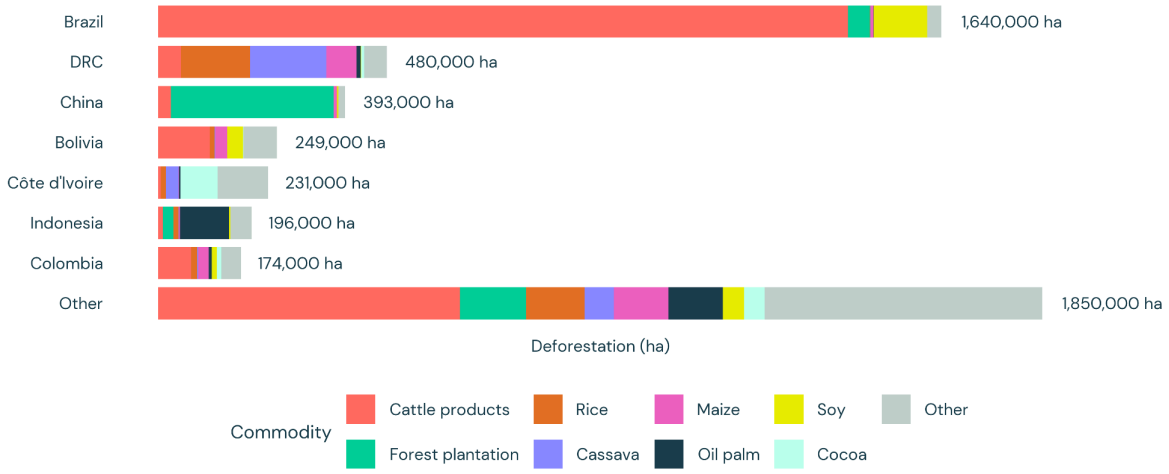


Figure: Deforestation (ha) linked to agricultural commodity production, broken down by country and commodity (annual average between 2021–2023).