



Institute for  
European  
Environmental  
Policy

Discussion paper on the  
determination of  
sustainability criteria for  
deforestation, degradation  
and conversion-free, and  
human rights compliant  
agriculture and forestry  
commodities and products  
to be placed on the EU  
market

---

31 January 2020



**Disclaimer:** The arguments expressed in this report are solely those of the authors, and do not reflect the opinion of any other party.

**The discussion paper should be cited as follows:** Nanni S, Allen B, Riera A, Treharne R, Meredith S and Bowyer C (2020) Discussion paper on the determination of sustainability criteria for deforestation, degradation and conversion-free, and human rights compliant agriculture and forestry commodities and products to be placed on the EU market. Institute for European Environmental Policy (IEEP), London.

**Corresponding author:** Silvia Nanni ([snanni@ieep.eu](mailto:snanni@ieep.eu))

**Acknowledgements:**

We thank Clotilde Henriot at ClientEarth for the excellent contribution in drafting and revising the human right principles and criteria, and Marc-Olivier Herman at Oxfam International for providing additional guidance.

We thank the steering group formed by WWF EPO, WWF Germany and WWF Netherlands for their support in guiding and financing this paper. In addition, this paper was made possible by WWF Netherlands through a strategic partnership with IUCN NL and the Netherlands Ministry of Foreign Affairs.

### **Institute for European Environmental Policy**

Brussels Office

Rue Joseph II 36 – 38

B- 1040 Brussels

Tel: +32 (0) 2738 7482

Fax: +32 (0) 2732 4004

London Office

11 Belgrave Road

IEEP Offices, Floor 3

London, SW1V 1RB

Tel: +44 (0) 20 7799 2244

Fax: +44 (0) 20 7799 2600

The **Institute for European Environmental Policy (IEEP)** is a sustainability think tank. IEEP undertakes work for external sponsors in a range of policy areas as well as engaging in our own research programmes. For further information about IEEP, see our website at [www.ieep.eu](http://www.ieep.eu) or contact any staff member.

# Table of Contents

<b>1 Introduction and methods .....</b>	<b>1</b>
1.1 Approach.....	1
1.2 The role of sustainability and human right criteria .....	2
1.3 The rationale for sustainability and human right criteria for EU policy making .....	2
<b>2 Overview of existing initiatives .....</b>	<b>3</b>
2.1 Current international initiatives .....	3
2.2 Current EU initiatives .....	5
2.3 EU Member State initiatives .....	7
2.4 Private sector and civil society initiatives .....	8
2.5 Lessons learnt from the review .....	10
<b>3 Building blocks of the sustainability criteria .....</b>	<b>12</b>
3.1 Defining key concepts.....	12
3.2 Defining a base year.....	18
<b>4 Draft sustainability and human right criteria .....</b>	<b>21</b>
4.1 Principles & criteria relating to deforestation, ecosystem conversion or degradation ..	22
4.2 Principles relating to human rights.....	24
<b>5 References.....</b>	<b>27</b>
5.1 References cited in the text of the discussion paper .....	27
5.2 List of initiatives cited in the text of the discussion paper .....	27
<b>Annex 1.....</b>	<b>29</b>
<b>List of Tables</b>	
Table 1: Overview of definitions .....	14
Table 2: Overview of base years used in existing initiatives .....	19
Table 3: Overview of current international initiatives.....	33
Table 4: Overview of current EU initiatives .....	40
Table 5: Overview of current private sector and civil society initiatives.....	47

# Executive Summary

This discussion paper sets out proposed sustainability criteria to address the potential risks relating to deforestation, degradation and conversion of ecosystems, and human rights violations associated with the production of agriculture and forest commodities (or related products<sup>1</sup>) that are placed on the EU market.

More than 60 key initiatives have been included, relevant to deforestation, ecosystem conversion, ecosystem degradation and human rights, as part of the evidence review for this discussion paper. This includes international, EU and Member State level initiatives, as well as private sector pledges and commitments, and civil society initiatives. On this basis, a menu of definitions and base years have been compiled as the building blocks on which the sustainability and human rights criteria are built.

The proposed sustainability criteria aim to determine elements of a future EU regulatory framework. They apply to a specific subset of agricultural and forest commodities selected for this paper by analysing the EU Feasibility study on options to step up EU action against deforestation and by adding poultry and dairy alongside beef. On this basis, the sustainability criteria apply to cocoa, soy, maize, palm oil, rubber, beef, dairy and poultry. However, the criteria have been designed to have wider applicability across a broader set of agriculture and forest commodities. Having a more widely applicable set of criteria can help in providing a uniform approach to all agriculture and forest commodities on the EU market and thus provide clarity to operators and auditors. The criteria are designed to be implementable in the EU and third countries.

## Principles and criteria relating to deforestation, ecosystem conversion and degradation

### Principles

1. Agricultural and forest commodities placed on the EU market shall not result in deforestation (the conversion of forest to another land use or the long-term reduction of tree canopy cover below a [certain threshold]);
2. The production of agricultural and forest commodities placed on the EU market shall not lead to the conversion of other natural ecosystems to agricultural land use;
3. The production of agricultural and forest commodities placed on the EU market shall not lead to the degradation or destruction of high carbon stock, high conservation value and high biodiversity value ecosystems.

### Criteria

1. Agricultural and forest commodities placed on the EU market shall not be produced from land that had the following status in [date] and has been converted to agricultural land since this time:
  - i) **Forest land** – [definition];
  - ii) **Natural ecosystems** – [definition].

---

<sup>1</sup> Agricultural and forest products are all those materials derived from agriculture and forestry for direct consumption or commercial use, such as crops, livestock and livestock products, paper, pulp or timber.



2. Agricultural and forest commodities placed on the EU market shall not be [produced] from land that had the following status in [date] and still has that status, except where the commodity can be produced and harvested in compliance with conservation objectives and does not lead to the loss or degradation of ecosystem functions on or adjacent to this land:
  - i) **Forest land** – [definition];
  - ii) **Semi-natural ecosystems** – [definition].

Note: Square brackets [] above show where a decision should be made with respect of the specifics of the criteria, such as the base year or the definition used.

## **Principles and criteria relating to human rights**

### **Principles**

1. Agriculture and forest commodities placed on the EU market shall be produced by ensuring their production does not violate any human rights embedded into national laws nor those expressed, as a minimum, in the International Bill of Human Rights and the United Nations Declaration on the Rights of Indigenous Peoples;
2. The production of agricultural and forest commodities shall respect local communities and indigenous peoples' land and resource rights;
3. Agricultural and forest commodities placed on the EU market shall not result in the illegal acquisition or use of land circumventing community and tenure rights. Indigenous peoples' and local communities' formal and customary rights to lands, territories and resources shall be identified and respected. This includes their rights to own, occupy, use and administer these lands, territories and resources. [Based on AFI Principle B2.1];
4. No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their Free, Prior and Informed Consent (FPIC) according to practices enclosed in the FAO FPIC Manual;
5. The production of agricultural and forest commodities shall respect the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

### **Criteria:**

1. The production of agricultural and forest commodities respects land tenure rights of all forms: public, private, communal, collective, indigenous, women and customary;
2. The production of agricultural and forest commodities respects the rights of local communities and indigenous peoples to use land and resources, whether those use rights are public, private, communal, collective, indigenous, women or customary;
3. Prior to any production of agricultural and forest commodities that may affect the rights of local communities and/or indigenous peoples on the lands, forest and resources that they customarily own, live on or use, their free, prior and informed consent shall be obtained;
4. All members of an affected local community or indigenous people shall have an opportunity to participate in the decision to grant, or not grant, FPIC, including women, youth, elderly and other marginalised groups. Local communities and indigenous peoples affected by the production of agricultural and forest commodities shall have access to a dispute resolution mechanism;
6. Agriculture and forest commodities placed on the EU market shall be sourced and produced in accordance with and respect to the internationally-recognised rights of workers and national norms on labour in the country of production recognised by the Universal Declaration on Human Rights and ILO fundamental Conventions.

The phrasing of the criteria relies on the definition of key concepts (e.g. 'forest', 'deforestation', 'ecosystem conversion', 'ecosystem degradation' and the definition of several human right aspects) and choice between base years. This choice influences the

application of the criteria in practice. For example, the choice of a base year defines the point in time according to which no land conversion can happen linked to the production of agriculture and forest commodities in the country of origin.

If the criteria set out above are to be implemented within an EU regulatory framework, consideration will need to be given as to the mechanism by which the criteria are implemented and verified (e.g. voluntary scheme, certification, standard, Directive, Regulation, etc.), and the implications of their implementation for existing production systems, commodity supply chains and legislation.

To be effective in implementation, it is likely that these criteria would be best articulated as part of a binding instrument under EU law. However, the proof of compliance with these requirements could take different forms, in order to qualify for market access. These have not been determined in this study but should be the focus of future work.

A number of major considerations for implementation within a legal framework in the EU needs to be taken into account but are not part of this discussion paper. The outcome of these considerations may also lead to changes in the criteria themselves. The considerations are:

- **Existing trade law or trade agreements** with supplying countries, and whether sustainability criteria can be applied in the same way as legality criteria (as is the case with the EUTR);
- **Implementation within the domestic EU context**, as impacts from agricultural production occur both on agricultural land, as well as in adjacent aquatic and terrestrial ecosystems;
- **Chain of custody and traceability**, which is crucial to the implementation of these criteria.



# 1 Introduction and methods

The principal aim of this discussion paper is to define and articulate effective and implementable sustainability criteria addressing the risks relating to the production of agricultural and forest commodities placed on the EU market in relation to deforestation, ecosystem degradation or conversion, and human rights violations.<sup>2</sup> The criteria must be implementable in the EU and third countries and aim to contribute to the determination of elements of a future EU regulatory framework. They apply to a specific subset of agriculture and forest commodities selected for this paper by analysing the EU Feasibility study on options to step up EU action against deforestation and by adding poultry and dairy alongside to beef. On this basis, the sustainability criteria apply to cocoa, soy, maize, palm oil, rubber, beef, dairy and poultry, but are applicable to a wider set of agricultural and forest commodities.

This discussion paper serves several purposes. It presents a concise set of sustainability and human right criteria for selected agriculture and forest commodities placed on the EU market, and a description of the main elements that make up those criteria, in the form of a menu of definitions, base years and current initiatives embedding mechanisms and approaches that could be used in the context of the sustainability criteria sought within this discussion paper.

## 1.1 Approach

More than 60 key initiatives have been reviewed, relevant to deforestation, ecosystem conversion, ecosystem degradation and human rights selected within this discussion paper. This includes international, EU and Member State-level initiatives, as well as private sector pledges and commitments, and civil society initiatives.

The review undertaken resulted in the following outputs:

- A list of mechanisms and approaches used within international, European, Member State-level and public-private initiatives to address the impacts of deforestation, ecosystem conversion and degradation, as well as those on human rights. These are listed in Chapter 2;
- A menu of definitions that form the basis of the draft sustainability criteria. These include ‘forest’, ‘deforestation’, ‘ecosystem conversion’, ‘ecosystem degradation’ and various nuances of such concepts, as well as definitions in relation to human rights including – ‘land use rights’, ‘tenure rights’, and ‘rights related to the displacement of indigenous and local communities’. These are listed in Chapter 3.1;
- A menu of base years according to which no deforestation and/or land conversion or human right violation could take place driven by the production of agricultural and forest commodities. These are set out in Chapter 3.2;
- A set of sustainability and human right criteria set out in Chapter 4.

---

<sup>2</sup> The human rights included as part of this discussion paper are: (i) land tenure rights; (ii) land use rights (including free prior and informed consent), (iii) direct impact of displacement of indigenous and local communities, and (iv) workers’ rights.

## 1.2 The role of sustainability and human right criteria

The role of sustainability and human right criteria set out in legislation is to ensure, in this case, that the demand driven production of a commodity does not lead to deforestation, degradation or conversion of ecosystems, or impact on human rights. This is independent of the end use of a given commodity, whether it is intended for human consumption, energy or the wider bioeconomy. As one trend develops, there may come a shift from one technology to another or the diversion of resources from an existing to a new supply chain or technology. The criteria, and the framework that surround them, therefore help to control unintended, perverse outcomes (Allen et al, 2016).

Sustainability criteria also provide clarity to supply chain actors about what is required of a commodity in order to gain access to a given market, and provide certainty to suppliers, investors and other interested parties that are able and have security to access those markets and make investments. The framework in which sustainability criteria operate should allow for reviews to take place, ensuring that on-going sustainability issues are addressed and that there is a clear vision for long-term sustainability that helps support investments.

## 1.3 The rationale for sustainability and human right criteria for EU policy making

The need for sustainability and human rights criteria for agriculture and forest commodities placed on the EU market arises primarily as a result of a gap in existing EU policy instruments against EU and international commitments. Our review of existing initiatives associated with deforestation that apply in the EU and globally highlights both the commitments made to avoiding deforestation, ecosystem degradation and conversion by the EU<sup>3</sup>, and the existing initiatives that are in place to address deforestation and infringement of selected human rights. Our assessment shows a gap between the aspiration and the tools to make good on commitments made.

Of the initiatives reviewed in this paper, few include criteria to address deforestation impacts directly. Those that do link to specific uses of an agricultural commodity, such as the sustainability criteria set out in Article 29 of the recast RED (RED II)<sup>4</sup>. Despite these gaps, there are elements within these initiatives on which to build suitable sustainability criteria, such as principles, definitions and cut-off dates, to ensure consistency within EU legislation.

---

<sup>3</sup> Notably in relation to the UN SDGs, the COP21 Paris Climate Agreement and the UN CBD.

<sup>4</sup> For example, Art. 29.3(b) of the RED states that "...biofuels, bioliquids and biomass fuels produced from agricultural biomass taken into account for the purposes referred to in points (a), (b) and (c) of the first subparagraph of paragraph 1 shall not be made from raw material obtained from land with a high biodiversity value, namely land that had one of the following statuses in or after January 2008."



## 2 Overview of existing initiatives

This Chapter summarises 60 of the current international, EU and Member State-level initiatives as well as private and civil society ones, which directly or indirectly address deforestation, ecosystem conversion and degradation, and selected human rights aspects related to the production of agricultural and forest commodities placed on the EU market. These include existing public and private initiatives (including sustainability certification), which can contribute to the discussion (e.g. High Conservation Value (HCV) and High Carbon Stock (HCS) standards). Research studies and supporting evidence have also been reviewed.

A more in-depth description of current initiatives relevant to the sustainability and human rights impacts related to agricultural and forest commodities is enclosed in Annex 1.

### 2.1 Current **international** initiatives

The EU and its Member States are parties to a wide range of international commitments or initiatives stemming from being a party to the United Nations (UN). These set the overall direction and objectives to which EU activities should adhere, and can provide international justification for the defining and implementing of principles and criteria on deforestation and human rights. The most important global commitments and initiatives in this context include the UN 2020 Agenda for Sustainable development alongside its Sustainable Development Goals (SDGs)<sup>5</sup>, the New York Declaration on Forests<sup>6</sup>, the UN Forum on Forests<sup>7</sup>, the UN Convention on Biological Diversity<sup>8</sup> and initiatives related to the UN Framework Convention on Climate Change (UNFCCC), especially in relation to the Paris Agreement.<sup>9</sup>

In relation to the impacts on human rights, the initiatives that do exist include the FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT), the Indigenous and Tribal Peoples Convention (part of the ILO Convention), the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the UN Guiding Principles on Business and Human Rights<sup>10</sup>, and the State of World's Indigenous People.<sup>11</sup> In addition to these, there are national laws in place aiming to address human rights issues, along with voluntary approaches, such as the Accountability Framework Initiative (AFI) and the Round Table on Sustainable Palm Oil (RSPO) – which include specific principles and criteria on human rights.

The UN SDGs include specific reference to halting deforestation by 2020 and support sustainable consumption and production patterns whilst aiming to conserve and restore ecosystems, forests, degraded land and natural habitats (SDGs 12.2, 15.1, 15.2, 15.3, 15.4 and

---

<sup>5</sup> UN Declaration (2015) Transforming our world. The 2020 Agenda for Sustainable Development. URL: <https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>

<sup>6</sup> New York Declaration on Forests. URL: <https://forestdeclaration.org/>

<sup>7</sup> UN Forum on Forests (2000). URL: <https://static.un.org/esa/forests/index.html>

<sup>8</sup> UN Convention on Biological Diversity (1993). URL: <https://www.cbd.int/doc/legal/cbd-en.pdf>

<sup>9</sup> UN Framework Convention on Climate Change (2015) Paris Agreement. URL: [https://unfccc.int/sites/default/files/english\\_paris\\_agreement.pdf](https://unfccc.int/sites/default/files/english_paris_agreement.pdf)

<sup>10</sup> UN Human Rights (2011) Guiding Principles on Business and Human Rights. URL: [https://www.ohchr.org/documents/publications/GuidingprinciplesBusinesshr\\_eN.pdf](https://www.ohchr.org/documents/publications/GuidingprinciplesBusinesshr_eN.pdf)

<sup>11</sup> UN (2009) State of the World's Indigenous Peoples. URL: [https://www.un.org/esa/socdev/unpfii/documents/SOWIP/en/SOWIP\\_web.pdf](https://www.un.org/esa/socdev/unpfii/documents/SOWIP/en/SOWIP_web.pdf)

15.5). However, the phrasing of the SDGs and the underpinning indicators are insufficiently specific in the EU context to form the basis for binding requirements.

The New York Declaration on Forests (NYDF) is a voluntary, non-binding declaration linked to the UN summit in New York in 2014, and signed by the European Union. The Declaration aims to halve the rate of deforestation by 2020, to end it by 2030, and to restore 150 million hectares of degraded land by 2020 and 350 million hectares by 2030. According to the 5-year assessment report (2019), there is little evidence that these goals are on track, and achieving the 2020 NYDF targets is believed to be 'likely impossible'.<sup>12</sup> In order to address this lack of delivery, the assessment calls for the effective protection of tropical forests, complementary efforts to restore forest landscapes by recovering lost ecosystem functions and services, and larger-scale and more coordinated action by government, private companies and civil society. Private companies' pledges and commitments are encouraged, as well as sector-wise approaches such as the Soy Moratorium in the Brazilian Amazon and the Peatland Moratorium in Indonesia. Improving implementation conditions appears to be essential to halt deforestation. In order to do so, the 5-year assessment report includes:

- Dedicated and reliable financing from domestic, international, public and private sources to address the drivers of forest loss;
- A shift in finance to increase the current amount of finance for forests (approximately \$ 22 billion);
- Demand-side measures play an equally important role in addressing the drivers of deforestation. This includes both regulatory and non-regulatory measures, as discussed in the 2018 EC study on Stepping up EU Action against Deforestation and Forest Degradation<sup>13</sup>;
- Improvement in forest governance, including enhanced transparency and strengthening of enforcement;
- Recognition of the contribution of indigenous peoples to the conservation of forest ecosystems. This include the protection and full recognition of, amongst others, land use rights.

The UN Convention on Biological Diversity aims to implement its goals through the Aichi Biodiversity targets. Two are most relevant to the purpose of this discussion paper. Target 5 requires at least a halving of the rate of loss of all natural habitats, including forests, by 2020 and where feasible bring it close to zero, whilst degradation and fragmentation is significantly reduced. In addition, Target 7 calls for areas under agriculture, aquaculture and forestry to be managed sustainably, ensuring conservation of biodiversity, by 2020.

For the UN Paris Agreement framework, the most relevant article in relation to the protection of forests as carbon sinks, and its impact on halting deforestation, is Article 5 that encourages parties to conserve and enhance carbon sinks with a particular focus on forests, including through REDD+ and improved forest management.

---

<sup>12</sup> NYDF Assessment Partners (2019) Protecting and Restoring Forests: A Story of Large Commitments yet Limited Progress. New York Declaration on Forests Five-Year Assessment Report. Climate Focus (coordinator and editor). URL: <https://forestdeclaration.org/images/uploads/resource/2019NYDFReport.pdf>

<sup>13</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)



The FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT) serve as guidance to improve the governance of tenure of land, fisheries and forests in the context of the overarching goal of achieving food security. They don't explicitly address human rights impacts related to deforestation. However, they propose a framework to strengthen governance of tenure in the event of, amongst others, environmental degradation and climate change, which contribute to reducing availability of land and increasing vulnerability of local and indigenous communities.

The UN Indigenous and Tribal Peoples Convention was approved in 1989 under the International Labour Organisation (ILO). According to Part II on Land (and following Articles), the rights of ownership and possession of the indigenous peoples (not all of local communities) concerned over the lands that they traditionally occupy shall be recognised. In addition, measures shall be taken in cases to safeguard the right of the peoples concerned to use lands not exclusively occupied by them, but to which they have traditionally had access for their subsistence and traditional activities.

The UN Declaration on the Rights of Indigenous Peoples (UNDRIP) was approved in 2007 by the General Assembly of the United Nations (UN). The Declaration is the most comprehensive international instrument on the rights of indigenous peoples. It establishes a framework of minimum standards for the survival, dignity and wellbeing of the indigenous peoples of the world and it elaborates on existing human rights standards and fundamental freedoms as they apply to the specific situation of indigenous peoples.

The UN Guiding Principles on Business and Human Rights seek the protection of human rights of indigenous people and communities affected by deforestation, ecosystem degradation and conversion.

The sustainability criteria proposed in this paper could include a specific requirement to implement existing principles relating to human rights. However, success of such principles is strongly tied to their implementation on the ground through national level legislation in the country of origin or specific provisions and requirements embedded in certification schemes.

## 2.2 Current EU initiatives

As a key trading partner, and the global lead importer of products from least developed countries, the EU has a responsibility for its deforestation and ecosystem footprint and the human rights impacts related to it. Whilst a variety of EU legislation exists with relevance to preventing deforestation, none of that reviewed appears to be directly relevant to sustainability criteria addressing human rights impacts driven by the production of agricultural and forest commodities.

A number of pieces of legislation contain elements that are relevant to a potential future EU regulatory framework addressing the risk of deforestation, ecosystem conversion and degradation as well as the violation of human rights. The most important elements are embedded in the following EU policy instruments:

- The EU Timber Regulation (EUTR) – The EUTR provides examples of due diligence requirements for operators placing timber on the EU market. Inclusion of reference to

the EUTR in the criteria would a) prohibit the placing on the EU market of illegally harvested timber and products derived from such timber, and b) require EU operators who place timber products on the EU market for the first time to exercise due diligence. In addition, the EU Action Plan on Forest Law Enforcement, Governance and Trade (FLEGT) requires multi-stakeholder processes to take place including the proper involvement of civil society and local communities in decision-making in relation to the use of forest and forest resources, as well as increased transparency and accountability in the management of forests in timber producing countries driven by the establishment of trade relations through Voluntary Partnership Agreements (VPAs);

- Illegal, Unreported and Unregulated (IUU) Fishing Regulation – This provides an example of a monitoring and enforcement mechanism that could be required by sustainability criteria to halt deforestation impacts of agricultural and forest commodities. According to the IUU Fishing Regulation, only marine fisheries products validated as legal by the competent flag state or exporting state can be imported to or exported from the EU. An IUU vessel list is issued regularly, based on IUU vessels identified by Regional Fisheries Management Organisations. The IUU Regulation can take steps against states that turn a blind eye to illegal fishing activities: first it issues a warning, then it can identify and black list them for not fighting IUU fishing. EU operators who fish illegally anywhere in the world, under any flag, face substantial penalties proportionate to the economic value of their catch, which deprives them of any profit;
- Conflict Minerals Regulation – This provide an example of a system for supply due diligence of importers of minerals and metals into the EU, including chain of custody requirements for imports of metal and minerals, while information supported by documentation as from the point of origin needs to be provided for imported by-products. Audits are carried out by third party organisations;
- The sustainability criteria embedded in the Renewable Energy Directive (RED) and recast Renewable Energy Directive (REDII), if implemented on the ground, can contribute to limit the impacts of deforestation, ecosystem conversion and degradation driven by the production of specific commodities (in use for energy) through requiring no conversion of (i) highly biodiverse land; (ii) high carbon stock land; and (iii) peatlands and grasslands for biofuel production, and through risk-based sustainability criteria for forest biomass. There remain, however, controversies as to allowing trading of palm oil into the EU according to the requirements of REDII. Most recently, the European Commission’s DG Environment feasibility study on stepping up EU Action against deforestation and forest degradation has touched upon the potential for extending and/or adapting the set of biofuel and biomass sustainability criteria currently in place to all commodities.<sup>14</sup> The implications of doing this in relation to WTO trade rules would need to be further understood.

---

<sup>14</sup> COWI, Ecosys and Milieu (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)



### 2.3 EU Member State initiatives

Beyond the EU, European Member States have actively contributed to promote more sustainable consumption and production practices leading to the elimination of deforestation and related impacts on ecosystems and human rights.

The Amsterdam Declarations have been the main voluntary, pan-European instruments promoted by a number of European countries to support 100% sustainable palm oil by 2020 and eliminate deforestation from agriculture supply chains by 2020. Both Declarations have been signed by Denmark, France, Germany, Italy, the Netherlands, Norway and the UK:

- The first Amsterdam Declaration<sup>15</sup> aims to support action to eliminate deforestation from agricultural supply chains and promote sustainable economic development linked to the implementation of several Sustainable Development Goals (SDGs) – i.e. poverty reduction (SDG 1); food security and nutrition (SDG 2); gender equality (SDG 5); water and sanitation (SDG 6); sustainable consumption and production (SDG 12); climate action (SDG 13); halting land degradation and biodiversity loss (SDG 15). It aims to promote public and private sector commitments on halting deforestation driven by trading agricultural and forest commodities into the EU and implanting the principles set out in the New York Declaration on Forests. The Declaration is dedicated to halting deforestation and explicitly securing basic human rights by a) requesting enforcement of national forest laws; b) encouraging the application of internally recognised labour, social and environmental standards and principles in global supply chains; c) increased synergies between trade and the SDGs, and d) implementation of the options identified in the 2013 European Commission report on deforestation and consumption.
- The second Amsterdam Declaration<sup>16</sup> aims to support commitment and drive towards 100% sustainable sourcing and trade of palm oil, and increased traceability of the commodity by no later than 2020. The Declaration supports the private sector implementing the commitments and civil society, private sector and governments monitoring their implementation. In 2018, the Amsterdam Declaration signatories also called the European Commission to present a Roadmap for the development of a EU Action Plan on deforestation and forest degradation.<sup>17</sup>

At national level, France published a 2018 – 2030 strategy to halt imported deforestation from agricultural commodities.<sup>18</sup> The Action Plan is structured around four main headings and 17 specific objectives. Overall, the Action Plan aims to halt imports of agricultural and forest products contributing to deforestation by 2030. From 2017, large-scale or multinational

---

<sup>15</sup> Amsterdam Declaration (2015) Towards eliminating deforestation from agricultural commodity chains within European countries. URL: <https://www.euandgvc.nl/documents/publications/2015/december/7/declarations>

<sup>16</sup> Amsterdam Declaration (2105) The Amsterdam Declaration in support of a fully sustainable palm oil supply chain by 2020. URL: <https://ad-partnership.org/wp-content/uploads/2018/10/Amsterdam-Declaration-Deforestation-Palm-Oil-v2017-0612.pdf>

<sup>17</sup> Amsterdam Declaration (2018) Call for ambitious EU Action Plan on deforestation and forest degradation. URL: [https://mfvm.dk/fileadmin/user\\_upload/MFVM/Miljoe/Letter\\_to\\_European\\_Commissioners\\_on\\_Deforestation.pdf](https://mfvm.dk/fileadmin/user_upload/MFVM/Miljoe/Letter_to_European_Commissioners_on_Deforestation.pdf)

<sup>18</sup> French Ministry of Ecological Transition and Solidarity (2018) National Strategy to halt imported deforestation. URL: [https://www.ecologique-solidaire.gouv.fr/sites/default/files/2018.11.14\\_SNDI\\_0.pdf](https://www.ecologique-solidaire.gouv.fr/sites/default/files/2018.11.14_SNDI_0.pdf)

companies are made accountable, according to Law 2017/399<sup>19</sup>, for assessing and addressing the negative impacts of their activities on human rights and the surrounding environment. More specifically, companies are required to publish public vigilance plans on a yearly basis, detailing impacts linked to their own activities, those of companies under their control as well as suppliers and sub-contractors. Should the companies not comply with these obligations, the law empowers concerned citizens and parties to bring on a litigation case. A € 10 million fine can apply in case of companies not publishing the plans, which can increase to € 30 million if such a failure resulted in damages that would otherwise have been preventable.

Though these developments at national level represent a step forward in the intention of halting deforestation and related impacts on ecosystem and human rights, their contribution is subject to active implementation by the private sector and linked to compliance with third party sustainability schemes.

As elaborated above, at pan-European level initiatives to halt deforestation, degradation and conversion of ecosystems as well as to protect human rights, rely for the most part on voluntary instruments. The Amsterdam Declarations are statements of intent showing political orientation and direction. Therefore, they aim to provide a vision and strategic view, rather than dictating specific requirements for the EU or other actions to implement. However, a number of elements can have a direct impact on halting deforestation and support human rights protection, and could therefore be used to support the sustainability criteria proposed in this discussion paper. They include, for instance, request for enforcement of national forest law in the country of origin, and the application of internationally recognised labour, social and environmental standards and principles in global supply chains.

#### 2.4 Private sector and civil society initiatives

Private sector and civil society initiatives offer insights into the types of criteria, principles and requirements that can fit with wider company and civil interests. These include initiatives and pledges aiming to halt deforestation; voluntary, certification schemes used to ensure compliance with existing criteria; standards such as High Conservation Value (HCV) and High Carbon Stock (HCS), and initiatives promoting access to accessible and relevant information and data on trade of agricultural and forest commodities.

In relation to halting deforestation, these include the Forest5000 initiative<sup>20</sup>, the Consumer Goods Forum<sup>21</sup>, the Tropical Forest Alliance 2020 (TFA 2020)<sup>22</sup> and the Collaboration for Forests and Agriculture (CFA)<sup>23</sup> as well as the Accountability Framework Initiative (AFI).<sup>24</sup> These initiatives have the aim of supporting companies as well as governments and investors to make commitments and pledges, and adopt practices and standards that serve the

---

<sup>19</sup> Law n. 2017/399 of 27 March 2017 relating to the duty of care of parent companies and ordering companies. URL: <https://www.legifrance.gouv.fr/eli/loi/2017/3/27/2017-399/jo/texte>

<sup>20</sup> Forest500. URL: <https://forest500.org/reports>

<sup>21</sup> Consumer Goods Forum. URL: <https://www.theconsumergoodsforum.com/initiatives/environmental-sustainability/key-projects/deforestation/>

<sup>22</sup> Tropical Forest Alliance 2020. URL: <https://www.tfa2020.org/fr/>

<sup>23</sup> Collaboration for Forests and Agriculture (CFA). URL: [https://www.wwf.org.br/natureza\\_brasileira/reducao\\_de\\_impactos2/agricultura/agr\\_acoos\\_resultados/copy\\_of\\_colaboracao\\_para\\_florestas\\_e\\_agricultura\\_cfa\\_27062017\\_1949/](https://www.wwf.org.br/natureza_brasileira/reducao_de_impactos2/agricultura/agr_acoos_resultados/copy_of_colaboracao_para_florestas_e_agricultura_cfa_27062017_1949/)

<sup>24</sup> Accountability Framework Initiative. URL: <https://accountability-framework.org/>

purposes of reducing demand of commodities that drive deforestation (in tropical regions such as the Forest500 initiative), ecosystem conversion and degradation. Some include specific guidelines, which have helped to inform the criteria proposed in this discussion paper. Amongst these initiatives, the Brazilian Soy Moratorium is of note. This is a voluntary supply chain initiative championed by ABIOVE and ANEC, which are two Brazilian industry associations operating in the soy industry, alongside NGOs. It aims not to trade or finance soy originating from land in the Amazon biome that has been deforested as from 2006. This initiative has been considered successful in reducing conversion of forest to soybean fields in no-go areas within the Amazon biome.

Voluntary, certification schemes are one of the mechanisms used to implement existing requirements that arise either through public or private initiatives. These aim to provide confidence to consumers, operators and auditors that products certified by the relevant scheme, adhere to certain standards. As such, voluntary, certification schemes provide a good summary of information on which to base the development of criteria for deforestation and human rights. However, in order to be robust and effective, they need to be completed by binding legislation to address the scope of topics considered in this discussion paper.

In relation to agricultural and forest commodities, there are a number of certification schemes that are used to certify sustainability standards for specific commodities (e.g. soy, palm oil, or biomaterials) or use of commodities for all end uses (e.g. food, feed, energy or bio-based products). As to the former, certification schemes include the Roundtable of Sustainable Palm Oil (RSPO)<sup>25</sup>, and the Round Table on Responsible Soy (RTRS).<sup>26</sup> The Roundtable of Sustainable Biomaterials (RSB)<sup>27</sup> and the International Sustainability and Carbon Certification (ISCC) scheme<sup>28</sup> cover all types of biomass and can be used for certifying biofuels under the EU RED. In addition, the Rainforest Alliance Sustainable Agriculture Standard is used to certify farms and producer groups involved in crop and cattle production. The schemes have the advantage of including criteria for the identification of different types of natural ecosystem (aquatic, terrestrial, etc.), as well as auditing criteria for their assessment.

In relation to forest commodities, two relevant certification schemes are the Forest Stewardship Certification (FSC) and the Programme for Endorsement of Forest Certification schemes (PEFC). Both schemes entail the use of chain of custody certification to make sure that a trader or retailer is in control of its supply chains and that these comply with specific sustainability standards. Nonetheless, certification is relatively low for both schemes in countries with high risk of deforestation and ecosystem conversion and degradation driven by the exploitation of forest resources.<sup>29</sup>

The High Conservation Value (HCV) and High Carbon Stock (HCS) standards provide a joint approach to identify, assess and monitor areas of high carbon conservation value in order to

---

<sup>25</sup> Roundtable of Sustainable Palm Oil. URL: <https://www.rspo.org/>

<sup>26</sup> Round Table Responsible Soy. URL: <http://www.responsiblesoy.org/?lang=en>

<sup>27</sup> Roundtable on Sustainable Biomaterials. URL: <https://rsb.org/>

<sup>28</sup> International Sustainability and Carbon Certification (ISCC). URL: <https://www.iscc-system.org/>

<sup>29</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)

maintain and enhance them. In addition, they distinguish between different types of forest areas in terms of their carbon and biodiversity values.<sup>30</sup> Since their inception, HCV and HCS have been further developed through guidance documents and a toolkit, with the aim to specify how to identify, manage and monitor HCV and HCS areas. A report template and guidance for integrated HCV-HCSA assessments was published in 2018.<sup>31</sup>

Most of the private actor and civil society initiatives reviewed within this discussion paper could potentially play a role in the implementation of the sustainability criteria proposed. However, supply chain interventions on their own are not sufficient to reduce and/or halt deforestation. Monitoring is also required for local and national governance challenges (e.g. on land tenure, land-use planning, etc.), beyond specific supply chains, with the aim of raising the bar for all producers in a given jurisdiction. In terms of implementing the proposed sustainability criteria, certification schemes or standards could be instrumental to check whether existing legislation in a given country is being implemented and is sufficient to meet a set of defined criteria beyond legislation or, such as in the case of the REDII, that EU legislation establishes that the existence and implementation of national legislation fulfils the criteria.

Accessible and relevant information and data on trade of agricultural and forest commodities and the extent to which their contribution is driving deforestation and impacts on human rights in the countries of origin are still very limited. This is mainly driven by the fact there is no global or EU framework requiring comprehensive datasets on such commodities. As mentioned in Sections 2.1 and 2.2, some initiatives require reporting of data but these are mainly isolated cases and often driven by private actors.

## 2.5 Lessons learnt from the review

Having screened more than 60 regulatory and non-regulatory, public and private initiatives it is apparent that none of those reviewed provide a comprehensive framework to halt deforestation driven by EU demand of agricultural and forest commodities. This is due to several reasons:

- The initiatives are specific to a given commodity, such as timber for the EU Timber Regulation (EUTR), the Illegal, Unreported and Unregulated (IUU) Fishing Regulation, the Brazilian Soy Moratorium, or certification schemes including the Roundtable of Sustainable Palm Oil (RSPO), the Round Table of Responsible Soy (RTRS), the Forest Stewardship Certification (FSC) and the Programme for Endorsement of Forest Certification schemes (PEFC);
- The initiatives are specific to a given geography, such as the Tropical Forest Alliance 2020 (TFA 2020);
- The initiatives are specific to a particular end use, such as the EU Renewable Energy Directive (RED and REDII);

---

<sup>30</sup> Integrated HCV-HCSA Assessment Manual (2018). URL: <http://highcarbonstock.org/hcv-hcsa-assessment-manual-now-available-in-5-languages/>

<sup>31</sup> HCV Resource Network (2018) New Report Template for Integrated High Conservation Value-High Carbon Stock Approach Assessments. URL: <https://hcvnetwork.org/new-report-template-for-integrated-high-conservation-value-high-carbon-stock-approach-assessments/>



- The initiatives are voluntary in nature, such as most of the international and Member State level initiatives reviewed, including the UN Conventions, the Amsterdam Declarations or the certification schemes reviewed;
- The initiatives are specific to a particular sub-set of communities or populations being owners or users of land, such as the UN Tribal Peoples Convention and the UN Declaration on the Rights of Indigenous Peoples.

As a result, there are gaps in existing legislation that need to be addressed in order to ensure that the demand for agricultural and forest commodities placed on the EU market does not lead to deforestation, ecosystem degradation or conversion, or impact on human rights. Establishing cross-commodity binding sustainability criteria in legislation is one approach to addressing this issue. To this end, Chapter 4 of this paper elaborates on a set of sustainability and human right criteria.

## 3 Building blocks of the sustainability criteria

This Chapter provides a menu of key definitions and base year(s) as building blocks of the sustainability criteria proposed in Chapter 4. The focus is on their suitability in halting deforestation, conversion, ecosystem degradation and human rights violations.

### 3.1 Defining key concepts

Central to the development of effective criteria is ensuring clarity on the terms used, particularly when referring to areas being protected. Whilst the criteria proposed are specific to this discussion paper, there are components that are covered by existing initiatives, standards and voluntary schemes associated with the trade or use of certain agricultural and forest commodities in the EU context.

There are a variety of definitions currently used to define key concepts, such as ‘forest’, ‘deforestation’, ‘ecosystem’, ‘ecosystem conversion’, ‘ecosystem degradation’ and several aspects related to human rights. In this section, we present the relevant definitions collected and their implications as building block of the criteria. Definitions are shown in Table 1.

Definitions for the term **forest** have been adapted for use in various international initiatives across the globe reflecting the global diversity of forests and forest ecosystems and how they are managed. Definitions vary depending on whether forests are defined by their land-related and physical characteristics (e.g. FAO) or their status as an ecosystem (e.g. AFI). Many international, EU, national level as well as private and civil society initiatives are based on the definition of forest provided by the FAO focused on a defined minimum amount of land and canopy cover.

In the context of this paper, **deforestation** can be defined as a single concept or unpacked to be defined by the individual elements impacted through the process of deforestation i.e. **ecosystem, ecosystem conversion and degradation**. Having a disaggregated set of definitions in this way can aid understanding of what evidence is needed to demonstrate compliance with the sustainability criteria. However, there are a range of clear definitions of deforestation that can help in communication and alignment with existing initiatives and processes.

The Convention on Biological Diversity (CBD) defines an **ecosystem** as a dynamic complex of plant, animal, microorganism communities and the non-living environment interacting as a functional unit. Ecosystems are naturally overlapping and complex to define in practice. As with deforestation, there are advantages to having a clear singular definition (for example, communication and alignment) and advantages for having a set of more specific definitions when it comes to specifying the evidence needed to show compliance with the proposed criteria rather than necessitating an overall quality assessment of the ecosystem and its definition. These latter elements include the biotic components of the ecosystem (species of plant and animal), and the abiotic components (water, air) and their combination (soils). **Natural and semi-natural ecosystems** are further specific classifications that should be considered in the context of the proposed criteria in this discussion paper. A range of definitions is set out in Table 1.

**Ecosystem degradation** is defined in a variety of ways (as shown in Table 1). When choosing a definition for use within future legislation, it is important to consider the specificity and scope. In addition, the impacts that lead the degradation of ecosystems would need to be defined, depending on the ecosystem. For example, the FAO definition of degradation encompasses both deforestation and (forest) degradation and includes a clear threshold (i.e. the long-term reduction of tree canopy cover below the 10% threshold) against which compliance with the sustainability criteria could be monitored and enforced. It is also specific with regards to the 'reduction of tree canopy cover' that defines the impact on the forest ecosystem. To encompass other ecosystems may require different thresholds and impacts to be set out (as in the list below) or a more generic definition:

- Water quality (e.g. pollution through direct discharge, leaching through soils, or atmospheric deposition);
- Water quantity (e.g. over abstraction);
- Soils (including structure, erosion and pollution);
- Habitat structure (i.e. where there is a modification to the shape, size or connectivity of a habitat through adjacent land use change, for example);
- Species composition or abundance (e.g. through habitat modification such as change of species in forest stands, or direct impacts).

Existing definitions of **High Conservation Value (HCV) forests or areas**, **High Carbon Stock (HCS) land** and **High Biodiversity Value land** are available and clearly defined by, respectively, the High Conservation Value Resource Network (HCVRN), HCS Approach Steering Group Secretariat and the recast Renewable Energy Directive (REDII). These concepts have been already incorporated into other initiatives or certification schemes across the globe and could, therefore, be used as a definitional base for the sustainability criteria.

Human rights aspects covered within the discussion paper have been discussed and defined at the level of the United Nations and are widely accepted within other initiatives. The Voluntary Guidelines for Responsible Governance of Tenure clearly refer to the fact that there is no international definition of land within the context of tenure. The meaning of the word may be defined within the national context. On this basis, this discussion paper uses the definition of **community and land tenure rights** provided by the FAO, which is widely accepted and recognised, and that includes reference to the right to use, reside, withdraw, extract, use for commerce and manufacture from land; the right to transfer, alienate, bequeath, donate, sell, assign, mortgage land, and the right to control, access, manage, change use, improve or develop, include or exclude others from land. For the purpose of this discussion paper, the definition of **land use rights** is implicitly included in the above definition of community and land tenure rights.

Dedicated UN Guidelines have been approved to protect **displacement of indigenous and local communities**; more specifically, these are the UN Guiding Principles on Internal Displacement. In this discussion paper, it is therefore proposed to utilise such widely accepted basis to describe displacement of local and indigenous communities, which is the coerced movement of a person or people away from their home, land or home region. Similar, the **right of free prior and informed consent** has been elaborated by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and it is used as a basis for this discussion paper.

**Table 1: Overview of definitions**

Concept	Definition	Initiative
Forest	<b>Forest</b> is defined as land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use.	Food and Agriculture Organisation (FAO), Forest Resource Assessment
	<b>Forest</b> is a minimum area of land of 0.05-1.0 hectares with tree crown cover (or equivalent stocking level) of more than 10-30 per cent with trees with the potential to reach a minimum height of 2-5 metres at maturity in situ. A forest may consist either of closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 10-30 per cent or tree height of 2-5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily un-stocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest'	Kyoto Protocol, Marrakesh Accord
	<b>Forest</b> is an area of land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ, and does not include land that is predominantly under agricultural or urban land use.	EU Common Agricultural Policy (CAP) Pillar 2
	<b>Continuously forested areas</b> is defined as land spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30 %, or trees able to reach those thresholds in situ.	Recast Renewable Energy Directive (RED II)
	<b>Forest</b> means an area of land defined by the minimum values for area size, tree crown cover or an equivalent stocking level, and potential tree height at maturity at the place of growth of the trees as specified for each Member State in Annex II. It includes areas with trees, including groups of growing, young, natural trees, or plantations that have yet to reach the minimum values for tree crown cover or an equivalent stocking level or minimum tree height as specified in Annex II, including any area that normally forms part of the forest area but on which there are temporarily no trees as a result of human intervention, such as harvesting, or as a result of natural causes, but which area can be expected to revert to forest.	EU LULUCF Regulation
	<b>Forest</b> is defined as land with tree crown cover (meaning all parts of the tree above ground level including its leaves, branches etc.), or equivalent stocking level, of more than 10 % and with an area of more than 0.5 hectares (ha). The trees should be able to reach a minimum height of 5 metres at maturity in situ.	Eurostat
	<b>Forest</b> is a land area of more than 0.5 ha, with a tree canopy cover of more than 10%, which is not primarily under agricultural or other specific non-forest land use. In the case of young forests or regions where tree growth is climatically suppressed, the trees should be capable of reaching a height of 5 m in situ, and of meeting the canopy cover requirement.	UN Convention on Biological Diversity (Technical expert group on forest biological diversity)
	<b>Forest</b> is land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or other land use. Forest includes natural forests and forest plantations. For the purpose of implementing deforestation-free supply chain commitments, the focus is on preventing the conversion of natural forests.	Accountability Framework Initiative (AFI)
<p><b>Natural forest:</b> A forest that is a natural ecosystem.</p> <p>Natural forests possess many or most of the characteristics of a forest native to the given site, including species composition, structure, and ecological function. Natural forests include:</p> <ol style="list-style-type: none"> <li>Primary forests that have not been subject to major human impacts in recent history</li> <li>Regenerated (second-growth) forests that were subject to major impacts in the past (for instance by agriculture, livestock raising, tree plantations, or intensive logging) but where the main causes of impact have ceased or greatly diminished and the ecosystem has attained much of the species composition, structure and function of prior or other contemporary natural ecosystems.</li> <li>Managed natural forests where much of the ecosystem's composition, structure, and ecological function exist in the presence of activities such as: a) Harvesting of timber or other forest products, including management to promote high-value species; b) Low intensity, small scale cultivation within the forest, such as less-intensive forms of swidden agriculture (shifting cultivation) in a forest mosaic;</li> </ol>	Accountability Framework Initiative (AFI)	



	d. Forests that have been partially degraded by anthropogenic or natural causes (e.g., harvesting, fire, climate change, invasive species, or others) but where the land has not been converted to another use and where degradation does not result in the sustained reduction of tree cover below the thresholds that define a forest or sustained loss of other main elements of ecosystem composition, structure, and function.	
<b>Deforestation</b>	<b>Deforestation</b> is the conversion of forest to another land use or the long-term reduction of tree canopy cover below the 10% threshold.	Food and Agriculture Organisation (FAO)
	<b>Deforestation</b> is defined as processes of categories of activities which have or are likely to have significant adverse impacts on the conservation and sustainable use of biological diversity.	UN Convention on Biological Diversity (CBD)
	In the case of planted production forests [established before 1 January 1990 only], conversion of forest land to non-forest land shall be considered harvesting, and shall not be considered deforestation, where an equivalent forest is established elsewhere on non-forest land that would have qualified for afforestation or reforestation. Equivalent forest shall not be included in a Party's assessment of emissions and removals from afforestation and reforestation activities and must be included in a Party's accounting of forest management under Article 3, paragraph 4, if elected	UNFCCC, Cancun Accord
	<b>Deforestation</b> and degradation are defined in the context of carbon sinks and reservoirs and are therefore related to the loss of carbon storage and/or sequestration capacity.	UN Paris Agreement
	<b>Deforestation</b> is the removal of forest and conversion to other land use.	EU Forest Strategy
	<b>Deforested land</b> is defined as land use reported as forest land converted to cropland, grassland, wetland, settlements or other land.	LUUCF Regulation
	<b>Deforestation</b> is defined as the loss of natural forest as a result of (i) conversion to agriculture or other non-forest land use; (ii) conversion to plantation forest; (iii) severe and sustained degradation.	Accountability Framework Initiative (AFI)
<b>Ecosystems</b>	<b>Ecosystem</b> is defined as a dynamic complex of plant, animal and microorganism communities and their non-living environment interacting as a functional unit.	Convention on Biological Diversity (CBD)
	<b>Natural ecosystem</b> is defined as an ecosystem that substantially resembles – in terms of species composition, structure, and ecological function – one that is or would be found in a given area in the absence of major human impacts. This includes human-managed ecosystems where much of the natural species composition, structure, and ecological function are present.  Natural ecosystems include:  a. Largely “pristine” natural ecosystems that have not been subject to major human impacts in recent history; b. Regenerated natural ecosystems that were subject to major impacts in the past (for instance by agriculture, livestock raising, tree plantations, or intensive logging) but where the main causes of impact have ceased or greatly diminished and the ecosystem has attained species composition, structure, and ecological function similar to prior or other contemporary natural ecosystems; c. Managed natural ecosystems (including many ecosystems that could be referred to as “semi-natural”) where much of the ecosystem’s composition, structure, and ecological function are present; this includes managed natural forests as well as native grasslands or rangelands that are, or have historically been, grazed by livestock; d. Natural ecosystems that have been partially degraded by anthropogenic or natural causes (e.g., harvesting, fire, climate change, invasive species, or others) but where the land has not been converted to another use and where much of the ecosystem’s composition, structure, and ecological function remain present or are expected to regenerate naturally or by management for ecological restoration.	Accountability Framework Initiative (AFI)
	<b>Natural ecosystem:</b> Ecosystems that resemble – in terms of species composition, structure, and function – those that are or would be found in a given area in the absence of significant human management impacts. Specific definitions of ecosystem types are included in the standard, e.g. aquatic ecosystems.  A specific Rainforest Alliance guidance document for the conservation of HCV areas and Natural Ecosystems includes more detailed definitions and instructions for identifying natural ecosystems and auditing criterion 2.2 related to the conservation of natural ecosystems.	Rainforest Alliance agriculture standard
	<b>Forest degradation</b> is the conversion of forest to another land use or the long-term reduction of the tree canopy cover below the minimum 10 percent threshold.	Food and Agricultural Organisation (FAO)

Degradation or conversion of (forest) habitats	<b>Ecosystem conversion or degradation</b> is change of a natural ecosystem to another land use. This is typically characterized by loss or profound change of the natural ecosystem's species composition, structure, and/or function. This includes conversion of a natural ecosystem to plantation, cropland, pasture, water reservoirs, infrastructure, mining, and urban areas. It also includes the large scale and progressive or enduring degradation of a natural ecosystem to the extent that it no longer possesses most of its former species composition, structure and/or function. Land-use change that meets this definition is considered to be conversion regardless of whether or not it is legal. Low-impact production or other activities within a natural ecosystem, such as rustic coffee cultivation or livestock grazing, are not considered conversion under certain circumstances.	Rainforest Alliance Sustainable Agriculture Standard
	<b>Degradation</b> entails processes such as desertification and pollution, loss of resilience and the impacts of extreme events, such as droughts and floods (SDG 15).	UN Sustainable Development Goals (SDGs)
	<b>Forest degradation</b> is the impact of land-use activity that reduces the carbon stock in a forest relative to its natural carbon carrying capacity.	REDD+
	<b>Forest degradation</b> is defined as a reduction of its capacity to provide goods and services.	EU Forest Strategy
Degradation or conversion of ecosystems	<b>Ecosystem degradation</b> is defined as an ensemble of changes within a natural ecosystem that significantly and negatively affect its species composition, structure, and/or function and reduce the ecosystem's capacity to supply products, support biodiversity, and/or deliver ecosystem services.	Accountability Framework Initiative (AFI)
	<b>Degradation (also Degrade):</b> Degradation of a <i>natural ecosystem or protected area</i> , resulting in negative impacts, by any of the following: <ul style="list-style-type: none"> <li>a) Mining or soil removal;</li> <li>b) Dumping solid waste or untreated wastewater;</li> <li>c) Intentional introduction of invasive plant species;</li> <li>d) Harvest of fish, <i>wildlife</i>, or plants in a manner or quantity that exceeds the regenerative capacity of such species;</li> <li>e) Cattle grazing except as specified under sustainable management;</li> <li>f) Construction of impoundments, stream channelization, adding fill, or changing the depth or direction of flow of a water body;</li> <li>g) Drainage or drying of water bodies or wetlands through excessive water withdrawal or other means;</li> <li>h) Pollution of water bodies or wetlands that significantly alters their chemistry or species composition; or</li> <li>i) Application of herbicides, pesticides, or fire, except for the control of invasive plant species or restoration purposes, and then only if governed by a plan developed by a competent professional.</li> </ul> <p>For the purposes of this standard, the following items are <b>not considered disturbances</b> to natural ecosystems:</p> <ul style="list-style-type: none"> <li>a) Activities defined as restoration or sustainable management; unintentional colonization by invasive species; or ecosystem alterations caused by force majeure events, including war, riots, crimes, or natural phenomena such as hurricanes, floods, earthquake, and volcanic eruptions.</li> </ul> <p>Other situations defined in the Rainforest Alliance 2017 Certification Rules.</p>	Rainforest Alliance agriculture standard
	<b>Ecosystem conversion</b> is defined as a change of a natural ecosystem to another land [cover] or profound change in the natural ecosystem's species composition, structure, or function.	Accountability Framework Initiative (AFI)
High Conservation Value (HCV) forests or areas	<b>High Conservation Value (HCV)</b> forests or areas as defined as follows: <ul style="list-style-type: none"> <li>● HCV 1: Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.</li> <li>● HCV 2: Intact forest landscapes and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.</li> <li>● HCV 3: Rare, threatened, or endangered ecosystems, habitats or refugia.</li> <li>● HCV 4: Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.</li> <li>● HCV 5: Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (for livelihoods, health, nutrition, water, etc.), identified through engagement with these communities or indigenous peoples.</li> </ul>	Forest Stewardship Certification (FSC); High Conservation Value Resource Network (HCVRN); Roundtable on Sustainable Palm Oil (RSPO); Better Cotton Initiative; Sustainable Agriculture Network (SAN); Bonsucro; Consumer Goods Forum.

	<ul style="list-style-type: none"> <li>HCV 6: Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or indigenous peoples.</li> </ul>	
<b>High Carbon Stock (HCS) land</b>	The <b>High Carbon Stock (HCS)</b> approach defines six classification of land: (i) high density forest; (ii) medium density forest; (iii) low density forest; (iv) young regeneration forest; (v) scrub; (vi) cleared / open land. The first four classes are considered potential High Carbon Stock forests.	HCS Approach Steering Group Secretariat
<b>High Biodiversity Value land</b>	<p><b>High Biodiversity Value land</b> is considered having one of the following statuses in or after 1st of January 2008:</p> <ul style="list-style-type: none"> <li><b>Primary forest and other wooded land</b>, namely forest and other wooded land of native species, where there is no clearly visible indication of human activity and the ecological processes are not significantly disturbed;</li> <li><b>Areas designated:</b> <ul style="list-style-type: none"> <li>By law for nature protection purposes;</li> <li>For the protection of rare, threatened or endangered ecosystems or species recognised by international agreements or included in lists drawn up by intergovernmental organisations or the International Union for the Conservation of Nature, subject to their recognition in accordance with the second subparagraph of Article 18(4); unless evidence is provided that the production of that raw material did not interfere with those nature protection purposes;</li> </ul> </li> </ul> <p><b>Highly biodiverse grassland</b> that is natural or non-natural is:</p> <ul style="list-style-type: none"> <li><b>Natural</b>, namely grassland that would remain grassland in the absence of human intervention and which maintains the natural species composition and ecological characteristics and processes; or</li> <li><b>Non-natural</b>, namely grassland that would cease to be grassland in the absence of human intervention and which is species-rich and not degraded, unless evidence is provided that the harvesting of the raw material is necessary to preserve its grassland status.</li> </ul>	Renewable Energy Directive (RED)
<b>Community and tenure rights</b>	<p><b>Land tenure rights</b> include:</p> <ul style="list-style-type: none"> <li>The right to use, reside, withdraw, extract, use for commerce and manufacture from land;</li> <li>The right to transfer, alienate, bequeath, donate, sell, assign, mortgage land;</li> <li>The right to control, access, manage, change use, improve or develop, include or exclude others from land.</li> </ul>	Food and Agriculture Organisation (FAO)
	It is stated that there is no international definition of land within the context of tenure. The meaning of the word may be defined within the national context.	Voluntary Guidelines on the Responsible Governance of Tenure (VGGT)
<b>Land use rights</b>	<b>Land use right</b> is included in the FAO definition of community and tenure rights.	Food and Agriculture Organisation (FAO)
<b>Free prior and informed consent</b>	<p>The right of <b>free prior and informed consent</b> allows indigenous peoples to give or withhold consent to a project that may affect them or their territories.</p> <p>It is to be understood according to the following building blocks:</p> <ul style="list-style-type: none"> <li>Free: consent given voluntarily and without coercion, intimidation or manipulation. A process that is self-directed by the community from whom consent is being sought, unencumbered by coercion, expectations or timelines that are externally imposed;</li> <li>Prior: consent is sought sufficiently in advance of any authorization or commencement of activities;</li> <li>Informed: nature of the engagement and type of information that should be provided prior to seeking consent and also as part of the on-going consent process;</li> <li>Consent: collective decision made by the right holders and reached through a customary decision-making process of the communities.</li> </ul>	United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)
<b>Displacement of indigenous and local communities</b>	<b>Displacement of indigenous and local communities</b> is the coerced movement of a person or people away from their home, land or home region.	UN Guiding Principles on Internal Displacement

Source: Own compilation based on official documentation from each scheme and initiative.

## 3.2 Defining a base year

When developing sustainability criteria, it is often necessary to determine a point in time before which those seeking to be compliant cannot or should not be held responsible for the actions that have taken place on or were related to land. In the year in which compliance is sought, the land may fall outside of the scope of need for criteria. For example, it may no longer be forest or a natural ecosystem. However, there is a risk that land may have been converted for previous or current purposes, with a view to secure future economic gains from products produced on this land. Demonstrating that land was not forest or another land cover of ecological value in the base year is the first step to demonstrating a product's compliance. Such retrospective assessments require a provision of evidence of the land cover and use as of a particular date.

A number of international, EU and private sector initiatives set base years for a variety of different purposes. Table 2 provides an overview of the base years from which different type of land conversion is not allowed.

Based on the initiatives reviewed as part of this discussion paper and relevant base years presented, below are outlined several approaches that could be taken:

- **Option 1: 1990.** This approach would aim to ensure consistency with global efforts on climate change as deforestation-free efforts are aimed to contribute to increased sequestration and lower GHG emissions worldwide. This would, therefore, need to be in line with relevant efforts by the Intergovernmental Panel on Climate Change (IPCC). The First Assessment Report (FAR) of the IPCC was completed in 1990 and this was taken as the base year for the first commitment period of the Kyoto Protocol. 1990 is considered internationally as a base year against which GHG emission changes are reported. Consistent with international agreements, 1990 is also the base year used in the European Commission's 2030 Climate and Energy framework, which sets the emission reduction ambition for the EU by 2030 against 1990 levels;
- **Option 2: 2005.** This approach would ensure consistency with the way in which emission reductions approaches are set within the European Commission's 2030 Climate and Energy framework in order to achieve the overall emission reduction target compared to 1990. Here emission reduction targets are set for both the Emission Trading Scheme (ETS) and non-ETS sectors against a 2005 baseline;
- **Option 3: 2008.** This approach would ensure consistency with EU legislation governing renewable energy and land use to that purpose. The base year for agricultural and forest commodities to be defined as low risk of deforestation would, therefore, be based on EU legal requirements already in place set out in the RED, which defined a base year for land use change as of 2008. This base year has also been adopted by several global certification schemes (e.g. ISCC and RSPO RED);
- **Option 4: Year of entry into force of a future EU regulatory framework:** Under this approach, agricultural and forest commodities would be defined as deforestation-free at the point in time in which a future EU regulatory framework would enter into force. Such point in time would therefore be set as the base year according to which land use change resulting in deforestation could not occur, in order for those agricultural and forest commodities to comply with the sustainability criteria set out in this discussion paper;



- **Option 5: A mixed baseline** for large and small / medium-sized companies or smallholders could be considered. Such an approach could have advantage to minimise the regulatory burden for small and/or medium-sized companies and holder in third countries. More specifically, based on this approach, small and medium-sized companies and holders could be able to adapt to the requirements of the sustainability criteria set out in the paper over a longer period of time compared to large companies. However, if such approach would be selected, consideration would need to be given to WTO law compatibility, which has not been done in the context of this paper. Also, it might be difficult to ensure that such a mixed baseline does not lead to misuse, particularly where a large organisation is sourcing commodities from a series of smallholder organisations.

**Table 2: Overview of base years used in existing initiatives**

Base year	Initiative	Land conversion
1990	Kyoto Protocol	Base year for GHG reduction comparisons.
1990	2030 Climate and energy framework overall target	Base year for GHG reduction comparisons.
1994	Forest Stewardship Council (FSC)	Conversion of natural forest to plantations.
2005	2030 Climate and energy framework sub-targets for non-ETS sectors	Base year for GHG reduction comparisons.
2005	Roundtable on Sustainable Palm oil (RSPO)	New planting replacing primary forest or any area required to maintain or enhance one or more High Conservation Value (HCV) area.
2006	Accountability Framework Initiative (AFI)	Conversion of natural forests to agriculture, plantation forestry, livestock production, or other land uses.
2006	Soy Moratorium	Soy originating from land in the Amazon Biome that has been deforested since 2006.
2008	Communication on addressing deforestation and forest degradation	The European Union supports a policy target of halting global forest cover loss by 2030 at the latest and at least halving gross tropical deforestation by 2020 compared to 2008 levels. This target also supports the NY Declaration on Forests.
2008	Renewable Energy Directive (RED)	- No conversion of highly biodiverse land, i.e. primary forests, protected areas and highly biodiverse grassland; - No conversion of high carbon stock lands, i.e. wetlands, continuously forested areas, lightly forested areas; - No conversion of peatlands.
2008	Roundtable on Sustainable Palm oil (RSPO) RED	Plantations established after January 2008 can currently not be certified under the RSPO-RED requirements.
2008	International Sustainability and Carbon Certification (ISCC)	Production is prohibited from areas with the following designations on or after January 2008: Primary forest and other natural areas covered with native tree species; areas designated by law to serve nature protection; Grassland with high biodiversity.
2011	Programme for Endorsement of Forest Certification schemes (PEFC)	Conversion of forests to other types of land use, including primary forests to plantations.
2015	Roundtable on Sustainable Palm Oil (RSPO) Next	There shall be no new development on peat regardless of depth or extent for any new development after November 2015. Within 2 years of initial RSPO NEXT verification a system shall be in place to assure that all FFB entering the mill is from known and identified plantation sources which are from land that has not had clearance of HCV or potential HCV areas since November 2005.
2016	Round Table Responsible Soy (RTRS) 3.0 Version	After 3rd June 2016, no conversion is allowed in any natural land, steep slopes and in areas designated by law to serve the purpose of native conservation and/or cultural and social protection for the expansion of soy cultivation.

<b>2018</b>	Roundtable on Sustainable Palm Oil (RSPO) Principles & Criteria for the Production of Sustainable Palm Oil	New land clearing after 15 November 2018 (i.e. adoption of the P&C at GA15) must be preceded by an HCV-HCS assessment.
<b>Year of entry into force</b>	Introduction of a future EU regulatory approach to deforestation-free agricultural commodities	The baseline according to which land cannot be converted to other land uses is set in with the year of entry into force of a future EU regulatory approach to deforestation-free agricultural commodities.

Source: Own compilation based on official documentation from each scheme and initiative

### **3.2.1 Implementation challenges associated with a base year**

The challenge of selecting a base year can become greater when dealing with small holders (as will be the case in some commodity chains, for example cocoa) or when trying to demonstrate deforestation or degradation processes on land that has changed its use since the cut off year. This relates primarily to the burden of demonstrating that the land from which commodities are being sourced had a certain status in a given year. The earlier the year, the more difficult this may be with existing records. This can be overcome through the use of group certification or approaches where the individual smallholder is not responsible for proving the area of land was in a given condition, but rather the collection point or commodity buyer.

When considering ecosystem degradation depending on the base year chosen it may be necessary to establish the ecosystem conditions at a point in the past. More specifically, this is the case if specific ecosystem conditions are to be proven for 2008, or if the current land conditions (present year) are to be determined as degraded relative to a state in the past, i.e. to show whether there has been degradation since the base year. An in-field assessment of the current land condition is unlikely to be sufficient to determine whether the land retrospectively complies with sustainability criteria, unless there is clear evidence of the former land cover (e.g. structural components or the location of the area in a broader landscape context). Potential sources of information or data could be management plans, maps, research, local knowledge and government data sources.

Whilst setting a base year in the past has its challenges related to the collection of evidence to demonstrate compliance, there are different issues related to defining a base year in the future. One example is the potential for increased deforestation or ecosystem conversion prior to a future date in order to create a larger area that may be able to demonstrate compliance once the date enters into force. A future date would also effectively lead to the 'grandfathering' of existing production systems, i.e. that they are accepted practice and not subject to the criteria.

## 4 Draft sustainability and human right criteria

This Chapter sets out proposed sustainability and human right criteria that, if implemented as part of a future EU regulatory framework, could substantially mitigate the risks posed by agricultural and forest commodities being placed on the EU market. The criteria apply to a specific subset of agricultural and forest commodities, namely cocoa, soy, maize, palm oil, rubber, beef, dairy and poultry. However, due to the way they are focussed on land use impacts of production, many of the criteria are applicable to a wider set of agricultural and forest commodities placed on the EU market that originate from similar sources.

The criteria and principles set out in this discussion paper are targeted to respond to two specific policy needs: to address potential risks relating to deforestation, ecosystem conversion or degradation driven by the production of agricultural and forest commodities within and beyond the EU; and to address key human right violations linked to deforestation and ecosystem degradation or conversion, as a result of the production of agricultural and forest commodities or related products to be placed on the EU market. The criteria are applicable to all agriculture and forest commodities that may lead to land use change, providing a uniform approach and thus clarity to companies. To be effective, a future EU regulatory framework requires the implementation of both sets of criteria.

In this discussion paper we have taken a land-based approach which aims to focus the criteria at the point at which deforestation, ecosystem conversion (and other impacts) would occur – in this case the point of production of the commodity. Ensuring that commodities placed on the EU market satisfy the criteria then becomes a combination of implementing the sustainability criteria and ensuring chain of custody/transparency/traceability of those commodities through to the point at which they reach the EU market.

As a way of introduction, **principle** is used in this discussion paper to determine the objective to be achieved, articulated as a statement. A set of **criteria** (or criterion singular) is then used to describe how the principle can be adhered to in practice. Beyond criteria, there may be specific metrics or thresholds that are used to give more precision and measurability to the criteria, depending on how these are articulated. The principles and criteria relating to deforestation and human rights are set out in the respective following two sub-sections. In developing sustainability criteria and principles, we have aimed to ensure that the requirements on operators are proportionate to the risks posed by the production of agricultural and forest commodities and implementable in a practical way.

Central to the development of effective sustainability criteria is ensuring clarity on the **definitions of the concepts used**, particularly when referring to areas being protected. In addition, when developing sustainability criteria, it is often necessary to determine a **base year** i.e. a point in time before which those seeking to comply cannot or should not be held responsible for the actions that have taken place on or were related to land. The choice of both definitions and base years is determined by specific policy objectives. A selection of definitions and base years, as well as a rationale for their use, is given in Chapter 3.

#### 4.1 Principles & criteria relating to deforestation, ecosystem conversion or degradation

The following principles and criteria for deforestation, ecosystem conversion or degradation use a land-based approach. This takes as its starting premise that agricultural and forest commodities require land for their production and that it is in these areas where the primary impacts of production take place, whether this is habitat loss, conversion, or degradation. Addressing these risks at the source would enable sustainable commodities or products to be produced and enter into supply chains for the EU market. Ensuring that these commodities are not mixed with those from other non-sustainable sources is a question of traceability and implementation.

##### **Principles**

1. Agricultural and forest commodities placed on the EU market do not result in deforestation (the conversion of forest to another land use or the long-term reduction of tree canopy cover below a [certain threshold]);
2. The production of agricultural and forest commodities placed on the EU market does not lead to the conversion of other natural ecosystems to agricultural land use;
3. The production of agricultural and forest commodities placed on the EU market does not lead to the degradation or destruction of high carbon stock, high conservation value and high biodiversity value ecosystems.

The first principle addresses the loss of forest area through conversion to agricultural land types (arable, permanent crops, grasslands) by defining the scope of forest within the criteria. The second principle takes a similar approach but applies to other natural ecosystems that are not forest by definition. The third principle accepts that some commodities can still be produced within ecosystems (e.g. cocoa produced in a forest context) but could lead to degradation and loss of the ecosystem, through pollution, modification of structure, etc.

Using a land-based approach, these principles can be operationalised through the avoidance of cultivation or sourcing from specific areas, and by specifying the impact on ecosystems that need to be avoided. This follows the same land-based logic that is present within existing EU law, such as the recast Renewable Energy Directive (RED II). Definitions of what can be considered an ecosystem and degradation are provided in Table 1. Two criteria are proposed to address these principles.

##### **Criteria**

The first criterion addresses the risk that the demand for agriculture and forest commodities leads to the expansion of agricultural land area (arable, permanent crops or grasslands) through conversion of other land cover and use types (e.g. forest). This happens when the demand for commodities from a particular area (as a result of cost, favourable growing conditions, etc.) exceeds the current productive capacity of the existing agricultural area, or land speculation happens in some areas.<sup>32</sup> The criteria establish those land types that are of interest for protection (including forests and natural ecosystems) and require that no agricultural commodity placed on the EU market can come from land that had that status in a specific time period (to be determined) and has been converted to agricultural land use. In

---

<sup>32</sup> Miranda, J et al (2019) Land speculation and conservation policy leakage in Brazil. URL: <https://iopscience.iop.org/article/10.1088/1748-9326/ab003a>

this way, any agricultural and forest commodity can only be placed on the EU market if it has been produced on land that was already agricultural in nature before the specific time period, and thus has not led to deforestation or the conversion of other natural ecosystems after this point in time. The criteria do not distinguish between whether the conversion of such land was solely or principally for the production of the commodity placed on the EU market, or for other reasons. The implementation of the criteria intends to avoid any support, provided through market access, to the use of such land that has been the subject of conversion. Unlike the second criterion, semi-natural ecosystems are excluded as these can often be subject to agricultural management, even at low intensity, such as grazing or the production of fodder from grass leys.

The second criterion accepts that some agricultural and forest commodities can be produced within existing ecosystems (e.g. cocoa produced in a forest context) but could lead to degradation and loss of the ecosystem.<sup>33</sup> This relates both to the commodity and how it is produced. It aims to ensure that where such products are provided to the EU market, they do not lead to the conversion of such land, its degradation or loss of ecosystem services on or adjacent to this land. Commodities must be compliant with both criteria.

Square brackets [] show where a decision should be made with respect of the specifics of the criteria, such as the base date or the definition used.

1. Agricultural and forest commodities placed on the EU market shall not be produced from land that had the following status in [date] and has been converted to agricultural land since this time:
  - i) **Forest land** – [definition];
  - ii) **Natural ecosystems** – [definition].
  
2. Agricultural and forest commodities placed on the EU market shall not be produced from land that had the following status in [date] and still has that status, except where the commodity can be produced and harvested in compliance with conservation objectives and does not lead to the loss or degradation of ecosystem functions on or adjacent to this land:
  - i) **Forest land** – [definition];
  - ii) **Semi-natural ecosystems** – [definition].

#### **4.1.1 Applying criteria in practice**

If the criteria set out above are to be implemented through an EU initiative, consideration will need to be given as to the **mechanism by which the criteria are implemented** (e.g. voluntary standard, Directive, Regulation, etc.), and the implications of their implementation for existing production practices, commodity supply chains and legislation.

To be effective in implementation, it is likely that these criteria would be best articulated as part of a **binding instrument under EU law**. However, the **proof of compliance** with these requirements could take other forms, such as voluntary, certification standards, in order to qualify for market access.

---

<sup>33</sup> Natural ecosystems are excluded from this criterion, as by definition commodities placed on the market at scale would require interference with those ecosystems, in some way.



One major consideration for implementation, particularly where commodities are sourced from third countries, is the **implications under existing trade law or trade agreements** with these countries. For example, REDII prevents the use of certain types of commodities (based on sustainability criteria) for counting towards the EU renewable energy targets, but it does not prevent the placing of these commodities on the EU market. The EUTR does provide obligations to operators who wish to place timber products on the EU market; however, these relate primarily to legality of the timber sourcing. Whilst this may address some elements of deforestation from a protected area perspective, it does not prevent deforestation more generally, which can arise as a result of legal processes within any given country, including the EU. In addition, compliance with the criteria set out in the EUTR would imply having legislation in place in the country of origin of the commodity, as well as the setup of some form of monitoring and enforcement mechanisms.

Undoubtedly, the application of the criteria could have significant **implications also within the domestic EU context**, specifically criterion 2 in relation to the degradation of ecosystems. Agricultural production practices are one of the major causes of biodiversity decline in the EU, as they are for water pollution and soil degradation – these impacts occur both on agricultural land, as well as in adjacent aquatic and terrestrial ecosystems. Consideration would need to be given as to whether the implementation of the criterion on degradation would be workable within the EU context and what monitoring and reporting information would be necessary to evaluate such impacts arising from production, and how any remediation and/or penalty would be applied.

Another factor for consideration is **whether the criteria are measurable** at the time at which a commodity is sent to market. Criterion 1 is, as it would prevent the placing on the market of commodities sourced from specific areas. Whilst cultivation may still take place in those areas, the incentive to convert additional areas for the EU market would be reduced. Criterion 2, however, allows production from certain areas (providing there is no conversion) but seeks to prevent degradation or damage. In this case, the degradation or damage may not be immediate, or could be challenging to measure before a commodity reaches the market. The implementation approach for existing standards should be reviewed to understand how this situation is avoided for current standards relating to impacts on ecosystems.

**Chain of custody and traceability** is crucial to the implementation of these criteria. Existing approaches, such as voluntary schemes (e.g. FSC) or EUTR and the Conflict of Minerals Regulation would need to be reviewed to see whether they could be amended or utilised to trace agricultural products from sources associated with forests or natural ecosystems, to market, and thus ensure sustainability throughout the supply chain.

#### 4.2 Principles relating to human rights

Based on a review of existing initiatives at international, EU and national level<sup>34</sup>, there is little binding legislation or legal commitments that protect indigenous or local communities in their use or ownership of land, despite the EU's commitment to the UN SDGs. One example is the Conflict Minerals Regulation that aims at tackling human rights abuses from armed groups

---

<sup>34</sup> This work was supported by an interview with Marc-Olivier Herman from Oxfam International.

and criminals having access to tin, tungsten, tantalum and gold. Other initiatives are voluntary, including the FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT), the Indigenous and Tribal Peoples Convention (part of the ILO Convention), and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). In addition to these there are national laws in place which aim to address human rights issues, along with voluntary frameworks or standards, such as the Accountability Framework Initiative (AFI) (described earlier) and the Round Table on Sustainable Palm Oil (RSPO) – which include specific principles and criteria on human rights. The following principles are proposed to help address some of these gaps in respect of agricultural and forest commodities placed on the EU market.

### **Principles**

1. Agricultural and forest commodities placed on the EU market shall be produced by ensuring their production does not violate any human rights embedded into national laws nor those expressed as a minimum in the International Bill of Human Rights, and the United Nations Declaration on the Rights of Indigenous Peoples;
2. The production of agricultural and forest commodities shall respect local communities' and indigenous peoples' land and resource rights;
3. Agricultural and forest commodities placed on the EU market shall not result in the illegal acquisition or use of land circumventing community and tenure rights. Indigenous peoples' and local communities' formal and customary rights to lands, territories and resources shall be identified and respected. This includes their rights to own, occupy, use and administer these lands, territories and resources. [Based on AFI Principle B2.1];
4. No new plantings are established on local peoples' land where it can be demonstrated that there are legal, customary or user rights, without their Free, Prior and Informed Consent (FPIC) according to practices enclosed in the FPIC Manual;
5. The production of agricultural and forest commodities shall respect the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

### **Criteria**

1. The production of agricultural and forest commodities respects land tenure rights of all forms: public, private, communal, collective, indigenous, women and customary;
2. The production of agricultural and forest commodities respects the rights of local communities and indigenous peoples to use land and resources, whether those use rights are public, private, communal, collective, indigenous, women or customary;
3. Prior to any production of agricultural and forest commodities that may affect the rights of local communities and/or indigenous peoples on the lands, forest and resources that they customarily own, live on or use, their free, prior and informed consent shall be obtained;
4. All members of an affected local community or indigenous people shall have an opportunity to participate in the decision to grant, or not grant, FPIC, including women, youth, elderly and other marginalised groups. Local communities and indigenous peoples affected by the production of agricultural and forest commodities shall have access to a dispute resolution mechanism;
6. Agriculture and forest commodities placed on the EU market shall be sourced and produced in accordance with and respect to the internationally-recognized rights of

workers and national norms on labour in the country of production recognised by the Universal Declaration on Human Rights and ILO Fundamental Conventions.

## 5 References

### 5.1 References cited in the text of the discussion paper

Allen, B, Nanni, S, Baldock, D and Bowyer, C (2016) Developing sustainability criteria for biofuels made from land and non-land based feedstocks. Report for the European Climate Foundation. London. URL: [https://ieep.eu/uploads/articles/attachments/cc72ca6f-7361-4e9b-b208-3c90e8308c98/ieep\\_2016\\_sustainability\\_criteria\\_for\\_biofuels\\_post\\_2020.pdf?v=63664509950](https://ieep.eu/uploads/articles/attachments/cc72ca6f-7361-4e9b-b208-3c90e8308c98/ieep_2016_sustainability_criteria_for_biofuels_post_2020.pdf?v=63664509950)

Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)

HCV Resource Network (2018) New Report Template for Integrated High Conservation Value-High Carbon Stock Approach Assessments. URL: <https://hcvnetwork.org/new-report-template-for-integrated-high-conservation-value-high-carbon-stock-approach-assessments/>

Integrated HCV-HCSA Assessment Manual (2018). URL: <http://highcarbonstock.org/hcv-hcsa-assessment-manual-now-available-in-5-languages/>

IUCN (2019) IUCN NL compares sustainability certification for palm oil. URL: <https://www.iucn.nl/en/updates/iucn-nl-compares-sustainability-certification-for-palm-oil>

Miranda, J et al (2019) Land speculation and conservation policy leakage in Brazil. URL: <https://iopscience.iop.org/article/10.1088/1748-9326/ab003a>

NYDF Assessment Partners (2019) Protecting and Restoring Forests: A Story of Large Commitments yet Limited Progress. New York Declaration on Forests Five-Year Assessment Report. Climate Focus (coordinator and editor). URL: <https://forestdeclaration.org/images/uploads/resource/2019NYDFReport.pdf>

Profundo (2019) Setting the bar for deforestation-free soy in Europe. URL: [https://www.iucn.nl/files/publicaties/setting\\_the\\_bar\\_for\\_deforestation\\_free\\_soy\\_190606\\_final.pdf](https://www.iucn.nl/files/publicaties/setting_the_bar_for_deforestation_free_soy_190606_final.pdf)

UN (2017) The Sustainable Development Goals Report 2017. URL: <https://www.un.org/sustainabledevelopment/blog/2017/07/pace-of-progress-must-accelerate-to-achieve-the-sdgs-finds-latest-un-progress-report/>

WWF (2013) Searching for sustainability. Comparative analysis of certification schemes for biomass used for the production of biofuels. URL: [http://awsassets.panda.org/downloads/wwf\\_searching\\_for\\_sustainability\\_2013\\_2.pdf](http://awsassets.panda.org/downloads/wwf_searching_for_sustainability_2013_2.pdf)

WWF (2016) Deforestation-free supply chains. Concepts and implication. URL: [https://www.wwf.de/fileadmin/fm-wwf/Publikationen-PDF/WWF-Study\\_Deforestation-Free\\_Supply\\_Chains.pdf](https://www.wwf.de/fileadmin/fm-wwf/Publikationen-PDF/WWF-Study_Deforestation-Free_Supply_Chains.pdf)

### 5.2 List of initiatives cited in the text of the discussion paper

International initiatives
<ul style="list-style-type: none"> <li>UN Sustainable Development Goals (SDGs) - Overall declaration as well as indicators and targets</li> </ul>
<ul style="list-style-type: none"> <li>FAO (2016) Zero deforestation initiatives and their impacts on commodity supply chains. Discussion paper prepared for the 57th Session of the FAO Advisory Committee on Sustainable Forest-based industries</li> </ul>
<ul style="list-style-type: none"> <li>New York Declaration on Forests</li> </ul>
<ul style="list-style-type: none"> <li>UN Forum on Forests</li> </ul>

<ul style="list-style-type: none"> <li>● UN Convention on Biological Diversity</li> </ul>
<ul style="list-style-type: none"> <li>● UN Paris Agreement</li> </ul>
<ul style="list-style-type: none"> <li>● UN Guiding Principles on business and Human Rights</li> </ul>
<ul style="list-style-type: none"> <li>● State of the World's Indigenous People</li> </ul>
<ul style="list-style-type: none"> <li>● FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT)</li> </ul>
<ul style="list-style-type: none"> <li>● Indigenous and Tribal People Convention</li> </ul>
<ul style="list-style-type: none"> <li>● UN Declaration on the Rights of Indigenous Peoples (UNDRIP)</li> </ul>
<b>EU and Member State level initiatives</b>
<ul style="list-style-type: none"> <li>● Innovating for Sustainable Growth. A Bioeconomy for Europe (2012)</li> </ul>
<ul style="list-style-type: none"> <li>● A sustainable Bioeconomy for Europe: strengthening the connection between economy, society and the environment (2018)</li> </ul>
<ul style="list-style-type: none"> <li>● Closing the loop - An EU action plan for the Circular Economy</li> </ul>
<ul style="list-style-type: none"> <li>● Rules for direct payments to farmers - CAP Pillar 1</li> </ul>
<ul style="list-style-type: none"> <li>● Support for rural development - CAP Pillar 2</li> </ul>
<ul style="list-style-type: none"> <li>● Conflict Minerals Regulation</li> </ul>
<ul style="list-style-type: none"> <li>● FLEGT Action Plan</li> </ul>
<ul style="list-style-type: none"> <li>● Forest Strategy</li> </ul>
<ul style="list-style-type: none"> <li>● Land use, land-use change and forestry (LULUCF) Regulation</li> </ul>
<ul style="list-style-type: none"> <li>● REDD+</li> </ul>
<ul style="list-style-type: none"> <li>● Renewable Energy Directive (RED)</li> </ul>
<ul style="list-style-type: none"> <li>● Recast Renewable Energy Directive (RED II)</li> </ul>
<ul style="list-style-type: none"> <li>● Regulation on Illegal, unreported and unregulated (IUU) fishing</li> </ul>
<ul style="list-style-type: none"> <li>● Timber Regulation (EUTR)</li> </ul>
<ul style="list-style-type: none"> <li>● Amsterdam Declaration: Towards eliminating deforestation from agricultural commodity chains with European countries</li> </ul>
<ul style="list-style-type: none"> <li>● Amsterdam Declaration - Implementing mechanisms</li> </ul>
<ul style="list-style-type: none"> <li>● Relevant-national level initiatives in Denmark, France, Germany, Italy, the Netherlands, Norway and the UK</li> </ul>
<b>Private sector and civil society initiatives</b>
<ul style="list-style-type: none"> <li>● Accountability Framework Initiative (AFI)</li> </ul>
<ul style="list-style-type: none"> <li>● Collaboration for Forests and Agriculture (CFA)</li> </ul>
<ul style="list-style-type: none"> <li>● International Sustainability and Carbon Certification (ISCC)</li> </ul>
<ul style="list-style-type: none"> <li>● Roundtable on Sustainable Palm Oil (RSPO)</li> </ul>
<ul style="list-style-type: none"> <li>● Roundtable on Sustainable Biomaterials</li> </ul>
<ul style="list-style-type: none"> <li>● Round Table Responsible Soy (RTRS)</li> </ul>
<ul style="list-style-type: none"> <li>● Soy Moratorium</li> </ul>
<ul style="list-style-type: none"> <li>● High Conservation Value (HCV)</li> </ul>
<ul style="list-style-type: none"> <li>● High Carbon Stock (HCS)</li> </ul>
<ul style="list-style-type: none"> <li>● WWF Forest Certification Assessment Tool (CAT)</li> </ul>
<b>Trade initiatives</b>
<ul style="list-style-type: none"> <li>● Transparent supply chains for sustainable economies (Trase)</li> </ul>

# Annex 1

## **In-depth review of current initiatives relevant to the sustainability and human rights impacts related to agricultural and forest commodities**

A screening of more than 60 existing international, EU, Member State level, private and civil society initiatives targeting deforestation, ecosystem conversion and degradation and related human rights aspects was prepared as part of this discussion paper. This exercise identified that there are already a number of initiatives originating in the EU and dealing with the demand for agricultural and forest commodities driving deforestation and human rights impacts. Similarly, an equal number of international, private, civil society and trade related initiatives exist as well. However, specific sustainability criteria are yet to be produced.

### **Current international initiatives**

There are a limited number of international initiatives that address both directly and indirectly deforestation, ecosystem conversion and degradation as well as human rights implications. They are described and listed in Table 3 below.

### ***Sustainable development***

The UN Declaration on the SDGs aims to end poverty, protect the planet from degradation, and ensure prosperity in harmony with nature and foster peace. The targets include the objective of sustainably manage and use natural resources and preserve and restore the ecosystems, with specific reference to forest ecosystems and efforts to halt deforestation via re- and afforestation.

SDGs 15.1 to 15.5 all include 2020 or 2030 targets relevant to the conservation or restoration of land and ecosystems. More specifically, SDG 15.2 includes a target to halt deforestation by 2020; 15.1 and 15.5 require urgent action is taken to reduce the degradation of natural habitats as well as terrestrial and freshwater ecosystems. Looking at the 2030 horizon, SDG targets 15.3 and 15.4 require the end of desertification and the restoration of degraded land, alongside the conservation of mountain ecosystems.

SDG 12.2 includes a target to ensure sustainable consumption and production patterns by achieving sustainable management and efficient use of natural resources by 2030. Other relevant SDGs, although indirectly touching upon deforestation and related human right impacts, include the goals of ending hunger, achieving food security and nutrition (SDG 2) by doubling agricultural productivity and income of small-scale food producers by 2030; ensuring access to affordable, reliable and sustainable energy by 2030 (SDG 7); promoting sustained and inclusive economic growth (SDG 8), and taking urgent action to combat climate change and its impacts (SDG 13). Each SDG is underpinned by specific set of indicators and targets.

As of 2019, the UN framework on SDGs is in its third year of implementation. Despite the framework presenting opportunities to encourage governments to take action in relation to deforestation, ecosystem conversion, degradation and human rights related issues, progress



so far has been limited to keep pace with the stated overarching aims, goals and objectives.<sup>35</sup> Based on this, despite the SDG framework being relevant to this discussion paper, it is far from being sufficiently specific and imposing binding requirements. For instance, indicator 15.2.1 – underpinning target 15.2 requiring to halt deforestation by 2020 – requires to measure progress through sustainable forest management that is subject to different interpretation in different jurisdictions.

### ***New York Declaration on Forests***

The New York Declaration is a voluntary, non-binding declaration linked to the UN summit taken place in New York in 2014. The Declaration aims to halve the rate of deforestation by 2020, to end it by 2030, and to restore 150 millions of hectares of degraded land by 2020 and 350 million of hectares by 2030. According to the 5-year assessment report, there is little evidence that these goals are on track, and achieving the 2020 NYDF targets is believed to be ‘likely impossible’.<sup>36</sup> In order to revert this trend, the assessment calls for the effective protection of tropical forests, complementary efforts to restore forest landscapes by recovering lost ecosystem functions and services, and larger-scale and more coordinated action by government, private companies and civil society. Private companies’ pledges and commitments are encouraged, as well as sector-wise approaches such as the Soy Moratorium in the Brazilian Amazon and the Peatland Moratorium in Indonesia. Improving implementation conditions appears to be essential to halt deforestation. This includes:

- Dedicated and reliable financing from domestic, international, public and private sources to address the drivers of forest loss;
- A shift in finance to increase the current amount of finance for forests (approximately \$ 22 billion);
- Demand-side measures play an equally important role in addressing the drivers of deforestation. This include both regulatory and non-regulatory measures, as discussed in the 2018 EC study on Stepping up EU Action against Deforestation and Forest Degradation<sup>37</sup>;
- Improvement in forest governance, including enhanced transparency and strengthening of enforcement;
- Recognition of the contribution of indigenous peoples to the conservation of forest ecosystems. This includes the protection and full recognition of, among others, land use rights.

### ***UN Convention on Biological Diversity***

Signed by 150 parties at the Rio Summit in 1992, the Convention on Biological Diversity aims to conserve biological diversity, the sustainable use of its components and the fair and equitable sharing of the benefits arising out of the utilisation of genetic resources. To this end, the Convention calls for the development of national strategies, plans and programmes for the sustainable use of natural resources (Article 6) as well as the integration of considerations

---

<sup>35</sup> UN (2017) The Sustainable Development Goals Report 2017. URL <https://www.un.org/sustainabledevelopment/blog/2017/07/pace-of-progress-must-accelerate-to-achieve-the-sdgs-finds-latest-un-progress-report/>

<sup>36</sup> NYDF Assessment Partners (2019) Protecting and Restoring Forests: A Story of Large Commitments yet Limited Progress. New York Declaration on Forests Five-Year Assessment Report. Climate Focus (coordinator and editor). URL: <https://forestdeclaration.org/images/uploads/resource/2019NYDFReport.pdf>

<sup>37</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)

relevant to conservation and sustainable use of biological resources into national-decision making, the adoption of relevant measures to avoid or minimise the impacts on biological diversity, and increased cooperation between government and the private sector achieving the aims of the Convention (Article 10).

The Convention aims to implement its goals through the Aichi biodiversity targets. Two are most relevant to the purpose of this discussion paper. Target 5 requires to at least halve the rate of loss of all natural habitats, including forests, by 2020 and where feasible bring it close to zero, whilst degradation and fragmentation is significantly reduced. In addition, Target 7 calls for areas under agriculture, aquaculture and forestry to be managed sustainably, ensuring conservation of biodiversity, by 2020. Similarly to the SDG framework, the aims and objectives of the Convention of Biological Diversity are helpful to support impetus and initiatives limiting or halving deforestation, ecosystem conversion and degradation; however, the targets are far from being sufficiently specific and imposing binding requirements on the parties to the Convention including the EU.

### ***UN Forum on Forests***

The UN Forum of Forests is a subsidiary body of the Economic and Social Council of the UN and adopted its instruments in 2015.<sup>38</sup> Its main aim is to ensure the management, conservation and sustainable development of all types of forests and to strengthen long-term commitment to this end. The Strategic Plan for forests 2017 – 2030 was adopted in 2017, alongside the multi-annual work programme for the Forum. This instrument is directly relevant to halting ecosystem degradation and conversion as well as human rights related elements in that its Goal 1 aims to reverse the loss of forest cover worldwide through sustainable forest management [...] and increase efforts to prevent forest degradation and contribute to global efforts by addressing climate change. However, this goal is not mandatory and is not underpinned by specific and implementable criteria. In addition, it aims to enhance forest-based economics (Goal 2), including improving the livelihood of forest dependent people. Goal 3 aims to significantly increase the areas of protected forests worldwide and other sustainably managed forests, as well as the proportion of forest products from sustainably managed forests. It also encourages the mobilisation of financial resources (Goal 4) and governance frameworks to implement sustainable forest management (Goal 5). Cooperation, coordination and synergies among parties to the Forum are also encouraged (Goal 6). As mentioned above, the Forum is directly relevant to deforestation and human rights attached to those dependent on the management of forests. However, any progress on the strategic plan adopted will be assessed for the first time in 2024.

### ***UN Paris Agreement***

In the context of the UNFCCC process, the Paris Agreement entered in force in 2016. The Agreement aims to strengthen the global response to the threat of climate change by keeping a global temperature rise by the end of this century well below 2 degrees Celsius, compared to pre-industrial levels. The Agreement requires all parties to put forward national determined contributions (NDCs). The most relevant article in relation to the protection of forests as carbon sinks, and its impact on halting deforestation, is Article 5 that encourages

---

<sup>38</sup> The membership of the UN Forum on Forests includes all 193 states that are members of the UN plus Permanent Observers, the UNFF Secretariat, the Collaborative Partnership on Forests, Regional Organizations and Processes and Major Groups.

parties to conserve and enhance carbon sinks with a particular focus on forests and other carbon rich ecosystems (i.e. savannahs), including through REDD+ and improved forest management. Article 6 also encourages cooperation between parties in achieving their NDCs. The process of stocktake is planned to start in 2023 and take place every 5 years. However, the UN Environment Programme assessed that the NDCs are not going to be sufficient to maintain temperature rise well below 2 degrees Celsius by the end of the century.<sup>39</sup>

### ***UN Guiding Principles on Business and Human Rights and the State of World's Indigenous People***

The voluntary framework of the UN Principles on Business and Human Rights and the State of Indigenous Peoples refer to increased pressures on human and indigenous people's rights. Both frameworks may be used to promote and advance the protection of human rights of indigenous people affected by deforestation, ecosystem conversion and degradation driven by the production of agricultural and forest commodities. Success of such initiatives in relation to halting deforestation and ecosystem conversion is linked to the implementation of national level legislation, action plans and, possibly, through voluntary, certification schemes for agricultural and forest commodities placed on the EU market.

### ***FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT)***

The FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT) serve as guidance to improve the governance of tenure of land, fisheries and forests in the context of the overarching goal of achieving food security. They do not explicitly address human impacts related to deforestation or ecosystem degradation or conversion. However, they propose a framework to strengthen governance of tenure in the event of, among others, environmental degradation and climate change, which contribute to reducing availability of land and increasing vulnerability of local and indigenous communities.

### ***Indigenous and Tribal Peoples Convention***

The Indigenous and Tribal Peoples Convention was approved in 1989 under the International Labour Organisation (ILO). According to Part II on Land (and following Articles), the rights of ownership and possession of the indigenous peoples (not all of local communities) concerned over the lands, which they traditionally occupy, shall be recognised. In addition, measures shall be taken in cases to safeguard the right of the peoples concerned to use lands not exclusively occupied by them, but to which they have traditionally had access for their subsistence and traditional activities. The sustainability criteria could include a specific requirement to implement the UN Indigenous and Tribal Peoples Convention. However, success of such principles is strongly tied to their implementation on the ground through national level legislation in the country of origin or specific provisions and requirements embedded in voluntary, certification schemes. In relation to the EU, only Denmark, the Netherlands and Spain are signatories to the Convention.

---

<sup>39</sup> UN Environment Programme (2019) Emissions Gap Report 2019. URL : <https://newclimate.org/wp-content/uploads/2019/11/EGR2019.pdf>

## **UN Declaration on the Rights of Indigenous Peoples (UNDRIP)**

The UN Declaration on the Rights of Indigenous Peoples (UNDRIP) was approved in 2007. The Declaration is the most comprehensive international instrument on the rights of indigenous peoples. It establishes a framework of minimum standards for the survival, dignity and well-being of the indigenous peoples of the world and it elaborates on existing human rights standards and fundamental freedoms as they apply to the specific situation of indigenous peoples. The sustainability criteria could include a specific requirement to implement the UN Declaration on the Rights of Indigenous Peoples. However, success of such principles is strongly tied to their implementation on the ground through national level legislation in the country of origin or specific provisions and requirements embedded in voluntary, certification schemes.

**Table 3: Overview of current international initiatives**

Initiative	Policies / Actions	Relevant measures / mechanisms related to deforestation, ecosystem conversion and ecosystem degradation and human rights implications
Sustainable development	UN Sustainable Development Goals (SDGs)	<p>The <b>SDG framework</b> can support directly halting deforestation and ecosystem conversion and degradation as well as respecting human rights. This is mainly driven by:</p> <ul style="list-style-type: none"> <li>• SDG 15.1 includes a target to ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater by 2020</li> <li>• SDG 15.2 that includes a target to end deforestation and restore degraded forests by 2020;</li> <li>• SDG 15.3 includes a target to end desertification and restore degraded land by 2030;</li> <li>• SDG 15.4 includes a target to ensure conservation of mountain ecosystems by 2030;</li> <li>• SDG 15.5 includes a target to take urgent action to reduce the degradation of natural habitats, half the loss of biodiversity and prevent the extinction of threatened species by 2020;</li> <li>• SDG 12.2 ensure sustainable consumption and production patterns by achieving sustainable management and efficient use of natural resources by 2030.</li> </ul> <p>More indirectly, the following SDGs may provide support:</p> <ul style="list-style-type: none"> <li>• SDG 2: End hunger, achieve food security and nutrition by doubling agricultural productivity and income of small-scale food producers by 2030;</li> <li>• SDG 7: Ensure access to affordable, reliable and sustainable energy by 2030;</li> <li>• SDG 8: Promote sustained and inclusive economic growth;</li> <li>• SDG 13: Take urgent action to combat climate change and its impacts.</li> </ul>
Forest	New York Declaration on Forests	<p>The <b>New York Declaration on Forests</b> is a voluntary, non-binding declaration linked to the UN summit taken place in New York in 2014. The Declaration aims to halve the rate of deforestation by 2020, to end it by 2030, and to restore millions of hectares of degraded land. The Declaration aims to halve the rate of deforestation by 2020, to end it by 2030, and to restore 150 millions of hectares of degraded land by 2020 and 350 million of hectares by 2030. According to the 5-year assessment report, there is little evidence that these goals are on track, and achieving the 2020 NYDF targets is believed to be 'likely impossible'. In order to revert this trend, the assessment calls for the effective protection of tropical forests, complementary efforts to restore forest landscapes by recovering lost ecosystem functions and services, and larger-scale and more coordinated action by government, private companies and civil society. Private</p>

		<p>companies' pledges and commitments are encouraged, as well as sector-wise approaches such as the Soy Moratorium in the Brazilian Amazon and the Peatland Moratorium in Indonesia. Improving implementation conditions appears to be essential to halt deforestation. This includes:</p> <ul style="list-style-type: none"> <li>• Dedicated and reliable financing from domestic, international, public and private sources to address the drivers of forest loss;</li> <li>• A shift in finance to increase the current amount of finance for forests (approximately \$ 22 billion);</li> <li>• Demand-side measures play an equally important role in addressing the drivers of deforestation. This include both regulatory and non-regulatory measures, as discuss in the 2018 study on Stepping up EU Action against Deforestation and Forest Degradation;</li> <li>• Improvement in forest governance, including enhanced transparency and strengthening of enforcement;</li> <li>• Recognition of the contribution of indigenous peoples to the conservation of forest ecosystems. This includes the protection and full recognition of, among others, land use rights.</li> </ul>
	UN Forum on Forests	<p>The <b>UN Forum on Forests</b> is directly relevant to halting deforestation and ecosystem conversion and degradation as well as respecting human rights. More specifically, the key features include:</p> <ul style="list-style-type: none"> <li>• Goal 1: Reverse the loss of forest cover worldwide through sustainable forest management and increase efforts to prevent forest degradation and contribute to global efforts by addressing climate change;</li> <li>• Goal 2: Improving livelihood of forest dependent people;</li> <li>• Goal 3: Significantly increase the areas of protected forests worldwide and other sustainably managed forests, as well as the proportion of forest products from sustainably managed forests;</li> <li>• Goal 4: Mobilisation of financial resources;</li> <li>• Goal 5: Governance frameworks to implement sustainable forest management.</li> </ul> <p>The membership of the UN Forum on Forests includes all 193 states that are members of the UN plus Permanent Observers, the UNFF Secretariat, the Collaborative Partnership on Forests, Regional Organizations and Processes and Major Groups.</p>
Biodiversity	UN Convention on Biological Diversity	<p>The <b>UN Convention on Biological Diversity</b> may indirectly contribute to halting deforestation and ecosystem conversion and degradation as well as respecting human rights. Potentially relevant elements include:</p> <ul style="list-style-type: none"> <li>• Article 6: Development of national strategies, plans and programmes for the sustainable use of natural resources;</li> <li>• Article 10: <ul style="list-style-type: none"> <li>○ Integration of considerations relevant ton conservation and sustainable use of biological resources into national-decision making;</li> <li>○ Adoption of relevant measures to avoid or minimise the impacts on biological diversity;</li> <li>○ Increased cooperation between government and the private sector achieving the aims of the Convention.</li> </ul> </li> </ul> <p>Underpinning such goals, the most relevant Aichi Biodiversity targets are:</p> <ul style="list-style-type: none"> <li>• Target 5: By 2020, the rate of loss of all natural habitats, including forests, is at least halved and where feasible brought close to zero, and degradation and fragmentation is significantly reduced;</li> <li>• Target 7: By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.</li> </ul>
Climate change	UN Paris Agreement	<p>The <b>Paris Agreement</b> can indirectly support halting of deforestation, ecosystem conversion and ecosystem degradation. As REDD+, the Paris Agreement plays a more limited role in</p>

		<p>relation to protecting human rights of individuals and communities dependent on forest resources. More specifically, the Paris Agreement requires parties to put forward their best efforts to halting climate change through nationally determined contributions (NDCs).</p> <ul style="list-style-type: none"> <li>• Article 5 encourages parties to conserve and enhance carbon sinks with a particular focus on forests, including through REDD+ and improves forest management;</li> <li>• Article 6 encourages cooperation between parties in achieving their NDCs including mitigation outcomes being transferred internationally.</li> </ul>
Human rights	UN Guiding Principles on Business and Human Rights	The <i>UN Guiding Principles on Business and Human Rights</i> can provide indirect support by promoting and advancing human rights of indigenous peoples and communities affected by deforestation, ecosystem conversion and ecosystem degradation.
	UN State of World's Indigenous Peoples	The <i>UN State of World's Indigenous Peoples</i> can provide indirect support by promoting and advancing human rights of indigenous peoples and communities affected by deforestation, ecosystem conversion and ecosystem degradation.
	FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT)	The <i>FAO Voluntary Guidelines on Responsible Governance of Tenure (VGGT)</i> does not explicitly address human impacts related to deforestation. However, it proposes a framework to strengthen governance of tenure in the event of, among others, environmental degradation and climate change, which contribute to reducing availability of land and increasing vulnerability of local and indigenous communities.
	Indigenous and Tribal Peoples Convention	The sustainability criteria could include a specific requirement to implement the <i>UN Indigenous and Tribal Peoples Convention</i> . Success of such principles is strongly tied to their implementation on the ground through national level legislation in the country of origin or specific provisions and requirements embedded in certification schemes. In relation to the EU, only Denmark, the Netherlands and Spain are signatories to the Convention.
	UN Declaration on the Rights of Indigenous Peoples (UNDRIP)	The sustainability criteria could include a specific requirement to implement the <i>UN Declaration on the Rights of Indigenous Peoples</i> . Success of such principles is strongly tied to their implementation on the ground through national level legislation in the country of origin or specific provisions and requirements embedded in certification schemes.

Source: Own compilation based on official documentation from each scheme and initiative

### Current EU initiatives

EU policies and actions include initiatives that address both directly and indirectly deforestation, ecosystem conversion and degradation as well as human rights implications. These are described and listed in Table 4 below.

### Forestry, timber and illegal logging initiatives

The EU FLEGT Action Plan<sup>40</sup> was approved in 2003 and is one of the main instruments within the EU to combat illegal logging and its trade. The Action Plan is considered an innovative means of 'using trade instruments to strengthen forest governance and bring illegal forestry and land-use activities under the rule of law.'<sup>41</sup> Addressing illegal logging appears to be an important way to produce spill over effects on forest management and half deforestation.

<sup>40</sup> Communication from the Commission to the Council and the European Parliament - Forest Law Enforcement, Governance and Trade (FLEGT) - Proposal for an EU Action Plan. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52003DC0251>

<sup>41</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)



The Voluntary Partnership Agreements (VPAs)<sup>42</sup> and the EU Timber Regulation<sup>43</sup> contribute to implementing the FLEGT Action Plan.

The Action Plan focuses on the question of legality but notes that the EU's wider objective is to encourage sustainable forest management. Better law enforcement is expected to lead to more sustainable forest management more generally, since forest legislation in many countries is based on the premise of sustainable forest management. In terms of supply side measures, Voluntary Partnership Agreements (VPAs) are bilateral trade agreements that require an assurance system or voluntary license scheme in place according to which countries agree to export only legal timber and the EU provides verified access to those products within its market. This system is aimed to increase forest governance in timber producing countries by increasing transparency, accountability and stakeholder engagement.

Demand of legal timber and related products can be supported by specific public procurement policies that require legality and sustainability of wood products and timber. The FLEGT Action Plan refers to a set of Green Public Procurement (GPP) guidelines to be put in place by the European Commission with the aim to include reference to the certification of sustainable forest management in the technical specifications of GPP tenders. This is to support the determination of proof of compliance with environmental requirements and increase likelihood that illegally harvested timber is not procured.

The FLEGT Action Plan is relevant to this discussion paper in that it contributes, albeit indirectly, to the protection of forests from illegal logging by promoting better governance, clearer land tenure laws, and NGOs' and civil society's involvement in forest related decision-making. However, this does not directly translate into the production of forests from agricultural expansion. The evaluation of the FLEGT Action Plan acknowledges that the Action Plan does not fully address the issue of deforestation and ecosystem conversion and degradation, as timber is only one element driving such impacts. Better integration between FLEGT and REDD+ initiatives is also highlighted as an element for improvement in the evaluation of the Action Plan.

The **EU Timber Regulation (EUTR)** drives other key actions within the Action Plan package. The EUTR sets out rules for the EU market in relation to timber and timber products to counter trade of illegal logging. These include the prohibition of trading of illegal timber and timber products into the EU; requirements on operators first placing timber and related products on the EU market to exercise due diligence and that traders keep record of suppliers and customers to ensure traceability. The onus of proof is on all market participants placing timber or timber products on the EU market for the first time. Traders further down the supply chain have to keep records of their suppliers and their customers. The EUTR is also a means to incentivise third countries to join Voluntary Partnership Agreements or third-party certification schemes. Its approach to tackling legality is seen as an interesting model that could be applicable in other fields, according to the EC Feasibility study.<sup>44</sup>

---

<sup>42</sup> Voluntary Partnership Agreements (VPAs). URL: <http://www.euflegt.efi.int/vpa>

<sup>43</sup> Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32010R0995>

<sup>44</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)

Looking at separate but related policy areas, both the EU's Illegal, Unreported and Unregulated (IUU) Fishing Regulation<sup>45</sup> and the Conflict Minerals Regulation<sup>46</sup> deploy useful mechanisms that are more broadly relevant to deforestation. The IUU Fishing Regulation aims to prevent, deter and eliminate illegal, unreported and unregulated fishing. It is broadly relevant to the scope of this discussion paper, especially to a future regulatory framework, in that the Regulation requires the establishment of a monitoring and enforcement mechanism that could be taken as a model with the aim to halting deforestation, ecosystem degradation and conversion. A system of inspection of vessels is put in place, on at least 5% of all transshipment and landing operations each year. With regard to imports, fishery products can only be imported into the EU when accompanied by a catch certificate in conformity with the Regulation. Verification systems are established by individual Member States. An alert system is created with the aim of preventing potential issues, as well as a list of vessels engaged in IUU fishing and of non-cooperating countries are to be created and kept up to date. In case of no respect of the Regulation, a series of measures are to be put in place, according to the fact that the EU is Contracting Party of the United Nations Convention on the Law of the Sea and has accepted the Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas of the FAO.

On the other hand, the Conflict Minerals Regulation establishes a system for supply due diligence of importers of minerals and metals into the EU. This aims to curtail opportunities for armed groups and security forces to trade in tin, tantalum and tungsten, their ores and gold, and address human rights violations in conflict-affected and high-risk areas linked to such trading. Despite not been directly applicable as part of the sustainability criteria designed within this discussion paper, this is relevant to a wider regulatory framework as an example of a management system and a set of risk obligations, which may be applicable to future EU initiatives to address deforestation, ecosystem degradation and conversion. According to the Regulation, importers of minerals or metals shall adopt and communicate to suppliers and the public up-to-date information on their supply chain policy, as well as incorporate in their supply chain policy standards according to which supply chain due diligence is to be conducted. Importers are also required to structure their internal management to support supply chain due diligence. Engagement with suppliers is required by incorporating in the supply chain policy contracts and agreements with suppliers. Finally, importers have to establish a grievance mechanism as an early awareness system.

Chain of custody applies to imports of metals and minerals, while information supported by documentation as from the point of origin needs to be provided for imported by-products. Audits shall be carried out by third party organisations.

---

<sup>45</sup> Council Regulation (EC) No 1005/2008 of 29 September 2008 establishing a Community system to prevent, deter and eliminate illegal, unreported and unregulated fishing, amending Regulations (EEC) No 2847/93, (EC) No 1936/2001 and (EC) No 601/2004 and repealing Regulations (EC) No 1093/94 and (EC) No 1447/1999. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1408984470270&uri=CELEX:02008R1005-20110309>

<sup>46</sup> Regulation (EU) 2017/821 of the European Parliament and of the Council of 17 May 2017 laying down supply chain due diligence obligations for Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32017R0821>

### ***Bio and circular economy initiatives***

The 2012 and subsequent update of the EU Bioeconomy Strategy appear to play a twofold role in relation to deforestation and related human rights implications. The 2012 Bioeconomy Strategy<sup>47</sup> establishes a programme of action for Europe to move to a resource efficient and competitive society. The Strategy is broadly relevant to deforestation in that it calls for three main elements: a) sustainable management of natural resources; b) reducing dependence on non-renewable resources (e.g. fossil fuel substitution with biomass-based products), and c) mitigating and adapting to climate change, including increasing carbon sinks and forest resources. On the one hand, all these provisions can support halting deforestation if done sustainably and within set ecological limits. On the other hand, for instance, the substitution of fossil fuel-based products with alternative ones made out of biomass can increase pressure on natural resources, especially woody biomass once for the sake of an expanding bioeconomy.

The same considerations apply to the 2018 update of the EU Bioeconomy Strategy<sup>48</sup>. This recognises the success achieved by the 2012 Strategy and calls for three actions including strengthening and scaling up the bio-based sectors, deploying local bioeconomy and understanding the ecological limits of the planet. Whereas the updated Strategy may contribute to halting deforestation by contributing to expanded carbon sinks and sustainable forest management; on the other hand, the objective of expanding the bioeconomy as well as unlocking investments may bring with it increased pressure on the natural environment by increasing extraction of natural resources and production within and beyond the EU.

The EU Communication on Closing the loop – An EU Action Plan for a Circular Economy<sup>49</sup> aims at transitioning the EU's economy to be more circular. The most relevant provisions related to deforestation are those calling for product design in a way to use natural resources; support to consumption patterns that lead to reuse, recycling and reduce the amount of waste products, including food waste; waste management according to the EU waste hierarchy, and support action to recycle and inject back into the economy secondary raw materials. All of these actions have the aim to retain the value of products, material and resources into the EU economy as long as possible and, therefore, potentially reduce the amount of primary raw material, including from forests within and beyond the EU, that is required to be extracted and processed. However, the Communication does not apply to food sector within or beyond the EU and has therefore limited or no applicability for the development of sustainability criteria within this discussion paper.

---

<sup>47</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (2012) Innovating for Sustainable Growth: A Bioeconomy for Europe. COM(2012) 60 final. URL: [https://ec.europa.eu/research/bioeconomy/pdf/official-strategy\\_en.pdf](https://ec.europa.eu/research/bioeconomy/pdf/official-strategy_en.pdf)

<sup>48</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (2018) A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment. COM(2018) 673 final. URL: <https://ec.europa.eu/transparency/regdoc/rep/1/2018/EN/COM-2018-673-F1-EN-MAIN-PART-1.PDF>

<sup>49</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (2015) Closing the loop - An EU action plan for the Circular Economy. COM(2015) 614 final. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52015DC0614>

## ***Climate and energy initiatives***

The current and post-2020 Renewable Energy Directive (RED<sup>50</sup> and RED II<sup>51</sup>) are the main drivers of renewable energy production in the EU. Both directives laid down specific requirements in relation to sourcing and sustainability of biomass feedstocks for the production of liquid biofuels and bioenergy. The current sustainability criteria for the sourcing and use of biomass prevent public support given to biofuels and bioenergy produced based on non-compliant biomass. Therefore, biofuels and bioenergy not compliant with the sustainability criteria cannot be counted against the RED and RED II targets for transport and wider renewable energy. In addition, sustainable biomass cannot be produced or harvested in breach of any national law in the producer country.

The Indirect Land Use Change (ILUC) Directive<sup>52</sup> came into force in 2015 and sets requirements to limit the land use impacts embedded in EU demand for biofuels. The ILUC Directive does so by setting a 60% greenhouse gas (GHG) emission reduction from biofuels and bioliquids compared to fossil fuels in the new installations and factors associated with indirect land use change. The values would make biofuels associated with higher ILUC effects less attractive for energy producers and, therefore, reduce the incentives for agricultural expansion for the production of biofuels.

The Land use, land use change and forestry (LULUCF) Regulation<sup>53</sup> for 2021 and 2030 sets out the commitments of Member States for the sector to contribute to achieving the objectives of the Paris Agreement and meeting the GHG emission reduction target of the EU. The Regulation lays down the rules for the accounting of emissions and removals from LULUCF and for checking the compliance of Member States with those commitments. According to these provisions, Member States are required to put in place systems that keep track of the carbon stored in wood and wood products imported to and exported from third countries.

## ***Agricultural policy***

Both Pillar 1 and 2 of the Common Agricultural Policy (CAP) can indirectly support the halting of or reinforce deforestation and associated impacts depending on how the measures are designed and implemented by EU Member States.

In relation to Pillar 1 on direct payments to farmers<sup>54</sup>, Member States have the option to support Ecological Focus Areas (EFAs) and voluntary coupled support. As to the former,

---

<sup>50</sup> Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC. URL: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32009L0028>

<sup>51</sup> Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L2001&from=EN>

<sup>52</sup> Directive (EU) 2015/1513 of the European Parliament and of the Council of 9 September 2015 amending Directive 98/70/EC relating to the quality of petrol and diesel fuels and amending Directive 2009/28/EC on the promotion of the use of energy from renewable sources. URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32015L1513>

<sup>53</sup> Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU. URL: [https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L\\_.2018.156.01.0001.01.ENG](https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2018.156.01.0001.01.ENG)

<sup>54</sup> Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009. URL: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32013R1307>

farmers can choose to manage afforested or agro-forestry areas within an EFA; thus encouraging forest management and increased forest resilience, with potential environmental benefits. Voluntary coupled support to sectors such as livestock or protein crops may have positive or negative effects on deforestation within the EU by reducing dependency on imported animal feed and animal products.

With regard to rural development (Pillar 2)<sup>55</sup>, agro-environment measures are eligible to be co-financed by Member States and offer opportunities to protect natural ecosystems from degradation. These measures, coupled with investments in non-physical assets, advice and training to farmers, may increase EU production and decrease emphasis on imported timber or woody products from outside the EU driving deforestation or ecosystem conversion impacts.

### Trade policy

The 2012 EU Communication on Trade for All<sup>56</sup> calls for a reshaping of EU trade policy to integrate, among others, principles related to the jobs and growth agenda, as well as environmental, human rights and social concerns. It calls for increased priority given to sustainable management and conservation of natural resources (including timber and forests) and to the fight against climate change in free trade agreements (FTAs). It also promotes the inclusion of a sustainable development chapter in all trade and investment agreements, and the taking into account of sustainable development considerations or public procurement in all relevant areas of FTAs. It also calls for increased transparency of supply chains and improve consumer information. All of this, per se, remains a set of non-binding and aspirational requirements. However, it provides a vision as to how trade agreement would ideally take into account issues related to product sustainability with potential positive implication on halting deforestation and any related human right implication.

**Table 4: Overview of current EU initiatives**

Initiative	Policies / Actions	Relevant measures / mechanisms related to deforestation, ecosystem conversion and ecosystem degradation and human rights implications
Forestry, timber and illegal logging	FLEGT Action Plan	The <i>FLEGT Action Plan, the EU Timber Regulation and the VPAs</i> can indirectly support halting deforestation and ecosystem conversion and degradation as well as respecting human rights. This would be mainly done by halting illegal logging using trade instruments to strengthen forest governance and bring illegal forestry and land-use activities under the rule of law. Two of its main elements are the EU Timber Regulation (EUTR), laying out due diligence requirements for operators placing timber on the EU market for the first time, and Voluntary Partnership Agreements (VPAs), using timber trade as a lever to improve forest governance in timber producing countries. The EU FLEGT Action Plan promotes a legality approach, thus potentially having a direct impact on
	EU Timber Regulation (EUTR)	
	Voluntary Partnership Agreements (VPAs)	

<sup>55</sup> Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013 on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) and repealing Council Regulation (EC) No 1698/2005. URL: <https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32013R1305>

<sup>56</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (2015) Trade for All. Towards a more responsible trade and investment policy. COM(2015) 497 final. URL: <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52015DC0497>

		illegal deforestation, and an indirect impact on legal deforestation due to improved forest governance.
<b>Fisheries</b>	Illegal, Unreported and Unregulated (IUU) Fishing Regulation	<p>The <b>IUU Fishing Regulation</b> focuses on a separate policy area compared to deforestation and deforestation related impacts. However, the Regulation requires the establishment of a monitoring and enforcement mechanism that can be used in the context of deforestation impacts of agricultural and forest commodities. The mechanism is set-up as follows:</p> <ul style="list-style-type: none"> <li>• At least 5% of all transshipments and landing operations each year needed to be inspected;</li> <li>• Imported products can only be imported into the EU when accompanied by a certificate of conformity;</li> <li>• Enforcement mechanisms are put in place by EU Member States;</li> <li>• An alert system is in place to prevent risks.</li> </ul>
<b>Minerals</b>	Conflict Minerals Regulation	<p>The <b>Conflict Minerals Regulation</b> focuses on a separate policy area. However, it is indirectly relevant to deforestation and human right impacts in that it establishes a system for supply due diligence of importers of minerals and metals into the EU. The system requires importers of minerals or metals to:</p> <ul style="list-style-type: none"> <li>• Adopt and communicate to suppliers and the public up-to-date information on their supply chain policy;</li> <li>• Incorporate in their supply chain policy standards against which supply chain due diligence is to be conducted;</li> <li>• Structure their internal management to support supply chain due diligence.</li> </ul> <p>Chain of custody applies to imports of metal and minerals, while information supported by documentation as from the point of origin needs to be provided for imported by-products. Audits are to be carried out by third party organisations.</p>
<b>Green and circular economy</b>	EU Bioeconomy Strategy	<p><b>EU green and circular economy policy</b> can indirectly support halting deforestation and ecosystem conversion and degradation as well as respecting human rights. On the other hand, expansion of the bioeconomy through unlocking investments may bring increased pressures on the natural environment. Both the bioeconomy strategies and the circular economy communication aim to address the food and material waste concerns linked to demand. Interventions considered in light of this can have a positive impact in decreasing EU demand for agricultural and forest commodities by retaining the value of products within the economy. Hence support reduced deforestation, ecosystem conversion, ecosystem degradation and human right impacts.</p>
	Updated EU Bioeconomy Strategy	
	EU Communication on ‘Closing the loop – An EU Action Plan for a Circular Economy’	
<b>Climate change and energy</b>	Renewable Energy Directive (RED)	<p>The sustainability criteria embedded in the <b>RED and RED II</b> can directly contribute to limit the impacts of deforestation and ecosystem conversion and degradation. This would be done by requiring and implementing no conversion of the following agricultural land types for biofuel production:</p> <ul style="list-style-type: none"> <li>• Highly biodiverse land;</li> <li>• High carbon stock land;</li> <li>• Peatlands and grassland.</li> </ul> <p>By promoting the use of biofuels, the RED may drive increased EU demand for land and agricultural and forest commodities for biofuel use globally. The sustainability criteria aim to reduce additional land requirements for biofuels and therefore the drivers of deforestation and ecosystem conversion and degradation as well as related human rights impacts.</p>
	Recast Renewable Energy Directive (REDII)	<p>In relation to forest biomass, the <b>recast RED</b> can contribute to limit the impacts of deforestation, ecosystem conversion and degradation. It is more tangentially relevant to human rights impacts. The recast RED modified the existing land criteria for agriculture biomass, introduced new risk-based sustainability criteria for forest biomass, raised the GHG saving thresholds for biofuels and bio-liquids and introduces new GHG saving thresholds for biomass and biogas for heat and power.</p> <p>As per the RED, by promoting the use of biofuels, the recast RED may drive further EU demand for land and agricultural and forest commodities globally. The introduction of sustainability criteria for</p>



		solid biomass could lead to restricting the use land-based biofuels and therefore decrease the demand for land and potential further deforestation rates. This impact remains to be assessed through reporting and verification.
	Indirect Land Use Change (ILUC) Directive	In order to prevent or reduce ILUC impacts, the <b>ILUC Directive</b> introduced a 7% cap on the use of crop-based biofuels and promoted a shift to advanced biofuels, using woody materials and wastes and residues.  The potential to address the drivers of deforestation depends on how ambitious and binding Member States decide to make the advanced biofuel targets and the overall renewable energy transport mix target.
	Land use, land use change and forestry (LULUCF) Regulation	The <b>LULUCF Regulation</b> can indirectly support efforts to halt deforestation, ecosystem conversion and ecosystem degradation. It has no impact on human rights. It lays down rules for accounting of emissions and removals from LULUCF and for checking Member States' compliance. Accordingly, Member States have to put in place systems that keep track of the carbon stored in wood and wood products imported and export from third countries. Accounting for emissions from deforested areas provide a picture on the current situation as to do with deforestation; however it does not contain the phenomenon per se.
Agriculture	CAP Pillar 1 on direct payments to farmers	The <b>CAP</b> can indirectly support halting deforestation and ecosystem conversion and degradation as well as respecting human rights. This would be done by supporting EU farmers producing various crops that can be used as substitute to the agricultural commodities imported into the EU.
	CAP Pillar 2 on rural development	
Trade	EU Communication on Trade for All	The <b>EC Communication on Trade for All</b> can indirectly support halting deforestation and ecosystem conversion and degradation as well as respecting human rights. This would be done by: <ul style="list-style-type: none"> <li>• Promoting the introduction of binding sustainable development chapters in trade agreements. This could support the promotion of fair trade and sustainability schemes for agricultural and forest commodities;</li> <li>• Increase transparency over the supply chains;</li> <li>• Uptake of due diligence as a principles;</li> <li>• Higher focus on consumers' awareness, potentially on deforestation and illegal logging though FTAs.</li> </ul>

Source: Own compilation based on official documentation from each scheme and initiative

## EU Member State initiatives

European Member States have actively contributed to promote more sustainable consumption and production practices leading to eliminating deforestation and related impacts on ecosystems and human rights.

The Amsterdam Declarations have been the main voluntary, pan-European instruments promoted by a number of European countries to support 100% sustainable palm oil by 2020 and eliminate deforestation from agriculture supply chains by 2020. Both Declarations are signed by Denmark, France, Germany, Italy, the Netherlands, Norway and the UK.

The first Amsterdam Declaration<sup>57</sup> aims to support action to eliminate deforestation from agricultural supply chains and promote sustainable economic development linked to the implementation of several Sustainable Development Goals (SDGs) – i.e. poverty reduction (SDG 1); food security and nutrition (SDG 2); gender equality (SDG 5); water and sanitation

<sup>57</sup> Amsterdam Declaration (2015) Towards eliminating deforestation from agricultural commodity chains within European countries. URL: <https://www.euandgvc.nl/documents/publications/2015/december/7/declarations>

(SDG 6); sustainable consumption and production (SDG 12); climate action (SDG 13); halting land degradation and biodiversity loss (SDG 15). It aims to promote public and private sector commitments on halting deforestation driven by trading agricultural and forest commodities into the EU and implanting the principles set out in the New York Declaration on forests. The Declaration is dedicated to halting deforestation and explicitly securing basic human rights by a) requesting enforcement of national forest laws; b) encouraging the application of internally recognised labour, social and environmental standards and principles in global supply chains; c) increased synergies between trade and the SDGs, and d) implementation of the options identified in the 2013 EC report on deforestation and consumption.

The second Amsterdam Declaration<sup>58</sup> aims to support commitment and drive towards 100% sustainable sourcing and trade of palm oil, and increased traceability of the commodity by no later than 2020. The Declaration supports the private sector implementing the commitments and civil society, private sector and governments monitoring their implementation. In 2018 the Amsterdam Declaration signatories also called the European Commission to present a Roadmap for the development of an EU Action Plan on deforestation and forest degradation.<sup>59</sup>

At national level, France published a 2018 – 2030 strategy to halt imported deforestation from agricultural commodities.<sup>60</sup> The Action Plan is structured around 4 main headings and 17 specific objectives. Overall, the Action Plan aims to halt imports of agricultural and forest products contributing to deforestation by 2030. As from 2017, large-scale or multinational companies are made accountable, according to a new law<sup>61</sup>, for assessing and addressing the negative impacts of their activities on human rights and the surrounding environment. More specifically, companies are required to publish public vigilance plans on a yearly basis, detailing impacts linked to their own activities, those of companies under their control as well as suppliers and sub-contractors. Should the companies not comply with these obligations, the law empowers concerned citizens and parties to bring on a litigation case. A € 10 million fine can apply in case of companies non publishing the plans, which can rump up to € 30 million if such a failure resulted in damages that would otherwise have been preventable.

Though these developments at national level represent a step forward in the intention of halting deforestation and related impacts on ecosystem and human rights, their contribution is subject to active implementation by the private sector and linked to compliance with third party sustainability schemes.

As elaborated above, at pan-European level initiatives to halt deforestation, degradation and conversion of ecosystems as well as to protect human rights rely, for most part, on voluntary instruments. The Amsterdam Declarations are statements of intent showing political orientation and direction. Therefore, they aim to provide a vision and strategic view, rather

---

<sup>58</sup> Amsterdam Declaration (2105) The Amsterdam Declaration in support of a fully sustainable palm oil supply chain by 2020. URL: <https://ad-partnership.org/wp-content/uploads/2018/10/Amsterdam-Declaration-Deforestation-Palm-Oil-v2017-0612.pdf>

<sup>59</sup> Amsterdam Declaration (2018) Call for ambitious EU Action Plan on deforestation and forest degradation. URL: [https://mfvm.dk/fileadmin/user\\_upload/MFVM/Miljoe/Letter\\_to\\_European\\_Commissioners\\_on\\_Deforestation.pdf](https://mfvm.dk/fileadmin/user_upload/MFVM/Miljoe/Letter_to_European_Commissioners_on_Deforestation.pdf)

<sup>60</sup> French Ministry of Ecological Transition and Solidarity (2018) National Strategy to halt imported deforestation. URL: [https://www.ecologique-solidaire.gouv.fr/sites/default/files/2018.11.14\\_SNDI\\_0.pdf](https://www.ecologique-solidaire.gouv.fr/sites/default/files/2018.11.14_SNDI_0.pdf)

<sup>61</sup> Law n. 2017/399 of 27 March 2017 relating to the duty of care of parent companies and ordering companies. URL: <https://www.legifrance.gouv.fr/eli/loi/2017/3/27/2017-399/lo/texte>

than dictating specific requirements for the EU or other actions to implement. However, a number of elements can have a direct impact on halting deforestation and support human rights protection, and could be used to support the sustainability criteria produced within this discussion paper. They include, for instance, request for enforcement of national forest law in the country of origin, and the application of internationally recognised labour, social and environmental standards and principles in global supply chains.

### **Private sector and civil society initiatives**

The private sector and civil society are engaged in a wide range of initiatives and pledges in relation to halting deforestation.

The Consumer Goods Forum<sup>62</sup> – which is a global forum bringing together more than 400 retailers, consumer goods manufactures and stakeholders from 70 countries worldwide – aims to support private sector initiatives. A series of guidelines have been produced to serve various purposes: to half deforestation driven by soy production by accelerating the implementation of relevant legal frameworks in the countries of origin (such as Brazil); b) achieve net zero deforestation by 2020 in relation to pulp, paper and packaging using in the companies' operations; c) achieve sustainable palm oil sourcing in compliance with third party certification schemes (i.e. RSPO), protect high conservation value (HCV) areas and respect human rights; and d) improving sourcing of cattle beef that should not negatively impacts forests or surrounding areas. However, only 7% of companies are considered zero or net-zero deforestation free.<sup>63</sup>

The Tropical Forest Alliance 2020 (TFA 2020)<sup>64</sup> was established in 2010 as a follow up to the creation of the Consumer Good Forum. The FTA 2020 aims to improve planning and management related to tropical forest conservation; share best practices including working with small holders and other producers, and provide expertise and knowledge sharing as well as improved monitoring. Three initiatives have been developed by FTA 2020 in Africa, Brazil and Indonesia.

The Collaboration for Forests and Agriculture (CFA)<sup>65</sup> aims to help shaping standards and incentive to achieve zero conversion commitments from leading companies in the supply chain of soy and beef from Brazil, Argentina and Paraguay.

Similarly, the Accountability Framework Initiative (AFI)<sup>66</sup> aims to establish common definitions, norms and good practices to help companies deliver on their supply chain commitments, providing more details to high-level pledges and aligning and tracking progress achieved.

---

<sup>62</sup> Consumer Goods Forum. URL: <https://www.theconsumergoodsforum.com/initiatives/environmental-sustainability/key-projects/deforestation/>

<sup>63</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)

<sup>64</sup> Tropical Forest Alliance 2020. URL: <https://www.tfa2020.org/fr/>

<sup>65</sup> Collaboration for Forests and Agriculture (CFA). URL: [https://www.wwf.org.br/natureza\\_brasileira/reducao\\_de\\_impactos2/agricultura/agr\\_acoes\\_resultados/copy\\_of\\_colaboracao\\_para\\_florestas\\_e\\_agricultura\\_cfa\\_27062017\\_1949/](https://www.wwf.org.br/natureza_brasileira/reducao_de_impactos2/agricultura/agr_acoes_resultados/copy_of_colaboracao_para_florestas_e_agricultura_cfa_27062017_1949/)

<sup>66</sup> Accountability Framework Initiative (AFI). URL: <https://accountability-framework.org/about-us/>

The Soy Moratorium<sup>67</sup> for the Brazilian Amazon is a voluntary supply chain initiative championed by ABIOVE and ANEC, which are two Brazilian industry associations operating in the soy industry, alongside NGOs. The Moratorium aims not to trade or finance soy originating from land in the Amazon biome that has been deforested as from 2006. The initiative is implemented by 35 members of ANEC and 12 members of ABIOVE. Overall this initiative has been considered successful in reducing conversion of forest to soybean fields within the Amazon biome.

The Forest500 initiative<sup>68</sup> has the aim of supporting private sector and companies as well as government and investors to make commitments and pledges and adopt practices and standards that serve the purposes of reducing demand of commodities that drive deforestation (in tropical regions such as the Forest500 initiative), ecosystem conversion and degradation.

### **Certification schemes**

The implementation of the pledges and initiatives promoted by the private sector in collaboration with government, investors, non-governmental organisations, among others, are often dependent on the third party certification of agricultural and forest commodities, products or entire supply chains.

In relation to agricultural commodities, there are a number of certification schemes that are used to certify specific commodities (e.g. soy, palm oil, or biomaterials) or use of biomass for all end uses (e.g. food, feed, energy or bio-based products). As to the former, certification schemes include the Roundtable on Sustainable Palm Oil (RSPO)<sup>69</sup>, the Roundtable on Sustainable Biomaterials (RSB)<sup>70</sup> and the Round Table on Responsible Soy (RTRS).<sup>71</sup> The International Sustainability and Carbon Certification (ISCC) scheme<sup>72</sup> covers all types of biomass and can be used for certifying biofuels under the EU RED. Despite differences in focus and commodity covered, all these certification schemes are based on third party audits assessing procedures, systems and performance against certain standards. Accredited bodies conduct the audits and are in charge of awarding the certificates in compliance with the standards. The Roundtables are characterised by a participatory process where stakeholders set a set of standards to implement.

The certification schemes are useful tools aiming to certify commodities that do not drive deforestation or ecosystem conversion and degradation and include principles related to certain human rights aspects related to the production of a certain commodity. As recognised in the literature<sup>73</sup>, however, the voluntary, certification schemes mentioned in the above

---

<sup>67</sup> Soy Moratorium. URL: [http://www.abiove.org.br/site/FILES/English/12122014-113940-24.11.2014\\_relatorio\\_da\\_moratoria\\_da\\_soja\\_versao\\_ingles.pdf](http://www.abiove.org.br/site/FILES/English/12122014-113940-24.11.2014_relatorio_da_moratoria_da_soja_versao_ingles.pdf)

<sup>68</sup> Forest500. URL: <https://forest500.org/reports>

<sup>69</sup> Roundtable of Sustainable Palm Oil. URL: <https://www.rspo.org/>

<sup>70</sup> Roundtable on Sustainable Biomaterials. URL: <https://rsb.org/>

<sup>71</sup> Round Table Responsible Soy. URL: <http://www.responsiblesoy.org/?lang=en>

<sup>72</sup> International Sustainability and Carbon Certification (ISCC). URL: <https://www.iscc-system.org/>

<sup>73</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf) and WWF (2013)

paragraph present some limiting factors. Two of the most relevant to highlight are a) ensuring monitoring and enforcement; and b) the question of definitional issues. In relation to the former, a number of examples of certified products are in a state of non-compliance for years highlighting the need for further enforcement and capacity building among stakeholders involved in the process.<sup>74</sup>

In relation to forest commodities, two relevant certification schemes are the Forest Stewardship Certification (FSC) and the Programme for Endorsement of Forest Certification schemes (PEFC). Both schemes entail the use of chain of custody certification to make sure that a trader or retailer is in control of its supply chains and that these comply with specific sustainability standards. Nonetheless, the area certified is relatively low for both schemes in countries with high risk of deforestation and ecosystem conversion and degradation driven by the exploitation of forest resources.<sup>75</sup>

A number of initiatives promoted by civil society function as a means to monitor the functionality of certain certification schemes and standards used. The Certification Assessment Tool (CAT)<sup>76</sup> used by WWF aims to evaluate and compare voluntary standards and certification schemes. In order to provide an assessment on the certification scheme, the CAT requires information according to several sets of indicators on the scheme itself (Part I), the standard (Part II) and the monitoring system attached. Other organisation, like IUCN the Netherlands perform benchmark studies of standards.<sup>77</sup>

### ***High Conservation Value (HCV) and High Carbon Stock (HCS) approaches***

High Conservation Value (HCV) and High Carbon Stock (HCS) provide a joint approach, on the one hand, to identify, assess and monitor areas of high carbon conservation value in order to maintain and enhance them; on the other, to distinguish between different types of forest areas in terms of their carbon and biodiversity values.<sup>78</sup> Since their original inception, HCV and HCS have been further developed through guidance documents and toolkit, with the aim to specify how to identify, manage and monitor high conservation value and high carbon stock areas. A report template and guidance for integrated HCV-HCSA assessments was published in 2018.<sup>79</sup> The role of local and national governments is seen as important to support the interpretation of key definitions within the approaches and to support mapping of specific areas of high value.

---

Searching for sustainability. Comparative analysis of certification schemes for biomass used for the production of biofuels. URL: [http://awsassets.panda.org/downloads/wwf\\_searching\\_for\\_sustainability\\_2013\\_2.pdf](http://awsassets.panda.org/downloads/wwf_searching_for_sustainability_2013_2.pdf)

<sup>74</sup> WWF (2013) Searching for sustainability. Comparative analysis of certification schemes for biomass used for the production of biofuels. URL: [http://awsassets.panda.org/downloads/wwf\\_searching\\_for\\_sustainability\\_2013\\_2.pdf](http://awsassets.panda.org/downloads/wwf_searching_for_sustainability_2013_2.pdf)

<sup>75</sup> Ecofys, Milieu and COWI (2018) Feasibility study on options to step up EU action against deforestation. URL: [http://ec.europa.eu/environment/forests/pdf/feasibility\\_study\\_deforestation\\_kh0418199enn\\_main\\_report.pdf](http://ec.europa.eu/environment/forests/pdf/feasibility_study_deforestation_kh0418199enn_main_report.pdf)

<sup>76</sup> Forest Certification Assessment Tool (CAT). URL: <https://www.panda.org/?246871/WWF-Forest-Certification-Assessment-Tool-CAT>

<sup>77</sup> IUCN (2019) IUCN NL compares sustainability certification for palm oil. URL: <https://www.iucn.nl/en/updates/iucn-nl-compares-sustainability-certification-for-palm-oil> and Profundo (2019) Setting the bar for deforestation-free soy in Europe. URL: [https://www.iucn.nl/files/publicaties/setting\\_the\\_bar\\_for\\_deforestation\\_free\\_soy\\_190606\\_final.pdf](https://www.iucn.nl/files/publicaties/setting_the_bar_for_deforestation_free_soy_190606_final.pdf)

<sup>78</sup> Integrated HCV-HCSA Assessment Manual (2018). URL: <http://highcarbonstock.org/hcv-hcsa-assessment-manual-now-available-in-5-languages/>

<sup>79</sup> HCV Resource Network (2018) New Report Template for Integrated High Conservation Value-High Carbon Stock Approach Assessments. URL: <https://hcvnetwork.org/new-report-template-for-integrated-high-conservation-value-high-carbon-stock-approach-assessments/>

**Table 5: Overview of current private sector and civil society initiatives**

Type of initiative / certification scheme	Initiative / certification scheme	Relevant measures / mechanisms related to deforestation, ecosystem conversion and ecosystem degradation and human rights implications	
<b>Pledges and commitments</b>	Forest500 initiative	The Forest500 initiative is directly relevant to halting deforestation. However, it mainly remains a declaration of intent and aims to support private sector and companies, as well as governments and investors, to make commitments and pledges and adopt practices and standards that serve the purposes of reducing demand of commodities that drive deforestation, ecosystem conversion and degradation.	
	Accountability Framework Initiative (AFI)	The Accountability Framework Initiative (AFI) is directly relevant to halting deforestation and protecting human rights. It aims to establish common definitions, norms and good practices to help companies deliver on their supply chain commitments.	
		A set of core principles are defined in order for supply chains to be deforestation-free and protective of other natural ecosystems.	A set of core principles are defined for supply chains to respect human rights.
	Consumer Goods Forum	The Consumer Goods Forum is directly relevant to halting deforestation and protect human rights. A series of guidelines have been produced in relation to: <ul style="list-style-type: none"> <li>• To halt deforestation driven by soy production by accelerating the implementation of relevant legal frameworks in the countries of origin;</li> <li>• Achieve net zero deforestation by 2020 in relation to pulp, paper and packaging use in the companies' operations;</li> <li>• Achieve sustainable palm oil sourcing in compliance with third party certification schemes (e.g. RSPO), protect high conservation value (HCV) areas and respect human rights;</li> <li>• Improving sourcing of cattle beef that should not negatively impact forests or surrounding areas.</li> </ul>	
	Tropical Forest Alliance 2020 (TFA 2020)	The Tropical Forest Alliance 2020 is directly relevant to deforestation. It aims to improve planning and management related to tropical forest conservation; share best practices including working with small holders and other producers, and provide expertise and knowledge sharing as well as improve monitoring.	
	Collaboration for Forests and Agriculture (CFA)	The Collaboration for Forests and Agriculture is directly relevant to halting deforestation. It aims to help shaping standards and incentives to zero conversion commitments from leading companies in the supply chain of soil and beef in Brazil, Argentina and Paraguay.	
	Brazilian Soy Moratorium	The Brazilian Soy Moratorium is a voluntary supply chain initiative championed by ABIOVE and ANEC, which is directly relevant to halting deforestation. It aims not to trade or finance soy originating from land in the Amazon biome that has been deforested as from 2006. Although this initiative it has been considered successful in reducing conversion of forest soybean fields in no-go areas within the Amazon biome, elements to further improve include enhanced synergies with existing legal frameworks and public policies such as the Forest Code and improvements associated with monitoring mechanisms in the context of forest formations but also considering the conversion of non-forest natural habitats.	
<b>Certification schemes</b>	Rainforest Alliance Sustainable Agriculture Standard	The Rainforest Alliance Sustainable Agriculture Standard is used to certify farms and producer groups involved in crop and cattle production. It has the advantage of including criteria for the identification of different types of natural ecosystem (aquatic, terrestrial, etc.) as well as auditing criterion for their assessment.	
	Roundtable on Sustainable Palm Oil (RSPO)	Despite the difference in coverage and focus, all certification schemes are relevant to deforestation. Less so to the protection of human rights. All the certification schemes are based on third party audits and are in charge of awarding the certificates in compliance with the standards. In addition, these schemes are characterised by a participatory process where stakeholders produce a set of standards to be implemented.	
	Roundtable on Sustainable Biomaterials (RSB)		
	Round Table on Responsible Soy (RTRS)		



	International Sustainability and Carbon Certification (ISCC)	ISCC can be directly relevant to halting deforestation. Less so when it comes to the protection of human rights. Principle 1 is the most relevant in terms of deforestation and land conversion as it aims to protect High Biodiversity Value or High Carbon Stock and requires biomass not to be produced on: <ul style="list-style-type: none"> <li>• Land that is high biodiversity value;</li> <li>• Land with high carbon stock;</li> <li>• Peatlands and grassland.</li> </ul>
	Forest Stewardship Council (FSC) Programme for Endorsement of Forest Certification schemes (PEFC)	Both FSC and PEFC are relevant to deforestation. They offer chain of custody certification that serve to testify that a trader or retailer is in control of its supply chains and that these respect certain sustainability standards.
<b>Other approaches</b>	High Conservation Value (HCV) forest and areas	The Conservation Value (HCV) approach is directly relevant to deforestation in that it aims to identify, assess and monitor area of high carbon conservation value in order to maintain and enhance them.
	High Carbon Stock (HCS) land	The High Carbon Stock (HCS) approach is directly relevant to deforestation and aims to distinguish between different types of forest of other value areas in terms of their carbon and biodiversity value.
	Forest Certification Assessment (CAT) tool	WWF has developed the CAT tool to test the strength of certification systems and their standards. This is directly relevant to deforestation and human rights protection and aims to evaluate and compare voluntary standards and certification schemes.
	Transparency for Sustainable Economies (Trase)	The Transparency for Sustainable Economies (Trase) is promoted by SEI and GCP as from 2016. Trase aims to map supply chains of internationally traded commodities, such as palm oil, soy beef and timber, from the country of origin through to the country of destination. The main objective is to enhance transparency and track all companies involved in the supply chain of certain commodities. Global trade flow mapping undertaken by Trase relies on export and import data, especially custom data, to link commodities bought in certain regions to production of other commodities in another region. Lack of transparency and insufficient information is still a limitation for such initiatives.

**Source:** Own compilation based on official documentation from each scheme and initiative

**The Institute for European Environmental Policy** (IEEP) is a Brussels-based sustainability think tank. Working with stakeholders across EU institutions, international bodies, academia, civil society and industry, our team of policy professionals composed of economists, scientists and lawyers produce evidence-based research and policy insight.

