



Department
for Environment
Food & Rural Affairs



Foreign, Commonwealth
& Development Office

The Rt Hon the Lord Goldsmith of Richmond Park
Minister of State

Anna Collins
Coordinator
NGO Forest Coalition

Our ref: PO2022/03630/SB

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09 March 2022

Dear Anna,

Thank you for your joint letter of 5 September to the Prime Minister about deforestation in the Amazon and a due diligence obligation for forest risk commodities. Your letter has been transferred to Defra and I am replying as the Minister responsible for this area. I sincerely apologise for the unacceptable delay in responding. Your letter was delayed during the Departmental transfer process, and I am investigating the cause to ensure it does not happen in the future. I would be grateful if you would share this reply with the other signatories.

You raise the critical importance of taking action to address climate change driven by deforestation, notably for the production of agricultural commodities. The Government is committed to tackling this and to greening supply chains.

A significant proportion of deforestation is illegal, close to 90% in some key forests including parts of the Amazon. The world-leading due diligence legislation we have introduced through the Environment Act will help to tackle illegal deforestation in UK supply chains. This law will help us ensure there is no place on our supermarket shelves or in our supply chains for commodities that have been grown on land that is illegally occupied or used. The law will also support other countries to strengthen and enforce their forest protection measures.

I understand your view that illegality is too low a bar for the legislation and that we risk tying our hands in countries with permissive legal systems. The Government's view is that respecting the laws of Government in the countries where these products are grown and supporting their efforts offers the best path to long-term sustainability and – crucially – to forming alliances with other consumer countries. Deforestation is a global issue that requires global collaboration. We are committed to regular review which will help us ensure these provisions are effective. If laws in forested nations are devalued such that activities that are currently illegal become legal in order to circumnavigate our own due diligence laws, then we will take action.

We launched a consultation on 3 December 2021 to seek views on the detail of the regulations to ensure that we design them effectively. Officials have welcomed engagement during this consultation period, and I hope you will submit a formal response to the consultation. The consultation will be open until 11 March 2022 and can be accessed through the following link:

<https://consult.defra.gov.uk/international-biodiversity-and-climate/implementing-due-diligence-forest-risk-commodities/>.

This is just one part of a wider package of measures to improve the sustainability of our supply chains and will contribute to global efforts to protect forests and other ecosystems.

The due diligence legislation will help us to achieve the commitment enshrined in the Glasgow Leaders Declaration. Signed by 141 global leaders at COP26, we agreed to work collectively to halt and reverse forest loss and land degradation by 2030 while delivering sustainable development and promoting an inclusive rural transformation. We have been delighted to work with 28 other Governments within the Forest, Agriculture and Commodity Trade (FACT) Dialogue as part of COP26, which we consider a transformational forum for global dialogue and action.

You also raise an important point regarding the role of finance in tackling deforestation, at COP26 we announced that over 33 financial institutions, covering around \$9 trillion of global Assets Under Management committed to eliminate commodity driven deforestation from their investment and lending portfolios. We are working with the UK financial sector and GFANZ (Glasgow Financial Alliance for Net Zero) to both ensure accountability and scale this commitment ahead of COP27. In addition, we are working across Whitehall and with external stakeholders to both catalyse investments in nature positive activities and understand the systemic barriers that exist to transitioning to a nature positive economy. Many of the world's biggest commodity buyers also committed to aligning their purchasing with our deforestation goals, and we will be working with them this year to inject transparency into the process.

The UK recognises the importance of the other issues you raise in your letter and is taking forward action on all of them. We are providing funding and political support to leading international market-led initiatives such as the Taskforce on Nature-related Financial Disclosures which aims to empower institutions with a nature-related risk management framework so that they can manage their environmental impacts and dependencies more sustainably and eventually disclose data that will allow investors to make more informed and SDG-aligned capital allocation decisions.

The UK recognises that Indigenous Peoples and Local Communities (IPLCs) are important custodians of forests and nature, and that securing and protecting their land rights needs to be central to strategies to halt and reverse forest loss and protect biodiversity. Through the COP26 Presidency, the UK brokered a joint donor pledge of \$1.7 billion to support IPLCs to secure their land rights and protect their forests. The UK is supporting this pledge through various initiatives and programmes, including the new Land Facility that will advance land governance reforms and help secure IPLC tenure rights.

Thank you for your ongoing engagement on this critical issue. The Government will continue to support action by businesses, civil society, and members of Parliament to help reduce deforestation globally. We are committed to maintaining constructive dialogue, working together to protect nature and biodiversity and meet global climate objectives.

Thank you once again for your letter.

With best wishes,



THE RT HON THE LORD GOLDSMITH OF RICHMOND PARK