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Side Event on Taking Deforestation Out of Commodity Supply Chains

GEF-6 Assembly – Cancun, Mexico

12:30 – 14:00, Sunday 25 May 2014

The production of food, fiber and energy drives deforestation globally. Agriculture alone is identified as the driver of approximately 80% of deforestation worldwide. Within the Amazon and South East Asia cattle ranching, soy and palm oil are the main drivers of post-1990 deforestation; globally these commodities account for 12-15% of global greenhouse gas emissions. However agricultural commodities are a key element of economic growth in rural areas of emerging economies, accounting for 10% of developing countries' gross domestic product. Such commodities are equally important to the supply chains and bottom-lines of retailers, Fast Moving Consumer Goods Companies and the consumers they serve. The challenge is not to end production of high impact commodity production, but to make it more sustainable. A recent wave of commitments and innovation signals a new willingness to tackle this challenge. Taking advantage of this opportunity depends on an integrated commodity approach that removes the barriers along commodity sustainable supply chains.

The proposed session will begin with a panel that overviews why addressing commodity supply chains is the key to addressing deforestation, identifies high impact approaches already making progress on the supply and demand sides, key innovations and how to scale up. The panelists represent among the leading organizations that have worked on this issue, including WWF, IFC, UNDP, UNEP and CI. Key questions and innovations to be addressed include:

- What is the potential for the recent wave of commitments on taking deforestation out of supply chains for driving transformational progress on sustainability? How can the private sector and governments in production and export markets best work with one another to accelerate change?
- What role do governments in producing countries have to promote deforestation free supply chains? What are they key policy issues? What is the path from legality to traceability to sustainability?
- What is the business case for producers to produce sustainably and how can we ensure that both small scale and large scale producers derive value from sustainable production?
- Is the global financial system a lever for enabling the transition to deforestation free supply chains? How can financial institutions be equipped to finance sustainably produced soft commodities? What are some success stories in the broader sustainable finance space that we could learn from in sustainable commodity production?
- What is the potential for driving transformational change at the landscape level and can such approaches be taken to scale?

Following the panel will be a discussion with panelists and all session participants on the singular most important investments that could be made to achieve breakthroughs and move the needle on deforestation. This will include crowd sourced discussion and suggestions as well as questions from a closed loop Twitter feed.