

# Partnering *for Results*

Public-Private Collaboration  
on Deforestation-Free Supply Chains

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The correct citation for this report is: Streck, C., and Lee, D. 2016. "Partnering for Results: Public-Private Collaboration on Deforestation-Free Supply Chains." Prepared with support from cooperative agreement # S-LMAQM-13-CA-1128 with U.S. Department of State.

## Acknowledgments

Funding for this report was provided by the U.S. Department of State, Bureau of Oceans and International Environmental and Scientific Affairs. This report was prepared by a consortium led by Winrock International with Climate Focus, Meridian Institute, and a team of expert authors. The authors consulted more than a dozen industry representatives, to whom the authors are grateful for the intelligence and time they provided which helped inform the report. The ideas expressed in this paper are those of the authors only and do not represent the endorsement of any approach described therein. The views expressed in this report do not necessarily represent the views of Winrock International, the authors' institutions, interviewees, or the financial sponsors of this report.

The authors thank Christine Dragisic of the U.S. Department of State for comments and guidance, Michael Lesnick and Mallorie Bruns from Meridian Institute, and Robert O'Sullivan from Winrock International for ongoing input, feedback and support.

ISBN: **1-57360-077-6**

Date of Publication: **March 2016**

# Partnering for Results

## Public-Private Collaboration on Deforestation-Free Supply Chains

### Introduction

The last five years have seen an encouraging surge in corporate commitments to deforestation-free supply chains. Adopting sustainability commitments is a lot easier, however, than achieving them. Data suggest that actual implementation of supply chain commitments is lagging.<sup>1</sup> Many are finding that reducing deforestation is much harder than expected.<sup>2</sup> The production of deforestation-free products is hampered by, among others, lack of land-use planning, weak law enforcement, and insufficient monitoring and accountability systems.

At the same time, many governments of developed and developing countries have embarked on joint efforts to formulate and support new policies and measures that can reduce carbon emissions from forest loss. Adding momentum to such efforts, the Paris Agreement on climate change obligates all countries to reduce emissions and develop low

carbon pathways. This marks an important difference from the Kyoto Protocol, which only obligated developed countries to reduce their carbon footprint. The Paris Agreement requires all countries to take action to avoid dangerous climate change, including reducing emissions of greenhouse gases and adapting to the adverse effects of climate change—both of which require strategies to improve and maintain healthy forested and agricultural landscapes.<sup>3</sup>

Governments seeking to reduce greenhouse gas emissions and private actors seeking to ensure sustainability across their supply chains are, in fact, aiming for similar outcomes and face the same challenges. In this regard, the Paris Agreement provides a unique opportunity for new public-private partnerships. This paper identifies areas of cooperation that will help companies achieve their sustainability goals and support countries' need to lower emissions from land use.

1 The Carbon Disclosure Project. CDP. 2014. Deforestation-free supply chains: From commitments to actions. CDP Global Forests Report 2014.  
2 Rautner, M., Lawrence, L., Bregman, T., and Leggett, M. 2015. The Forest 500. Analysis: Companies. Measuring progress to zero deforestation. Global Canopy Programme.

3 When ratifying the Paris Agreement, countries must submit Nationally Determined Contributions; nearly all governments have signaled intended contributions, or "climate targets" through submissions to the UN, which can be found at: <http://www4.unfccc.int/submissions/indc/Submission%20Pages/submissions.aspx>



# Supply Chain Commitments

Since 2009, the number of pledges companies have made to reduce deforestation risks in the production, supply, and procurement of commodities has risen rapidly, from single digits to 307 by September 2015.<sup>4</sup>

Supply chain commitments are often motivated by multiple goals: to improve the livelihoods of farmers and communities, eliminate negative environmental impacts

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 4 According to supply-change.org, the number of supply chain sustainability pledges made by companies increased in 2014 to a total of 382 commitments, of which 115 corresponded to new pledges announced in the same year. For more information visit: <http://supply-change.org/pages/methodology>

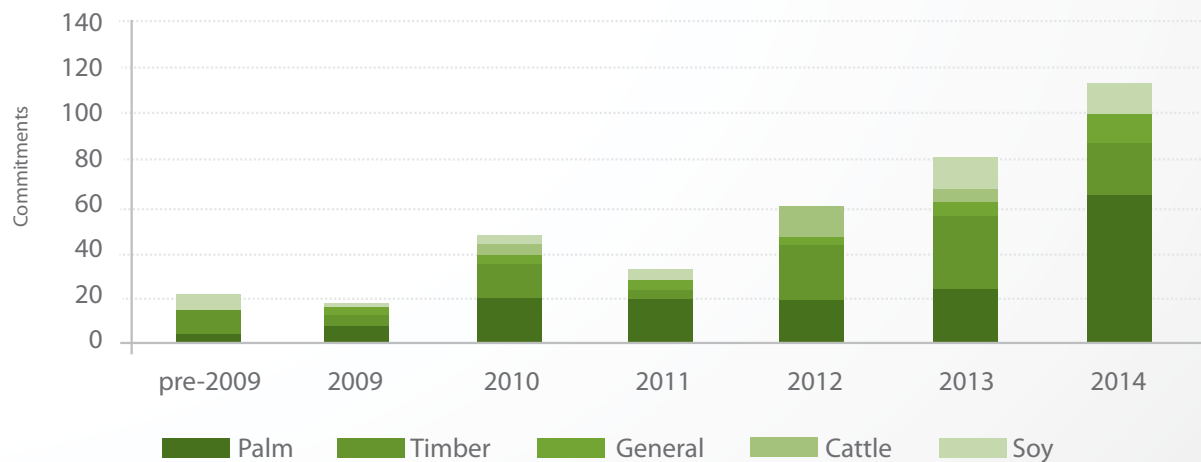
(such as deforestation or soil degradation), and improve the sustainability and quality of the product. Eliminating deforestation is one of several objectives—as companies strive to meet social responsibility goals and avoid other risks, including legal and labor rights violations. Many companies also limit their deforestation related pledges to specific commodities, such as oil palm or soy.

From farm to fork, agricultural commodities are passed along a supply chain of producers, processors, traders, manufacturers, and retailers.<sup>5</sup> Manufacturers and retailers

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 5 Rautner, M., Lawrence, L., Bregman, T., and Leggett, M. 2015. The Forest 500. Global Canopy Programme.

## Number of Commitments to Reduce Deforestation from Company Supply Chains

Source: Courtesy of Supply Change, a project of Forest Trends. 2015. [www.supply-change.org](http://www.supply-change.org)



with recognizable brands are more exposed to public scrutiny and more likely to face risks to their reputation. Companies located at the origin of a supply chain, however, have a more direct impact on deforestation. As a result, transparency tends to increase up the supply chain, while direct ecological impact decreases.<sup>6</sup>

It is therefore not surprising that retailers and manufacturers are responsible for the majority of sustainability pledges. These pledges spur action by traders and other

manufacturers, which historically have been more reluctant to assume sustainability goals but have strategic access to, and thus influence on, buyers and producers.<sup>7</sup> Suppliers that operate at the origin of the supply chain have control over production methods and do not have to implement commitments by exerting pressure over multiple intermediaries, but they have been reluctant to take on deforestation-free commitments.<sup>8</sup>

6 Supply-Change.org. 2015. Supply Change: Corporations, Commodities, and Commitments that Count.

7 Supply-Change.org. 2015. Supply Change: Corporations, Commodities, and Commitments that Count.

8 Ibid.

### Value Chain Structure



### New Commitments by Company Supply Chain Role

Source: Adapted from supply-change.org (2015)



Although many large companies have made deforestation-related commitments, they still represent a low percentage of production or sales of major commodities that drive forest loss. Companies with pledges face a multitude of challenges, including those highlighted in the table below.<sup>9</sup>

These challenges require action by, or cooperation with, governments. Many countries are beginning to develop and implement programs to tackle the direct and underlying drivers of deforestation, partly driven by a need to reduce emissions from deforestation.

9 The challenges listed were those most often identified, in a series of interviews, by companies—producers, traders, and consumers—that produce or purchase beef, cocoa, coffee, oil palm, and soy.

Challenges Companies Face in Meeting Supply Chain Commitments	
<b>Weak governance</b>	<ul style="list-style-type: none"> <li>• Regulatory compliance levels are low</li> <li>• Enforcement of laws and regulations is weak or absent</li> <li>• Corruption levels are high</li> <li>• Land-use planning is weak or non-existent</li> </ul>
<b>Absence of clear land titles</b>	<ul style="list-style-type: none"> <li>• Countries do not have land title maps or registries</li> <li>• Land titles are unclear or contested</li> <li>• There is conflict over designated land</li> </ul>
<b>Lack of capacities</b>	<ul style="list-style-type: none"> <li>• Farmers lack the knowledge and capacity to change agricultural practices</li> <li>• Governments lack the capacity to develop investment plans and incentive systems that facilitate investments</li> <li>• Extension services are absent</li> <li>• Farmers lack the systems and funding to monitor the impact of particular practices</li> </ul>
<b>Traceability</b>	<ul style="list-style-type: none"> <li>• Lack of data and monitoring systems make it impossible for farmers, traders, and processors to track deforestation throughout the supply chain</li> <li>• Geospatial information that allows tracking is not available</li> </ul>
<b>Costs</b>	<ul style="list-style-type: none"> <li>• Certification is too costly for small-scale farmers, and the lack of price premiums for certified, sustainable, and deforestation-free commodities impedes their pursuing certification</li> <li>• The transition to new practices comes at a risk many farmers perceive as too costly</li> <li>• Multiple and overlapping certification systems add to costs</li> <li>• For companies higher up the supply chain, the cost of tracking deforestation may be prohibitive</li> </ul>

# The Paris Agreement on Climate Change

Last year, more than 190 countries endorsed the Paris Agreement, an international framework to tackle climate change that aims to hold global temperatures well below 2°C above pre-industrial levels and to achieve global carbon neutrality (balancing emissions and removals) by the second half of the century. To achieve these goals, reducing deforestation is important in the near-term, and maintaining standing forests is critical for the future.

Land use emissions make a large part of a many developing countries' emissions profile. Reducing forest carbon loss and restoring forests, consequently, rank high on

countries' mitigation pledges. The table below provides examples of country commitments to reduce emissions from forestry and land use.

The Paris Agreement includes a focus on forest protection, building on an existing international framework that provides incentives for reduced emissions from deforestation, forest degradation, conservation, sustainable forest management, and enhancement of forest carbon stocks (REDD+). REDD+ calls on countries to collectively slow, halt, and reverse deforestation, and to provide resources to engage in actions that reduce deforestation. In preparation to implement such actions, many countries have started to review their land use policies.

## Examples of Country Pledges under the Paris Agreement

Country	Paris Agreement emissions pledge or "target"
<b>Brazil</b> <i>Largest producer of coffee and timber; 2nd largest of soy and beef (after the U.S.)</i>	37% economy-wide reduction below 2005 levels in 2025 and by 43% in 2030; zero illegal deforestation in the Amazon and compensating for greenhouse gas emissions from legal suppression of vegetation by 2030
<b>Indonesia</b> <i>Largest palm oil producer</i>	26% reduction by 2020, and 29% reduction by 2030 from business as usual, up to 41% conditional on international support
<b>Cote d'Ivoire</b> <i>Largest cocoa producer</i>	28% reduction (up to 36% with international support) by 2030, reforesting 100,000 hectares (ha) and improving management on more than 1 million ha of natural forest
<b>Vietnam</b> <i>2nd largest coffee producer</i>	8% reduction in emissions (up to 25% with international support), increasing forest area to 45% by 2030

# Jurisdictional REDD+ Programs

Over the past several years, a number of governments have embarked on building large-scale programs to reduce emissions from forests.

In the context of REDD+, developing countries are encouraged to develop large-scale programs that reduce emissions from deforestation. In return, donor governments are encouraged to provide financing, particularly to countries that are able to measure, report, and verify reductions in emissions from forests. These international partnerships aim to support the development and implementation of mitigation plans, and form the basis for many countries' intended mitigation contribution.

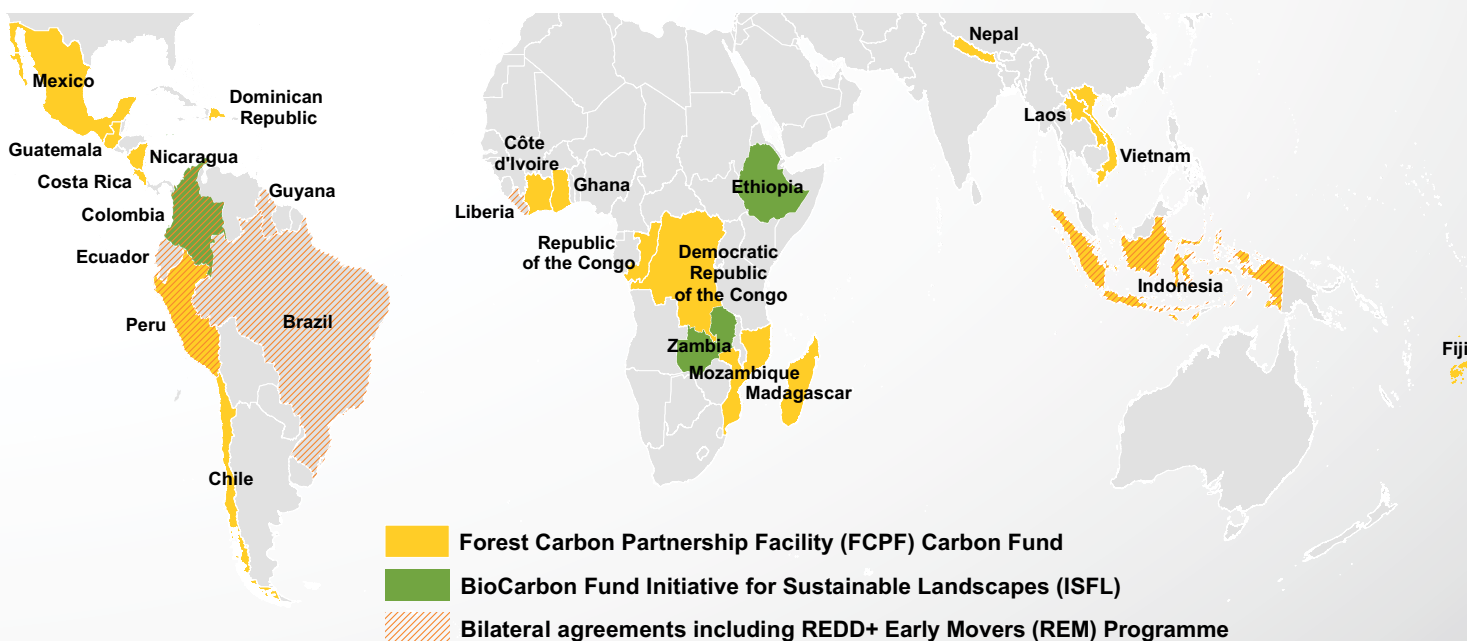
Many of these landscape-level or “jurisdictional” (national or subnational) programs are designed to bring together improved governance, capacity, land-use planning, and transparency, while seeking to engage the private sector.

These large-scale programs are at various levels of development. Some are fully operational (e.g., the program funded by the Amazon Fund in Brazil), several are advancing toward contracts with partner governments, and still others are in their infancy. Such programs offer a unique and potentially powerful opportunity for public-private partnerships. Governments do their part in implementing policies, measuring and monitoring progress, and ensuring social and environmental safeguards are respected, while

*More than 45 countries developing jurisdictional REDD+ programs*

*More than US\$10 billion pledged in international support, including results-based payments*

A number of countries are in the pipeline to access results-based payments from various climate finance instruments.

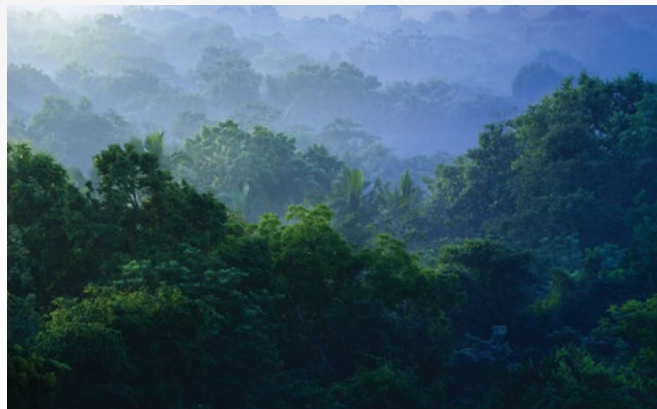




companies prioritize geographies for investments in, and sourcing of, commodities.

In Paris during the UN climate conference, Unilever and Marks & Spencer made such a commitment, pledging to prioritize their commodity sourcing from areas that have designed and are implementing jurisdictional forest and climate initiatives, and to work with The Consumer Goods Forum (as co-chairs of the Sustainability Working Group) to increase collaboration between businesses and governments through such produce-and-protect approaches.<sup>10</sup> This approach can encourage progress in jurisdictional efforts to become deforestation free, ultimately giving companies a more cost-effective way to meet sustainability pledges.

The following section highlights some of the areas where governments working on jurisdictional REDD+ programs



are addressing challenges that companies face in meeting supply chain commitments, and discusses concrete areas of cooperation where companies may support implementation of large-scale REDD+ programs.

<sup>10</sup> <http://tfa2020.org/wp-content/uploads/2015/12/01122015- Produce-Protect-CGF-statement.pdf>

### Prioritizing Sourcing under Produce and Protect Compacts

#### To qualify for preferential sourcing, a jurisdiction must have

A strategy to reduce emissions from forests and other lands while increasing agricultural productivity and improving livelihoods

A system for measuring and monitoring reductions in greenhouse gas emissions from deforestation and an established baseline

A commitment to adhere to social and environmental safeguards and monitor these efforts

High-level political commitment to, and support for, the compact's design and implementation from a government partner

Stakeholder engagement in the compact's development and implementation

Location in a country with an ambitious national emission reduction target

# *Collaborating* to Reduce Emissions from Deforestation

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As part of their jurisdictional REDD+ programs, many governments are developing new sustainable land-use policies that combine food security, reduction of rural poverty, and conservation of ecosystems. Such efforts offer private actors an opportunity to collaborate with governments in implementing supply chain commitments.

Below are several examples of potential synergies among governments and companies that produce or source commodities responsible for deforestation.



# Strengthening Governance

Many countries are formulating measures to improve the investment climate for sustainable production as part of activities to reduce emissions from deforestation. Governments are making efforts to address illegality in supply chains, reduce corruption, and ensure the rights of local

communities are being respected. For the most part, the private sector is not involved in formulating programs that seek to strengthen institutions, laws, labor practices, and enforcement capacities.



## Recommendations for the Private Sector

To ensure governments focus their efforts on removing investment barriers, the private sector is encouraged to present concrete suggestions to governments on policies and activities that could be prioritized to stimulate investments in sustainable land use practices. When private actors (firms, farmers, communities) support measures, their implementation is likely to be faster and more successful.



## Link to Supply Chain Commitments

Governance, in particular legal compliance and enforcement, is critical to achieving deforestation-free goals. Many issues related to governance, such as legality, the respect for indigenous lands and protected areas, and the elimination of child or slave labor, are part of many supply chain commitments. For companies, it is essential that governments effectively manage land and ensure compliance with legal requirements. Such efforts remove incentives for violating the law and promote fair competition.



## Example

**Enabling Low Emissions Development in Africa.** The Democratic Republic of Congo is one of the first countries to submit an emission reductions program to the Forest Carbon Partnership Facility's Carbon Fund. The program, which covers an area of over 12 million ha, recognizes that to be transformational it cannot focus only on sectoral activities but must also improve underlying governance. Activities include improving capacity and land-use planning through a range of investment projects, in part funded through the Forest Investment Program (a window of the World Bank-managed Climate Investment Funds). The country has also included measures to address governance challenges in its National REDD+ Investment Plan and will apply for support from the Central African Forest Initiative, (a new initiative using climate finance from donor governments) including national reforms on land tenure and land rights as well as \$30 million to improve governance, including building capacity to increase transparency and stakeholder consultation.

# Improve Land Titling and Enable Land Use Planning

To reduce emissions from forests, support resilient agriculture, and create sustainable rural livelihoods, governments must improve land-use planning, including clarifying areas for protection versus production (e.g., concessions) and building clear regulations for these well-defined areas. Registration systems for land titles are also critical. These include systematic land surveying and titling programs

that recognize all relevant forms of land tenure—public and private, collective and individual, formal and customary (including those of pastoralists or others with weak formal rights). While countries have started to design programs that clarify and institutionalize land titles, experience shows that program implementation is slow and prone to delays.



## Recommendations for the Private Sector

The private sector can help leverage existing knowledge with data, regional maps, and registration systems. Companies can develop models that give local communities access to finance, potentially backed by public guarantees. Producers can support governments in mapping high carbon stock forests and high conservation value areas (and vice versa), and can also cooperate with public agencies identifying hot spots for action to counter illegal deforestation and loss of high conservation value lands.



## Link to Supply Chain Commitments

The private sector benefits from these activities, as they reduce investment risks and provide secure access to land. Reduction of conflict around land titles enables the private sector to establish long-term contracts with farmers and invest in capacity building and training. Unclear land titles often limit access to finance for rural communities and farmers, so they are unable to invest in new, improved agricultural practices.



## Example

**Public Private Partnership for Cocoa.** In Cote d'Ivoire, the government has embarked on programs to eliminate deforestation caused by the production of cocoa, including development of a large-scale 4.3 million ha jurisdictional REDD+ program. As part of these efforts, it has engaged the private sector in helping define a high carbon stock methodology to identify critical forests, outlaw their conversion to agricultural land, and support a monitoring and verification system. The government is partnering with food manufacturing company Mondelez International, which is rolling out two pilot programs to test zero-net deforestation in two of its main cocoa sourcing regions, and Olam International, which is scaling up tested models of climate-friendly cocoa production while protecting forests.



# Building Capacities

To implement new agricultural practices, farmers need training, access to assistance programs, and technology. Governments working to reduce emissions across landscapes while increasing productivity have to strengthen or rebuild their

agricultural extension systems. Companies also depend on training and capacity building for farmers to meet sustainability practices. Governments and private actors in some instances already provide extension services collaboratively.



## Recommendations for the Private Sector

Government efforts to strengthen and rebuild extension services are an opportunity for public-private partnerships. Where the public sector lacks the institutions to provide training, cooperative arrangements with community organizations, donor governments, and private entities can fill the gap. This may prompt private investors to commit to preferentially sourced certified products, while the public sector provides support to train farmers in meeting national or independent third-party certification standards.



## Link to Supply Chain Commitments

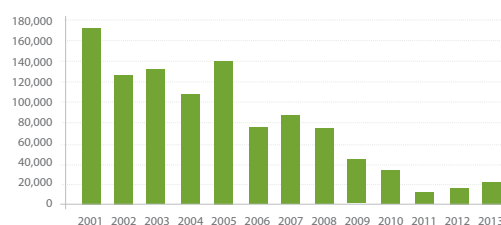
Improving farmers' capacities will help them increase and diversify production and meet sustainability requirements of national or international companies. Almost all supply chain commitments involve a reduction of emissions at the production level. Producers often train suppliers already to ensure their compliance with social and environmental criteria. Companies higher up in the supply chain (manufacturers and retailers) also often commit to support processors and farmers to meet certification requirements.



## Example

**Building Capacities for Smallholder Farmers.** São Félix do Xingu has been one of the municipalities in Brazil most successful in reducing forest loss. Its herd of cattle (more than 2.2 million head) is one of the largest in Brazil and largely responsible for its historically high deforestation rate. Standard practices for both small- and large-scale cattle production are low intensity and highly degrading to the landscape, requiring new forest to be cleared every 7 years. Through a public-private partnership—involving, among others, The Nature Conservancy (TNC), the Gordon and Betty Moore Foundation and EMBRAPA<sup>11</sup>—cattle producers are receiving support to implement more efficient practices that avoid soil degradation and allow more cattle to be raised on the same amount of land, reducing the need to clear additional forest. Complementary commitments from corporations to eliminate deforestation from their beef supply chains (e.g., Walmart and Marfrig) further promote more sustainable practices. Additionally, a similar public-private partnership organized by TNC is building farmers' capacities to increase cacao fruit production among smallholders. Since cacao is a shade-grown crop, it drives reforestation on degraded lands. Partnerships have been formed with corporations, such as Cargill, interested in purchasing cacao, providing sustainable agricultural alternatives for local farmers.<sup>12</sup>

Figure 5. São Félix do Xingu, Brazil: Forest Loss (ha)



<sup>11</sup> EMBRAPA is a Brazilian public agricultural research corporation under the Brazilian Ministry of Agriculture, Livestock and Food Supply.

<sup>12</sup> Adapted from Fishbein and Lee, Early Lessons from Jurisdictional REDD+ and Low Emissions Development Programs, January 2015.

# Support Transparency and Traceability

Under the Paris Agreement, governments are to report emissions from all land uses, including forests, to the secretariat of the UN climate change convention. This requires a robust monitoring system, which many countries are now developing or improving. Monitoring systems can validate reductions in deforestation at the jurisdictional level and

be linked to policies that encourage reduced emissions, such as payment-for-ecosystem services (PES). As technologies progress, such systems, if designed appropriately, may support farming operations that provide environmental benefits, including those that protect high carbon stock forests or employ agroforestry systems.



## Recommendations for the Private Sector

Private entities can collaborate with governments to identify synergies in establishing monitoring systems and encourage transparency (i.e., publication of monitoring data). Over time, as technologies and government data improve, ensuring transparency will help private entities identify instances of deforestation, establish links between agricultural operations and deforestation, and reduce costs by eliminating the need to develop separate systems. Until then, complementary systems will avoid confusion and encourage public policy alignment with private sector efforts.



## Link to Supply Chain Commitments

Many companies have committed to eliminate deforestation from their supply chains. Some processors already use geospatial monitoring to trace commodities and ensure there is no illegal deforestation. Such information is also essential for manufacturers and retailers exposed to public scrutiny.



## Examples

**Monitoring Forest Emissions in Republic of Congo.** At the subnational level, the first REDD+ pilot project in the Republic of Congo was announced in May 2012 by a subsidiary of Olam International, the Congolese Industrielle des Bois (CIB-OLAM) and the Congolese government. This project was part of a new public-private partnership in the Pikounda North concession, a 1.4 million ha concession managed by CIB-OLAM (CIB-OLAM, 2005). The project, which aims to rehabilitate the cocoa market in the country, has developed systems to measure and monitor deforestation and forest degradation, calculating carbon emissions from the country's forests, strengthening national monitoring capacity, and ensuring the transparency of data. This well-established public-private partnership is part of the foundation on which a larger 12 million ha emission reduction program is being proposed to the Forest Carbon Partnership Facility's Carbon Fund.

**Making Deforestation Data Available.** Shedding light on where deforestation takes place allows countries to enforce policies. Part of Brazil's success in reducing deforestation can be attributed to its space agency (INPE), which made deforestation data freely available online, allowing authorities to crowdsource information on where abuses were occurring and translate this into strong enforcement. There are also a number of newly emerging independent tools, such as Global Forest Watch<sup>13</sup>, largely funded by emerging climate finance, which provides easily accessible deforestation data by country and jurisdiction and, in some instances, overlays this with concession (by commodity) and certification (e.g., Roundtable for Sustainable Palm Oil) information. Such tools provide opportunities for companies to tap into new technologies and monitoring platforms that focus on deforestation driven by commodities.

<sup>13</sup> [www.globalforestwatch.org](http://www.globalforestwatch.org)

# Reducing Costs of Sustainable Operations

All these activities—building networks for farmer outreach across large landscapes, building extension services and capacities, implementing governance reforms, improving land titling and planning—have associated costs. Engaging smallholder farmers, in particular, requires time and resources to mitigate livelihood risks, protect ecosystem services, address asymmetric negotiating power, secure

up-front finance, adapt payment structures to local economic conditions, and aggregate large numbers of smallholders. In recent years, climate finance has increased support to such areas—but often only in consultation with governments and without the benefit of private sector experience and knowledge.



## Recommendations for the Private Sector

The private sector can cooperate with governments designing climate action plans and programs, providing input and advice on effective ways to achieve climate goals, such as fiscal policies that incentivize investments in sustainable agriculture, extension service support to train farmers in new practices (including improved crops, seeds, and production methods), and credit lines or risk reduction for financial institutions supporting smallholders or sustainable production.



## Link to Supply Chain Commitments

Companies face challenges in the form of high costs and uncertainties. New sources of finance, such as climate finance, can support farmers and company efforts to improve farming practices and meet supply chain commitments. For example, PES programs can make new resources accessible to farmers to accelerate transition to sustainable practices. Public programs can also support transition and certification costs.



## Example

**Payments for Ecosystem Services.** Under PES schemes, the government pays landowners to adopt improved land management options, thus addressing a particular environmental problem. These schemes may be combined with product-based premiums paid in addition to the market price for a certified product. Costa Rica's national PES system rewards carbon storage, hydrological services, and protection of biodiversity and landscapes. This system provides incentives for private landowners and has improved overall forest governance, data availability, and transparency. It has been credited with reducing the rate of deforestation in Costa Rica from one of the world's highest to net negative deforestation by the start of the 2000s. Costa Rica is now working to expand the PES system through REDD+ programs and is one of two leading countries under the Forest Carbon Partnership Facility's Carbon Fund, along with the Democratic Republic of Congo. Through this fund, the country may access climate finance if it demonstrates emission reductions from forest protection and restoration activities. Together, such activities should benefit companies that source agricultural products from Costa Rica.

## Contributions from and Incentives for Stakeholders

Stakeholder	Contributions	Incentive
<b>Governments</b> <i>Public sector officials at the national, state, and local level</i>	<ul style="list-style-type: none"> <li>• Set national mitigation goals</li> <li>• Establish an enabling policy environment</li> <li>• Strengthen compliance and enforcement</li> <li>• Implement land titling and land planning programs</li> <li>• Support extension services</li> <li>• Monitor progress, including emissions from deforestation</li> <li>• Reduce excessive bureaucracy</li> <li>• Fight illegal logging</li> <li>• Clarify land rights and legal protection of private land use</li> <li>• Increase transparency and security</li> <li>• Adopt standards</li> <li>• Promote certification and farmers' and producers' initiatives (e.g., roundtables on sustainable sourcing)</li> <li>• Lend and promote rural investment</li> </ul>	<ul style="list-style-type: none"> <li>• Meet climate goals</li> <li>• Reduce rural poverty</li> <li>• Increase food security</li> <li>• Strengthen relevant sectors (agricultural, forestry)</li> <li>• Attract investment and reduce costs of public programs</li> </ul>
<b>Private Sector</b> <i>Global and domestic companies across the value chain, including small and medium-sized enterprises</i>	<ul style="list-style-type: none"> <li>• Invest in sustainable land use</li> <li>• Craft offtake agreements, including preferential treatment of certified commodities or those coming from partner jurisdictions</li> <li>• Engage in training farmers, support extension services</li> <li>• Build and support monitoring systems locally and in commodity supply chains</li> </ul>	<ul style="list-style-type: none"> <li>• Meet supply chain commitments at reduced costs</li> <li>• Improve quality and reliability of supply</li> <li>• Reduce risks through sourcing from jurisdictions committed to sustainability and REDD+</li> <li>• Increase financial, human, and technical resources increasing speed and quality of implementation</li> <li>• Develop new expertise through the combined knowledge and experience of diverse stakeholders</li> <li>• Develop joint public-private proposals with donors that support extension services and training programs</li> <li>• Encourage the public sector to support training for supply chain commitments, including certification and monitoring systems</li> </ul>
<b>Farmers</b> <i>Farmers, often organized or represented by national and local cooperatives or associations</i>	<ul style="list-style-type: none"> <li>• Adopt sustainable agricultural practices</li> <li>• Commit to legality and avoid deforestation</li> <li>• Collaborate in meeting supply chain commitments</li> <li>• Invest in new practices, provided there is access to finance</li> <li>• Engage in certification</li> </ul>	<ul style="list-style-type: none"> <li>• Increase productivity and income</li> <li>• Gain preferential access to offtakers</li> <li>• Link training programs to offtake commitments</li> <li>• Combine training programs with publicly supported technology transfer</li> <li>• Meet government standards or requirements</li> </ul>
<b>Donors</b>	<ul style="list-style-type: none"> <li>• Provide finance in the form of grants, results-based-payments and credits, as well as back-stopping national loans and subsidies</li> <li>• Promote initiatives for sustainable value chains (e.g., EU regulations for production of biofuels or for proof of legal logging)</li> <li>• Promote capacity building and training</li> <li>• Transfer technologies, training</li> <li>• Develop market structures</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with climate finance pledges</li> <li>• Support collaborative mitigation action</li> <li>• Meet Organization for Economic Cooperation and Development official development assistance requirements</li> </ul>



# Conclusions

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The Paris Agreement is an opportunity for new collaboration between private sector actors seeking to produce or source sustainable or deforestation-free commodities and governments seeking to reduce their emissions and meet international commitments.

Cooperation to produce and protect can demonstrate that economic development and climate change action are mutually reinforcing. Alignment of efforts in pursuit of such complementary goals can benefit companies, communities, and countries. If each partner plays its part, the sum of these efforts can put the planet on a path to food security and avert dangerous climate change.



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