Governors' Climate and Forests Task Force

Manaus Action Plan for a New Forest Economy



Manaus, Brazil || March 17, 2022

We, the members of the Governors' Climate & Forests Task Force (GCF Task Force), have gathered in Manaus, Brazil for our 2022 annual meeting. We have convened here at the famous meeting of the waters—the place where the Rio Negro joins the Rio Solimões to form the mighty Amazon River. The waters passing through this place connect us all. These waters live because our forests live. They live because our climate lives.

For more than ten years we have worked to advance subnational leadership and action on forests and climate. Today, we are thirty-eight states and provinces from ten countries that include more than one-third of the world's tropical forests, including all of the Brazilian Amazon, the vast majority of Peru's forests, and more than sixty percent of Indonesia's forests.

The global pandemic has devastated our communities and destroyed the livelihoods of millions of people throughout our regions. And it has reminded all of us once again that protecting forests and the communities that live in them is critical to protecting global public health.

We know that we are on the front lines in the fight against climate change and tropical deforestation. We see the impacts every day. And we know that we have special responsibilities in the global effort to protect forests and climate. We remain committed to the global agenda of protecting forests and are willing to do more than our fair share, but this agenda will never

succeed if it does not reduce poverty, enhance livelihoods, and bring meaningful economic opportunities to our people.

Across the GCF Task Force, efforts are underway to build a new forest economy—one that combines the wisdom and knowledge of Indigenous peoples and local communities with modern science and technology—one that harnesses the power of private enterprise and public action—one that recognizes that we are all forest dependent peoples.

This idea of a new forest economy goes by many names: bioeconomy, green economy, Amazon 4.0. Many of the states and provinces of the GCF Task Force have been working for years to translate this vision into practice. We recognize that there is no single blueprint or model for all of us to follow. But we also know that we have much to learn from each other as we move from commitment to action. And we know that we will not succeed in our efforts without strong partners and additional financial support.

Our efforts to build a new forest economy are based on comprehensive, jurisdiction-wide approaches. We have many wonderful projects inside our states and provinces that have provided important opportunities for experimentation and learning. But this agenda will never succeed if we focus only on projects. From its inception, the GCF Task Force has been at the forefront of efforts to articulate and advance jurisdictional approaches to low emissions development.

All of us have developed jurisdictional strategies and investment plans. These will provide the overarching frameworks for our efforts to translate our respective commitments and visions of a new forest economy into action.

In developing these strategies and putting them into action, we will continue to work with our fellow GCF Task Force founding member, California, on the Tropical Forest Standard, as well as with other standards organizations. We recognize that these standards include a robust set of criteria for evaluating the performance of our jurisdictional programs. But we also know that pay-for-performance initiatives designed by donors and large companies will not solve the problem of tropical deforestation. And we urge the international community, the private sector, and financial institutions to also recognize our priorities and our plans for a new forest economy that will work for all of the people living in our states and provinces.

Taking Stock

In 2014, GCF Task Force Governors from around the world adopted the <u>Rio Branco Declaration</u>. Among other things, this declaration committed GCF Task Force states and provinces to reduce deforestation by eighty percent by 2020 if sufficient long-term financial support was made available. The Rio Branco declaration also called upon the private sector to work with us to develop partnerships for preferential sourcing of major commodities such as soy, palm oil, and beef from high-performing jurisdictions. Finally, the Rio Branco Declaration committed the GCF Task Force states and provinces to provide a significant share of any pay-for-performance funds that we receive to Indigenous peoples, local communities, and smallholders living inside our borders.

While deforestation has declined in many GCF Task Force states and provinces, we did not succeed in reaching our targets for 2020. Deforestation has also started to rise in some of our states and provinces, especially in the midst of the COVID-19 pandemic.

We are working hard to address this situation and we know that we must redouble our efforts. But we also know that we cannot do this alone. Although some of us have developed important partnerships over the last decade, many of our states and provinces have been unable to access public or private finance to support our programs and build the long-term capacity we need for implementation. This has all been compounded by the COVID-19 pandemic, which has devastated our economies, our budgets, and our capacity for sustained action to protect our forests.

While we are encouraged by the recent pledges of financial support at Glasgow and by the current enthusiasm in the voluntary carbon markets for jurisdictional approaches to reducing emissions, we are concerned that once again we will be left with little more than vague promises of future investment. It is time for us all to step up and come together to create durable solutions that start now. This is why we are here today.

Renewing Commitments and Tracking Implementation

With the Manaus Action Plan we are renewing our commitments to reduce deforestation by at least eighty percent relative to current levels by 2030, aligned with the commitments already made by subnational member states, as well as increasing forest restoration and adaptation efforts, and enhancing the resilience of tropical forests, if long-term, sufficient financing and support are made available. We are also renewing our commitment to provide a significant share of any pay-for-performance funding we receive to Indigenous Peoples and Local Communities (IPLCs) within our states and provinces. And we reaffirm our endorsement of the Guiding Principles for Collaboration and Partnership Between Subnational Governments, Indigenous Peoples and Local Communities (Guiding Principles), and emphasize our firm commitment to engage with IPLC representatives to co-create processes that will allow us to partner in designing and implementing our jurisdictional programs, as started in several GCF Task Force jurisdictions.

We believe that the jurisdictional strategies and investment plans we have developed with our various partners provide a foundation for these efforts. We also recognize the important work of the IPLC global and regional committees and ongoing stakeholder processes in our states and provinces to build the relationships and the trust that is essential for our collective efforts. And we emphasize that effective IPLC participation and partnership will only be possible if appropriate funding and support is made available to IPLC organizations.

We also know that our commitments must be durable, and we will work to ensure continuity with our successors in future political administrations regardless of party affiliation. Today, we

call upon all future GCF Task Force Governors to endorse the Manaus Action Plan to embed its principles and commitments into the work of our governments as we emerge from the COVID-19 pandemic and work to re-build our economies.

Finally, we seek partnerships to develop the organization and infrastructure needed to track and verify our progress but also to mobilize the resources to fill gaps and respond to new opportunities. As we continue to implement our jurisdictional strategies and investment plans, we need rapid, flexible sources of support to work around bottlenecks and solve problems.

Manaus Action Plan for a New Forest Economy

In order to guide our efforts to implement these commitments, we have engaged in robust discussions over the last year to develop detailed regional strategies for implementing the Manaus Action Plan that will be detailed by each region in the context of its national legal framework and policies. These plans will be available as appendices to this document. All of them are based on four common pillars, which we highlight here:

People and Communities

The new forest economy must work first and foremost for the people and the communities in our states and provinces. This includes the people who live in our forests, but it also includes the people who live in our cities and towns.

Ongoing efforts to secure land tenure rights for communities must be the foundation of these efforts, and we pledge to continue working with our IPLC partners and our respective national governments to secure those rights.

We also pledge to implement the Guiding Principles and other social safeguards within our own laws and policies and to ensure that our communities are able to participate as partners in the development and implementation of our jurisdictional strategies and investment plans.

We will support and expand ongoing experiments in participatory management of protected areas, smallholder programs, and new initiatives to develop and support community enterprises.

We also take note of innovative social programs and new community-based development models and will work with our fellow members and partners to learn from and adapt these programs across the GCF Task Force.

We will also work to expand our partnerships with local communities and their leaders. We commit to engaging in the important gender equity work that is needed for more inclusive political leadership in our states and provinces. And we recognize the importance of seeding new leadership by calling upon youth in our states and provinces as well as across our global network to join us in the important work that we are beginning today in Manaus and will carry forth, together, for years to come.

Knowledge, Technology, and Innovation

Our vision for a new forest economy depends on mobilizing science and technology and combining it with the traditional knowledge and wisdom of people living in the forest.

We call upon our partners to work with us to build the infrastructure for the bioeconomy. This includes establishing forest innovation hubs in our major regions and in individual states and provinces. These forest innovation hubs must be built on strong partnerships with our universities and research institutions, our local civil society organizations, and our local companies. We want training and exchange for people living in our states and provinces. We want seed money for start-ups. And we want open-source, appropriate technology to develop our forest economies in a manner that will work for all of our people rather than for large companies and outside investors.

We call upon our partners to assist us in developing new data and knowledge platforms that will allow us to monitor conditions and trends across our jurisdictions; to monitor, report and verify our performance; and to assess new opportunities for sustainable land use.

We also call upon our partners to help us assess new market regulations for major exports, certification and traceability requirements and systems, and new creative, local-based solutions to improve value chains and ensure market access for new products.

Finance, Investment, and the Private Sector

We know that we cannot create a new forest economy without substantial additional financial support, and we call upon our own national governments, multilateral and bilateral financial institutions, philanthropic foundations, and the private sector to work with us to co-design new approaches to supporting our efforts to implement this agenda.

All of us have developed detailed investment plans associated with our jurisdictional strategies and we have mapped and assessed our needs for capacity to access different financial opportunities. We believe firmly that this work should be the foundation for efforts to develop new financing arrangements and want to ensure that we do not engage in redundant activities to assess needs and evaluate readiness.

We need assistance from trusted, independent bodies to help us evaluate opportunities for carbon finance before we decide to devote scarce public resources to pursuing these opportunities. We are concerned about the many potential conflicts of interest that we see in the voluntary carbon markets. We ask those in the burgeoning carbon market sector to listen carefully and consider seriously the needs and capacities of our states and provinces and to recognize that some of us are not yet ready to engage with these opportunities and to meet us where we are rather than where you want us to be. We ask that our civil society partners avoid the rivalries and turf battles that only slow us all down and to be transparent and open about conflicts of interest. And we ask again that all of our partners, public and private, recognize our

need for up-front, ongoing support for capacity building and technical assistance. None of this can happen without open, transparent, and coordinated communication among all relevant actors.

Finally, we call upon our national governments and our international partners to work with us to design new public financial instruments that re-direct capital away from destructive activities and toward a new forest economy and the pressing need to create meaningful opportunities for our people.

Government and Public Policies

We recognize that good governance and durable public policies are the bedrock of our jurisdictional strategies and investment plans. Many GCF Task Force states and provinces are actively revising existing laws and adopting new laws, policies, and programs to advance a new forest economy.

We recognize that we need to defend existing protected areas, including Indigenous territories, and explore innovative alternatives against illegal clearing of forests. The people living inside these forests depend upon governments to stand beside them, and to use the tools of command-and-control regulation and strong enforcement to protect forests and create the space and the security necessary for these communities to build their own futures and secure their own sustainable livelihoods.

We also realize that as governments we have a responsibility to create the enabling conditions and institutional structures that foster investment and support the development of new, forestbased bioeconomies. We will continue to work on innovative new laws, policies, and programs to provide investment security and transparency that close the gap between outside investors and our states and provinces—the places where bioeconomies are born. We will also continue to build new public-private institutions, that will allow our governments to work with new private sector partners for conservation and development.

We will also continue to revise our laws and adopt new ones that will ensure that the existing commitments we have made, such as the Guiding Principles and the commitments in the Manaus Action Plan, become embedded in our state and provincial laws and policies. This will ensure that we, as governments, are not only held accountable, but also create the necessary processes for promoting forest conservation and protecting territorial rights.

Finally, we will continue to work with our partners to expand training and exchange for our civil servants and to invest in their career paths to ensure the continuity of this agenda and to provide stability across political cycles. We will also work to remain engaged with the high-level political appointees in our governments to ensure that they continue to advance the goals of the GCF Task Force.

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As the largest and oldest subnational governmental network in the world dedicated to forest conservation and sustainable, low-emissions development, we know that we have special responsibilities in fighting climate change, protecting tropical forests, and enhancing the livelihoods of millions of people across the tropics. The Manaus Action Plan for a New Forest Economy demonstrates our commitments to those ends and our determination to translate those commitments into action. Please join with us as we build a new forest economy.

Appendices (to be added)