











# The new EU regional programme for Latin America & the Caribbean - NGO recommendations

In response to the EU consultation on the new regional multi-annual indicative programme for Latin America and the Caribbean, this paper lays out the recommendations of global environmental organisations with offices and partners the region for the environment, biodiversity and climate regional initiatives in the EU Latin America and the Caribbean regional Multi-annual Indicative Plan (MIP) for the period 2021-2027 with the objective to deliver on the ambitions of the European Green Deal in the NDICI - Global Europe.

The recommendations in this paper seek to assist the EU in its consultation processes with Civil Society Organizations, highlighting key opportunities for the EU to support actions that halt and reverse the loss of nature while promoting sustainable development across the LAC region.

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As global environmental organisations with offices and partners in the Latin American and Carribean region, we are pleased to respond to this consultation. This paper lays out the recommendations of **WWF, Conservation International, Traffic, International Fund for Animal Welfare, Observatorio Pantanal** (union of 33 CSOs working on socio-environmental issues in Bolivia, Brazil and Paraguay) and **Wetlands International** for the environment, biodiversity and climate regional initiatives in the EU Latin America and the Caribbean regional Multi-annual Indicative Plan (MIP) for the period 2021 - 2027 with the objective to deliver on the ambitions of the European Green Deal in the NDICI - Global Europe. The recommendations in this paper seek to assist the EU in its consultation processes with Civil Society Organizations, highlighting key opportunities for the EU to support actions that halt and reverse the loss of nature while promoting sustainable development across the LAC region.

With a significant drop in the funding to the EU Thematic Global Challenges programmes under the current 2021-2027 MFF compared with the previous 2014-2020 period, EU LAC regional programme will be critical to achieving commitments made at the Convention on Biological Diversity (CBD) and the Aichi Biodiversity Targets. Previously, 27% of GPGC funding targeted the environment, of which 30-38% directly supported protecting, improving and sustainably managing ecosystems through the Biodiversity for Life (B4LIFE) flagship initiative - representing approximately 400M€ over the 2014-2020 period. To materialise the momentum created by integrating the Green Deal throughout NDICI programming and to enable a green and just recovery in the LAC region, regional MIP must foresee adequate funding to biodiversity, environment and climate action.

## 1. Green Transition (Pan-American window) / Transición ecológica

1.1 Which issues/topics would you suggest as priorities - and which are non-priorities - for the EU cooperation in the area of Green Deal/Green Transition?

We are pleased to see that the future EU regional program for the LAC region reflects the EU geopolitical priorities on Green Transition and 'Green Alliances and Partnerships' and that it will support work with LAC countries to address global environmental challenges.

We would like to recommend the following regional initiatives for inclusion in the program:

# **Biodiversity**

LAC covers only 15 % of the Earth's surface but is home to more than 50 % of the world's biodiversity. It has half the world's tropical forests and 30 % of freshwater reserves, as well as vast expanses of arable land. Environmental services provided by its ecosystems, such as climate regulation, supply of fresh water and food production, among others, are of global importance. However, the region currently has the highest proportion of threatened species (83 %) and most of its species are Vulnerable, Endangered or Critically Endangered according to the IUCN Red List. Over the last 30 years, the main causes of environmental degradation have been conversion of land for agriculture, overexploitation of timber and other biological resources (including for illegal trafficking), a growth in extractive industries and fragmentation of habitats due to urban expansion and the development of infrastructure. These causes, linked to demographic and economic growth, are compounded by an increasing global demand for food and raw materials, in a context of relatively weak environmental governance. In addition, the effects of climate change are increasingly evident, particularly on coastal ecosystems, Andean environments and wetlands.

Many of the last remaining wild places on earth are still in the LAC region, but despite the establishment of a significant network of protected areas and efforts deployed on suitably managing natural resources, continued pressure on the environment, loss of species and degradation of ecosystem services continue at an alarming rate. According to the Living Planet Report 2020, Latin America and the Caribbean face the greatest reduction of species and habitats globally, with a 94% reduction of vertebrate populations analyzed. Evidence shows that nature loss is also related to the emergence of zoonotic diseases, such as covid-19, and increases the likelihood of future pandemics with devastating consequences for people's health, well-being, and livelihoods, and at a significant cost to the global economy. At the same time, covid-19 restrictions on travel have had devastating impacts on the funding of protected and conserved areas (PCAs) and related economies.

The EU has already led the way in protecting some of the last remaining areas of outstanding importance for wildlife over the past decades by making long-term, sustained investments in biodiversity conservation whilst also funding interventions that raise the living standards and provide economic opportunities for local communities living in and around these areas. The wide scale illicit and unsustainable extraction of wild species in the region is exacerbated by the infrastructure development, illegal logging and mining that bring people and access to areas where wildlife is then taken for supplemental income, often by external actors. The EU has also identified the most important 'Key Landscapes for Conservation' in Latin America through the very comprehensive 'Larger than Jaguars' document which outlines a strategic approach and identifies priorities for wildlife conservation in Latin America. The Larger than Jaguars document provides a basis from which key landscapes and seascapes can be prioritized for inclusion in a future regional program for protected areas. On top of the support the EU could provide to individual countries through national programs (see also below), a focus of the regional program should be on transboundary issues and landscapes such as:

Support existing initiatives to protect key transboundary biomes including the Amazon, Pantanal, Cerrado, Gran Chaco, Guianas, Mayan Forest and Chocó. Support should be directed to both governmental initiatives and coalitions such as the Leticia Pact for the Amazon and REDPARQUES (the Latin American Network for Technical Cooperation in National Parks, other Protected Areas, Wild

<sup>&</sup>lt;sup>1</sup> https://science.sciencemag.org/content/369/6502/379

<sup>&</sup>lt;sup>2</sup> https://ec.europa.eu/international-partnerships/system/files/brochure-jaguars-summary-20191014\_en.pdf

Flora and Fauna)<sup>3</sup>, and scale up existing EU regional initiatives such as **Observatorio Pantanal** - the union of civil society organizations, acting in favor of socio-environmental issues in the Upper Paraguay River Basin in Bolivia, Brazil, and Paraguay<sup>4</sup>.

- Promote integrated and inclusive landscape approaches that ensure ecological connectivity to deliver multiple benefits for local communities and biodiversity.
- Scale up efforts to fight wildlife crime and high-risk wildlife trade across borders with coherent and integrated approaches in source, transit, and demand countries and scale up existing agreements such as the Escazu Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean. Set up or strengthen systems for centralized data collection and assessment for prioritization of resources for enforcement, demand reduction and site/species protection as there is a lack of information on the scale and nature of wildlife crime and other threats due to inconsistent or nonexistent centralized government and law enforcement data collection and analysis in the region.
- Support establishment of **centers of excellence** for rescue, rehab, release and post release monitoring for confiscated animals in trade and strengthen capacities of governmental agencies
- Encourage the **strengthening of protected and conserved areas** towards effective management and inclusive governance schemes and promote collaboration agreements to establish transboundary protected areas seeking regional alignment in terms of spatial and land use policies and practices that integrate protected areas and indigenous territories with other forms of land use.
- Recognize the importance of LAC to implement a robust, ambitious and realistic regional agenda aligned with **UN's Decade on Ecological Restoration for all biomes** represented in the continent.

**Inclusive conservation:** Strategies for the conservation and sustainable management of the priority biomes must be developed in a framework of dialogue and positive interactions among the diversity of actors, including civil society. The role of the EU is key in the expansion of the existing civic space in the LAC countries and can be reflected in the implementation of conservation strategies in cooperation with civil society in the region and through direct financing of civil society actions. Likewise, the implementation of any intervention must be supported by a human rights approach and have socio-environmental safeguards in a way that recognizes and respects the rights of local communities and indigenous peoples and integrates their interests fully into decision-making. Strategies should also promote equity in agreements between the different actors, with special attention to those groups traditionally discriminated against, such as women, children, youth, indigenous people and african descendants. A key element of the strategy is to promote countries' engagement and ratification of the Escazu Agreement.

The participation of **indigenous peoples and local communities** (IPLCs) is key to implement inclusive and equitable partnerships for conservation in the region. As seen in biomes such as the Amazon, indigenous peoples' traditional practices and their livelihoods are among the most effective in conserving ecosystems and biodiversity. The territories managed by indigenous peoples show, on average, the lowest levels of deforestation and may be home to the greatest wealth of species and greater presence of threatened species. In addition, they conserve significant carbon stocks and provide many other ecosystem services to the region and the world. This is why the EU contributions should prioritize supporting the protection of the ancestral territories of indigenous peoples and local communities, aim to strengthen governance, guarantee the empowerment and development of capacities for the territorial management, promote their economy and, importantly, help ensure the protection of collective rights and the integrity in the face of aggressions, land grabbing and invasions of their territories.

## **Forests**

The EU LAC regional programme should follow through on the commitments laid out in the EC communication on "Stepping up Action to protect and restore the world's forests" by adopting and implementing a comprehensive set of measures and initiatives, including supporting the upcoming EU legislation to stop products linked to deforestation and ecosystem conversion from entering the EU

4 https://observatoriopantanal.org/en/

<sup>&</sup>lt;sup>3</sup> https://redparques.com/

market, to reduce the EU footprint on the world's natural ecosystems and to address underlying drivers<sup>5</sup>. As an essential and complementary effort, the LAC regional programme should strengthen cooperation with producing countries in LAC, and other consumer countries to support them in halting deforestation, forest degradation and conversion or degradation of natural ecosystems and human rights violations.

The proposed "EU Forest Partnerships' negotiated with LAC partner countries should be complemented by regional forest initiatives, especially in key deforestation fronts such the **Amazon and Cerrado** which experienced the most deforestation and forest degradation from 2004 - 2017<sup>6</sup>. They should take a comprehensive approach, tackling threats and key drivers of deforestation and other ecosystem conversion (including grasslands, savannahs, and wetlands), ensuring involvement and respect of IPLCs rights<sup>7</sup>.

Latin-American forests are being lost at an alarming rate. A recent article from Nature Climate Change<sup>8</sup> shows how the Brazilian Amazon released nearly 20% more carbon dioxide (16.6bn tons) into the atmosphere over the past decade than it absorbed (13.9bn tons) while a report by the MAAP project states that more than two million hectares of primary forests were lost in 2020 (a 17% increase from 2019), with Brazil leading the way in terms of recorded deforestation, followed by Bolivia, Peru, and Colombia9. While overall the Amazon forest remains a major global carbon sink, sequestering more carbon than it releases, increased deforestation is upsetting this balance in some regions. Deforestation and conversion are a multidimensional problem that requires interventions from various sectors, its drivers are found in economic sectors (e.g. extractive and livestock farming and gold mining), so a change in the economic model and long-term vision of sustainability are necessary to tackle the problem. In addition, forest fires, which have heavily affected huge surfaces of the region in the past two years, are still a common practice to clear the land after deforestation has taken place, further exacerbating the destruction of habitat, ecosystem services and sustainable livelihoods. Urgent support is needed to address drivers of deforestation and conversion, and their link to forest fires, from a regional perspective and landscape approach, understanding that leakage from one country to another is a very real risk that cannot be ignored when tackling deforestation in any of the Latin American countries.

## The EU regional initiatives should focus on:

- Protection, restoration and sustainable management of forests and other ecosystems through inclusive governance and human-rights based approaches and investment in innovative, cross-regional and multi-sectoral approaches
- Regional monitoring of deforestation, conversion, land grabbing and other illegal activities, forest fires and degradation
- Prevention and rapid response for forest and wetlands fires, such as problem of fires that affect the connectivity and health of the Paraná-Paraguay Wetland System<sup>10</sup>
- Recovery of burned and degraded areas by agriculture and livestock.
- Legislation to stop import of products linked to deforestation and habitat conversion.
- Cross-border policies aiming for zero net deforestation and conversion and no- go zones areas of high ecological and/or irrecoverable value<sup>11</sup>.
- Incentives for good forest stewardship through improved access to EU markets and promotion of premium prices on sustainably and responsibly produced forest and forest-based products.
- Forest-based economies for local communities and indigenous peoples, to develop and strengthen sustainable and resilient livelihoods.

<sup>&</sup>lt;sup>5</sup> https://www.wwf.eu/wwf news/publications/?uNewsID=2965416

<sup>&</sup>lt;sup>6</sup>https://wwfint.awsassets.panda.org/downloads/deforestation\_fronts\_\_\_drivers\_and\_responses\_in\_a\_changing\_world\_full\_report\_1.pdf

<sup>&</sup>lt;sup>7</sup> https://wwfeu.awsassets.panda.org/downloads/new coalition briefing ue regulation final.pdf

<sup>&</sup>lt;sup>8</sup> Qin, Y., Xiao, X., Wigneron, JP. et al. Carbon loss from forest degradation exceeds that from deforestation in the Brazilian Amazon. Nat. Clim. Chang. 11, 442–448 (2021). https://doi.org/10.1038/s41558-021-01026-5

<sup>9</sup> https://maaproject.org/2021/amazon-2020/

<sup>&</sup>lt;sup>10</sup> Fires along the Parana-Paraguay wetland corridor

<sup>11</sup> https://www.nature.com/articles/s41558-020-0738-8

- Efforts to protect forests need to also focus on protecting the wildlife within them from overexploitation and illegal extraction, ensuring ecosystem integrity, and resources for indigenous communities as there is extensive removal of wildlife for transregional and international trade.
- Scale up successful EU initiatives such as 'Alianza por la Fauna Silvestre y los Bosques' covering Peru, Ecuador, Colombia, Bolivia and Brazil <sup>12</sup> and the Initiative 20x20, which gathers 18 Latin American and Caribbean countries and over 70 organizations to protect and restore 50 million hectares of forests, farms, pasture and other landscapes by 2030<sup>13</sup>

#### Freshwater

While climate change is most often felt through water, in the form of floods, droughts, eutrophication and other extreme weather events, water can also play a central role in climate adaptation for people, economies, and nature when programmes are designed to build water resilience from the basin to the community level. The EU can support a mainstreaming of adaptation projects linked to freshwater ecosystems that reduce disaster risks to people and support healthy ecosystems that support healthy societies. The EU regional MIP should prioritise:

- Initiatives to maintain river connectivity by creating the enabling conditions for the development of non-hydroelectric energy options.
- Maintaining LAC rivers connected and their associated services preserved in order to guarantee ecological processes, avoid nature-related risks and safeguard food and water security for local populations. EU should consider support ongoing Free Flowing Rivers Initiative in LAC including in the Amazon basin spanning over 8 LAC countries which is one of the last places on Earth to maintain a significant number of free-flowing rivers (FFR)14 and the Corredor Azul programme<sup>15</sup> with its 3400km length encompasses the fourth largest wetland system in the world. Some rivers in the region have already seen their natural course interrupted, affecting water and sediment flows to downstream floodplains and the movement of migratory freshwater species with dire consequences for biodiversity and greatly affecting the food security of local communities. The effects of poorly planned infrastructure are demonstrated through cases like Belo Monte, where tens of thousands of people have been displaced and lost their land and access to abundant food resources and clean water. The EU should also prioritize support to the Pantanal basin spreading over Bolivia, Brazil, Paraguay, the largest tropical wetland in the world hosting nearly 5000 species and providing stable water flows downstream throughout the year as it holds water during the winter months and releases water slowly in the summer. Although nearly 2 million people live within the basin and depend on this system for their water supplies, food and livelihoods, the Pantanal regulates river flows for many more inhabitants living along the lower reaches of the La Plata River Basin. There are over 100 dams planned in the headwaters of the Pantanal as well as dredging and channelization to create a waterway (hidrovia) for shipping. Poor land-use planning is a risk to the natural functioning of the system. If poorly designed and sited, infrastructure and associated land use could have devastating effects on the people, economy and biodiversity of this region. There is also a lack of a tri-national perspective in the basin, and although countries have shown political support in the past for a common planning of the region, political shifts tend to halt progress.
- Promoting policies, transnational binding agreements and planning for integrated management at the basin level that seek to maintain connectivity in freshwater sources, guarantee a sustainable distribution of water and improve water quality for human use and biodiversity, ensure sufficient sediment and nutrient flow, and restore and protect wetlands to safeguard water supplies. A particular attention should be paid to transboundary watersheds

<sup>&</sup>lt;sup>12</sup> https://wwf.panda.org/es/?354130/alianzafaunasilvestre

<sup>&</sup>lt;sup>13</sup> https://initiative20x20.org/

<sup>&</sup>lt;sup>14</sup> See further recommendations in the section below on the Team Europe Initiative focused on the Amazon basin

<sup>&</sup>lt;sup>15</sup>https://lac.wetlands.org/caso/programa-corredor-azul-conectando-gente-naturaleza-economias-lo-largo-del-sistema-humedales-parana-paraguay/

- Reiterating the importance of strengthening the integrated management of water resources in the face of the recurrence of periods of extreme drought, for instance in the La Plata Basin, introducing the environmental flow approach as a tool to define the quantity of water needed to deal with risk situations and maintain the ecosystemic integrity of the wetlands and other water systems.
- Initiatives with the private sector to establish good corporate practices for water use within a framework of governance and effective freshwater monitoring and management approaches.
- Market based actions to reduce consumption in the EU of gold produced using mercury in the Amazon, whilst promoting more responsible practices in those parts of the Amazon where local and indigenous people survive from gold mining activities, including support for more sustainable value chains in the gold mining industry<sup>16</sup>, given that over 60% of the globally mined gold passes through the EU<sup>17</sup>. Mercury is one of the greatest threats to the health of freshwater ecosystems in the Amazon and to the wellbeing of indigenous peoples and local communities for whom fish is a staple food. The EU should support existing regional coalitions such as the Regional Alliance to reduce impacts of Gold Mining in the Amazon.
- Improving access to good quality freshwater as an aspect of human well-being that becomes even more relevant in the face of pandemics such as covid-19 and is fundamental for the most vulnerable communities such as indigenous peoples.

#### Marine

Latin America and the Caribbean is a region with great marine heritage, it includes 47 of the 258 marine ecoregions around the world, more than any other region and 23 of the 33 LAC states have more marine than terrestrial territory<sup>18</sup>. The ocean economy is estimated to be worth more than \$2.5 trillion per annum, equivalent to the world's seventh largest economy, and is projected to double over the coming decade (OECD). Much of this value is concentrated on the coasts, with coral reefs, mangroves and seagrass beds being some of the planet's most productive ecosystems, providing food security, important breeding and feeding grounds for fisheries and other species, protection from storms and many other goods and services. However, these assets are rapidly eroding, having lost half of our coral reefs and mangroves over the last 30 years. More than 2 million people in LAC are directly or indirectly involved with fishing activities and more than 27% of the population live in coastal areas<sup>19</sup>. EU LAC regional MIP should therefore focus on:

- Accelerate and scale up coastal communities led conservation across the region by building the capacity of communities to be effective stewards of coastal ecosystems and small-scale fisheries, including supporting the development of co-management governance and diversified livelihood opportunities.
- Implement the required frameworks to advance the implementation of an inclusive Sustainable Blue Economy
- Continue to strengthen its efforts to fight overfishing, bycatch and discards, and Illegal, Unreported and Unregulated (IUU) fishing, based on existing legal frameworks (CFP and IUU regulations, as well as the PSMA), specifically through
  - i) improving inter-institutional government capacities and coordination between countries to improve legal frameworks at regional level, and
  - ii) creating a multisectoral approach to transparency and participation that strengthens national fisheries management to prevent and control IUU fishing in the region through electronic catch and documentation traceability systems. Support existing Fisheries Improvement Programmes (FIP) which are implemented for regional priority fisheries.

<sup>16</sup> https://d2ouvv59p0dq6k.cloudfront.net/downloads/healthy\_rivers\_healthy\_people.pdf

<sup>&</sup>lt;sup>17</sup> D. Grunenfelder et al, "A Precious Transition - Demanding More Transparency and Responsibility in the Watch and Jewellery Sector," WWF Switzerland 2018)

<sup>&</sup>lt;sup>18</sup> M. Tambutti and J.J. Gómez (eds.), "The outlook for oceans, seas and marine resources in Latin America and the Caribbean: conservation, sustainable development and climate change mitigation", Project Documents (LC/TS.2020/167), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC), 2020. 
<sup>19</sup> Ibid.

- Support regional initiatives to protect the Eastern Pacific Ocean corridor which is critical to preserve the habitat of marine megafauna that requires large and healthy seascapes to survive in line the commitments under the International Whaling Commission and IUCN commitments related to important areas for marine mammals
- Increase cooperation with partner countries, notably in the framework of Sustainable Fisheries Partnership Agreements (SFPAs), support fisheries dependent coastal communities by identifying and promoting blue economy-based financial mechanisms, and promote the sustainable management of marine resources, maintaining healthy fish populations and marine ecosystems.
- Support regional efforts to reduce the effluent of plastic pollution into the ocean by creating circular economy opportunities that incentivize fishing communities to avoid end-of-life fishing gear becoming ghost gear, as well as better waste management at fish landing sites.

#### Climate action

LAC's diversity of landscapes and ecosystems also determine a large variety of patterns of vulnerability to climate change along the region; among the main sectors that could be impacted by climate change are water resources, ecosystems, agriculture and human health<sup>20</sup>. The Amazon region is particularly key in regional climate dynamics as its forests and rivers interact to generate what has been called "flying rivers" where water recycled by the forests accounts for about 50% of rainfall in the region. Changes in the climate, compounded by deforestation and land use change could set off large scale ecological shifts, including the potential "savannization" of the Amazon. The EU should continue to lead on climate ambition, encouraging countries in the region to strive for carbon neutrality and improve community resilience and adaptation to climate change. EU regional support should focus on:

- Strengthen the **review**, **improvement and implementation processes of country NDCs** in LAC countries. Emphasis should be placed on strengthening the incorporation of NBS as a cost-effective way to increase resilience, support adaptation and contribute to the livelihoods of vulnerable communities.
- Strengthen support for Nature-Based Solutions (NBS) for Climate change and disaster risk reduction: The LAC regional programme should support LAC partner countries in promoting and co-design NBS for climate with Indigenous peoples and local communities (IPLCs) and small farmers in a way that these are socially, ecologically and economically beneficial to all. Further, it should support partner countries to improve the integration of NBS into their NDCs and National Adaptation Plans (NAPs) in order to obtain updated and complete information on the quantity and quality of their mitigation and adaptation potential. These solutions should be promoted in parallel to and additional to systemic changes in our global energy, urban infrastructure and industrial systems. Specific focus should be on Small Island Developing States (SIDS) of the Caribbean, to address coastal vulnerability from sea level rise through NBS, whilst supporting economic diversification away from severe economic climate dependence with a focus on sustainable tourism and small fisheries industries.
- Promote restoration or other carbon capture initiatives in agricultural lands by limiting its expansion to already degraded lands and leveraging investments to secure sustainable management of lands
- Develop pathways for High Forest and Low Deforestation (HFLD) countries to access Finance Mechanisms such as REDD+ and other types to support conservation and recognize the value of Amazonia as a global carbon sink.
- Build capacities in LAC countries for the **development of long-term strategies and plans for the decarbonization of the economy**, aligned with sustainable development plans, national adaptation plans and national biodiversity strategies
- **Foster energy transitions to wind and solar**, improve energy efficiency and ensure that its energy investments promote inclusive access to low-cost, reliable, sustainable, low-conflict and modern energy.

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<sup>&</sup>lt;sup>20</sup> https://www.ipcc.ch/site/assets/uploads/2018/03/wg2TARchap14.pdf

- Support incorporation of climate adaptation and resilience considerations in regional agreements and initiatives, with ecosystem and community-based approaches, including for transboundary biomes and regionally important marine corridors such as the Eastern Pacific.
- Support existing regional initiatives and alliances on climate action: The EU can help mobilize climate action among subnational and non-state actors, using its Green Diplomacy channels as well as fostering and supporting "informal" efforts, including the Alliances for Climate Action (ACA) which include local, state and regional governments; companies and investors; academic and cultural institutions; tribal organizations and faith communities; healthcare institutions, and civil society. Specifically, Alianza para la Acción Climática Argentina (ACAA) in Argentina, Aliança pela Ação Climática (ACA-Brazil) and Alianza para la Acción Climática de México (ACA-MX) in Mexico.
- Support disaster risk reduction and recovery initiatives, that integrate the rescue and rehabilitation of both domestic and wild animals

Climate mainstreaming across all EU regional programmes: climate mainstreaming needs to be better integrated across all sectors through the LAC geographic programmes. This means identifying more programmes and projects where climate and environment can act as a 'principal' or 'significant' objective (using Rio Markers) and through stronger alignment of programmes with strategic climate objectives (decarbonisation and adaptation); and more thorough use of climate-proofing principles and tools. There is significant potential to deliver on climate objectives across transport, infrastructure, digitalisation and private sector development (e.g. urban development encompassing adaptation measures, renewables-based transport systems, digitised smart city infrastructure improving energy efficiency). Delivering on climate also needs to contribute to human development and social inclusion, to improve health, particularly nutrition and the right to food, and public education outcomes; e.g. energy access and electrification of the health sector, programmes preparing the health sector for climate and environmental impacts, etc. Identifying programmes and projects with multiple outcomes will maximise impacts, e.g. water resource management using nature based solutions, which contributes to health and adaptation to build both community and ecosystem resilience; safeguarding forest, peatland and wetland carbon stores in LAC (such as Pantanal) to contribute to global climate mitigation action - improving integration in NDCs<sup>21</sup>, peatlands and mangroves. Degradation of tropical wet-carbon stores such as peatlands and mangroves accounts for upwards of 5% of the global carbon budget. Yet, the wetlands continue to be degraded by large-scale reclamation projects, fuelled by product-chains (such as those linked with aquaculture and palm-oil) which do not factor in the climate impacts of degradation. The EU should support the restoration of drained peatland and degraded mangroves making them effective carbon sinks.

All EU regional programmes and projects need to be 'climate-proof': compatible with the Paris Agreement's goal of limiting temperature rise to 1.5°C and to protect and restore ecosystems; support adaptation and are climate-resilient: Programming and evaluation instructions must include an obligation to check project and programming compatibility with international human rights standards, social safeguards, and criteria excluding fossil fuels and environmentally harmful activities in line with the NDICI - Global Europe regulation; Climate and environmental screening for every project and programme, and the scope of screening improved to ensure compatibility with the Paris Agreement's 1.5°C goal, that projects and programmes are adaptation-proof, and align with nature protection objectives. Strategic Environmental Assessment need to be used more systematically across programmes, and not just those likely to have significant negative environmental impacts; ensure all tools deliver a more robust assessment of compatibility with climate mitigation and adaptation objectives, as early as possible in the project or programme development, and should be governed by assessment of alignment to decarbonisation pathways in line with the Paris Agreement's 1.5°C goal, and assessment of regional and sectoral vulnerabilities to climate impacts over the whole project / programme lifecycle. The assessment should result in a mitigation and adaptation strategy, with plans and measures to ensure projects and programmes adhere to mitigation and adaptation objectives

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<sup>&</sup>lt;sup>21</sup> https://www.wetlands.org/publications/locking-carbon-in-wetlands/

## **Circular Economy and footprint**

The processes of material extraction, production and waste processing in Latin America are inefficient, generate serious environmental impacts and a lot of waste. The potential of a circular economy in this context is vast, with multiple countries already looking to implement this concept at a regional level. In this setting the EU should support LAC countries in promoting the circular economy as an opportunity and a tool to achieve truly sustainable and inclusive development in line with the SDGs and decarbonization goals and to "build back better" in the post-covid-19 context, towards a climate-neutral, sustainable, equitable and resilient economy. The EU has a clear role to play: pushing the ambition level, creating momentum around sustainable transformation, and working with all stakeholders on impactful solutions. Future EU support to partner countries in LAC in moving towards a circular and more sustainable economy could be modeled on successful EU regional programmes financed to date, such as 'Switch to Green' in Asia and Africa and go one step further, from reducing waste and improving resource efficiency, to "designing out" negative impacts and help transform our global and interconnected economies towards absolute decoupling of economic activities from the consumption of limited resources, thereby promoting positive environmental and society-wide benefits for all within planetary boundaries.

LAC circular economy regional initiative should focus on:

- Promoting transformation in the region towards economies that reduce waste and improve resource efficiency, implementing a cradle-to-cradle system, while promoting socio-environmental benefits and acting within the framework of the planet's biophysical limits.
- Building capacity and exchanging experiences between Europe and LAC on investor best practices, producer responsibility and good practices to ensure sustainability and legality in supply chains and waste disposal and recycling. For example market based actions to reduce consumption in the EU of gold produced using mercury<sup>22</sup> in the Amazon, whilst promoting more responsible practices in those parts of the Amazon where local and indigenous people survive from gold mining activities, including support for more sustainable value chains in the gold mining industry, given that over 60% of the globally mined gold passes through the EU<sup>23</sup>
- Promoting, together with civil society and government, the development of legislative and policy frameworks to build a circular economy including regulation of product life-cycle requirements, together with increased awareness and cooperative arrangements with producers and consumers as well as economic incentives and import/export regulations..
- Reduce the use of single-use plastics through strengthened legislation and private-public partnerships and by supporting regional regulations that increase collaboration between LAC countries at a policy and implementation level.
- Continuing to support innovative financial mechanisms and access to finance for MSME as well as cooperatives and informal workers who often play a leading role in waste prevention and material re-use should be ensured.
- Multi-stakeholder approaches should be promoted, in the context of CE initiatives and beyond, by designing and implementing programmes that bring together companies, investors, civil society organisations, the public sector and other actors to foster, among others: regulatory changes and more conducive business environment; capacity building and cross-company cooperation for circular economy across companies' supply chains; investments in local supply chains and shorter producers-consumers links important to revitalise rural and decentralized economies that can be more sustainable and equitable, and create green and blue jobs.

## Recommendations on Team Europe Initiatives - Amazon basin specific TEI

We are pleased to see that the draft EU regional MIP contains a specific Team Europe Initiative (TEI) for the Amazon basin and the support measures to strengthen the role of civil society in protecting the Amazon. The EU's approach to the Amazon should be based on a regional vision for its conservation,

<sup>&</sup>lt;sup>22</sup> Mercury is one of the greatest threats to the health of freshwater ecosystems in the Amazon and to the wellbeing of indigenous peoples and local communities for whom fish is a staple food.

<sup>&</sup>lt;sup>23</sup> D. Grunenfelder et al, "A Precious Transition - Demanding More Transparency and Responsibility in the Watch and Jewellery Sector," WWF Switzerland 2018)

given that the Amazon functions as an integrated system. The Amazon encompasses eight countries and one overseas territory, and has a population of 34 million people, of which approximately 3 million are indigenous people belonging to some 500 different ethnic groups. Its ecosystems provide environmental benefits to the region and the planet, including climate regulation. The forests, peatlands, and wetlands of the Amazon store 31 billion tonnes of irrecoverable carbon (23% of the global total); these are ecosystems that, if converted, could not recover their full climate mitigation function for at least three decades, making them irreplaceable from a climate perspective We would like to recommend the following initiatives for inclusion in the TEI:

- **Free flowing rivers:** maintain healthy rivers with connected stretches in priority aquatic corridors of the Amazon mainstem, Madeira, Negro, Marañón, Putumayo, Japurá/ Caquetá, Nanay, Napo, Purus, Preto do Igapó Acu, Jiparaná and Curaray rivers, including support measures to maintain rivers free flowing through strategic planning at the basin level, place-based protection mechanisms for rivers and aquatic corridors, and support to science and participation.
- Phasing out mercury trade and its use in informal and illegal gold mining including support to the Regional Alliance for the Reduction of Impacts from Gold Mining in the Amazon<sup>24</sup>
- Carrying out specific efforts for the conservation of freshwater and terrestrial umbrella species: river dolphins, migratory fishes and jaguar. Including support to the regional platform South American River Dolphins Initiative<sup>25</sup> (SARDI) and the Jaguar 2030 Plan<sup>26</sup> an initiative led by 14 governments with support from Panthera, WCS, WWF and UNDP.
- Strengthening indigenous territories through territorial rights and forest-based economies.
- Maintaining or increasing the protected areas, and supporting their effective and inclusive management.
- Implementing **integrated landscape management approaches** that combine protection with sustainable management and restoration to halt deforestation and forest degradation

See WWF's Recommendations on Team Europe Initiatives in Amazon Countries shared with EU Delegations during the country level programming process: <a href="https://drive.google.com/file/d/1BPpPnil6wZFKW7Dp10\_g5OSSXma6hhaS/view">https://drive.google.com/file/d/1BPpPnil6wZFKW7Dp10\_g5OSSXma6hhaS/view</a> (in Spanish).

## Recommendations for countries supported under the LAC regional MIP

We would like to recommend the following initiatives for inclusion in the country allocations:

#### Argentina

Considering that Argentina has a strong food production industry, the EU should strengthen
nature-positive and sustainable food production systems.. Transformation of the country's food
production is necessary to protect the natural ecosystems against new land conversions for food
and feed production and restore nature for sustainable food production, in order to strengthen
resilience and ensure long-term productive capacity.

#### Brazil

 Brazilian Amazon has faced high pressures in the last four decades and the biome is close to reaching a tipping point, at which forests will no longer be able to sustain processes such as water recycling that keep it alive and the most affected portions will suffer diminishing rainfall and prolonged dry seasons. The EU should focus on: working with CSOs, government and private sector to eliminate land grabbings and land speculations; reduce deforestation on private properties by facilitating payments for environmental services (PES) combined with market initiatives for sustainable sourcing; provide technical assistance to enhance smallholder's

<sup>&</sup>lt;sup>24</sup>In existence since 2018, this alliance is formed by FCDS, Parques Nacionales Naturales Colombia, Frankfurt Zoological Society, GAIA Amazonas, FIOCRUZ, CINCIA, WCS and WWF.

<sup>&</sup>lt;sup>25</sup> http://river-dolphins.com/

<sup>26</sup> https://static1.squarespace.com/static/5bf3393f5b409be1f882f5d4/t/6046505b5514f45a465be7f5/1615220845917/T he Jaguar 2030 Roadmap draft4 17dec2020-compressed.pdf

- performance; improve command and control activities by supporting work of law enforcement agencies and civil society groups who support law enforcement.
- Brazilian Cerrado plays an essential role in supporting Brazi's water cycle as the source of eight
  of the country's 12 river basins. Pasture and large-scale agriculture have expanded rapidly across
  the region over the last four decades, putting remaining vegetation, livelihoods and continued
  agricultural production at risk. Recommended actions for the EU: support expansion of protected
  areas to at least 17% of the minimum called for under the Convention on Biological Diversity;
  support actions aimed at reducing deforestation on private properties with market initiatives for
  sustainable production and through PES and provide technical assistance to incentivise
  productivity in the cattle sector
- The EU should prioritise actions aimed at reducing deforestation, degradation and fires across Amazon, Cerrado and Pantanal and to stop environmental crimes, including illegal and informal gold mining, wildlife and timber trafficking.
- Inclusive and equitable partnerships for conservation: The EU can play an important role in working with Brazilian government, civil society and private sector to advocate and promote the recognition of those IPLCs who have been custodians of their lands and territories over generations and intend to conserve these areas effectively for the long-term (Indigenous and Community Conserved Areas-ICCAs, or territories of Life), support their efforts to secure rights to their ICCAs, and strengthen the governance systems of their territories, lands and waters, their culture and to build sustainable economies. Recognition and empowerment will better enable IPLCs to restore and defend these areas against encroachment of unsustainable development activities and become champions of sustainable, holistic development and equitable conservation.

#### Chile

- Climate change mitigation and adaptation should be included as an additional separate priority, given that Chile is considered to be a vulnerable country but it's footprint is the highest in the region, which can be an opportunity to become a leader in the region. The priority should include climate finance & NBS.
- Within the efforts related to green growth and job creation it is important to emphasize decarbonisation and forest restoration as two potential focus areas.

#### Mexico

- Selva Maya as a strategic landscape for transboundary cooperation with Central America and environmental protection.
- Scaling-up efforts to fight wildlife crime, especially on jaguar.
- Support of restoration efforts throughout terrestrial, aquatic, and coastal-marine ecosystems.
- Sustainable production value chains, with a special emphasis on livestock management and agrifood systems.
- Strengthening the financing of NBS as a cost-effective way to increase resilience, support adaptation and contribute to the livelihoods of vulnerable communities.
- 1.2 What existing modalities for inclusion of local authorities and civil society organisations, including youth organisations, are working best in your region around the Green Transition? What would you suggest in addition to complement these?

### Aspects that should continue:

- Continue to support the adoption of specific principles to guide activities which would reinforce and strengthen the role of CSOs in climate and environmental action: including the Aarhus Convention and Escazu Agreement where applicable
- Civil society groups should be supported to monitor progress, improve transparency and play
  their watchdog role effectively. The CSO should also remain the privileged partner of the EU in
  the implementation of the LAC programmes at the regional level. Their commitment to public
  good and unique position and status, allows them to develop partnership with both private and
  public actors, while maintaining their political neutrality. They are also the best conduits towards
  local communities and indigenous groups.

- Continue supporting environmental defenders: Transparency for protection of environmental defenders is essential, including whistleblower options, influence of EU investments in LAC countries that insist on protections for environmental defenders from local groups. Empowering local journalists to provide transparency around corruption and persecution involved in many elements of deforestation.
- The EU should continue to offer CSOs a space to engage with and influence the EU as well as for the EU to leverage CSO knowledge, capabilities and their role as advocates for biodiversity protection, fighting poverty and promoting gender equality, inclusion and sustainable development. This can be done through formal stakeholder consultation processes; CSO involvement in policy dialogue discussions, cross learning and sharing events, and mid-term assessments; role in implementation, monitoring, and public awareness.

## **Complementary actions:**

- CSO funding allocations in the regional MIP: significant and predictable funding should be made available to civil society organizations, to safeguard civic space and enable CSOs' participation in the implementation of the Green Transition programmes. CSOs have been often excluded from the implementation of the environmental and climate programmes during the previous MFF. For example global and regional GPGC environmental/food/climate programmes have been almost exclusively channeled and managed by International Organisations and the private sector. NGOs have the operational and technical capacity to implement technically demanding multi-country programmes, as well as to carry the research. Funding should also be made available to CSOs to support their right of initiative, run their own programmes and to meaningfully contribute to the implementation of the Green Transition.
- The EU should strengthen its dialogue with a diverse range of CSOs, including IPLCs organisations and enhance efforts to reach more diverse and marginalised groups from grassroots, indigenous, youth and women's groups, climate justice and environmental defenders, and smallholders. New partnerships outside of the usual conservation circles must be included to achieve a truly inclusive conservation approach, while continuing to enhance the capacity of indigenous peoples and local communities to sustainably manage their territories and resources in a manner that positively contributes to their livelihoods. Integrate and value the local and indigenous knowledge, through adequate community dialogue, when developing solutions and programmes aiming at sustainable food production, community resilience, environmental protection and adaptation to climate change. Local populations should be supported to rediscover, adapt and use their knowledge. Local, small-scale and low-cost approaches should be scaled up. The Climate, Land Ambition and Rights Alliance (CLARA) showed in its 2018 report, "Missing Pathways to 1.5°C", the key role that IPLCs play in ecosystem protection and the need, therefore, to secure their land rights. Attacks against them and other environmental rights defenders are on the rise as pressure on natural resources increases. Protecting and empowering them must be part of the EU's approach.
- Inclusive conservation: Support to conservation, and equitable economic development must be built upon inclusive approach which encompasses a holistic outlook of working that brings people into each step of the decision-making process and develops solutions that work for all stakeholders ensuring the people that share landscapes, seascapes and habitats are included in the critical decisions that affect their livelihoods and in the benefits. Conservation impact that is relevant to the people and places where it occurs, must be articulated with and reinforce the interconnectedness of development, global and regional trends, and nature, highlighting a shared regional agenda that responds to global and regional threats and opportunities. To achieve this, new sectors and partners outside of the usual conservation circles must be included, while continuing to enhance the capacity of indigenous peoples and local communities to sustainably manage their territories and resources in a manner that positively contributes to their livelihoods.