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Mid-term review of the regional multi-annual indicative program for the Americas and the Caribbean (2021-2027)

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This written feedback has been prepared by WWF European Policy and Latin America and the Caribbean Offices to contribute to the mid term review process of the regional multi-annual indicative programme for the Americas and the Caribbean (RMIP A&C) and in response to the consultation meeting organised by the Policy Forum on Development and DG INTPA B2 on 11 September 2023.

1. Amazon Basin Team Europe Initiative

In August 2023, the presidents of the Amazon countries released the Belém Declaration, an agreement that unifies the shared objectives of the eight signatory countries under the Amazon Cooperation Treaty (ACTO). The declaration, signed during the Amazon Summit, outlines the consensus points of Brazil, Bolivia, Colombia, Ecuador, Guyana, Peru, Suriname, and Venezuela, drawing upon contributions from civil society. The declaration seeks to avoid reaching an ecological tipping point in the biome and contains commitments for transboundary cooperation on key topics that are relevant to the green and technological transitions and for the fulfilment of international environmental commitments including the Kunming-Montreal Global Biodiversity Framework and the Paris Agreement. ACTO's efforts should be integrated into the EU commitments under the Amazon Basin TEI. The EU should strongly consider providing additional financial and technical support to support the implementation of the Belem declaration commitments. Notably, these could include additional support to the new entities that will be created, such as the Amazonian Mechanism of Indigenous Peoples and the Intergovernmental Technical-Scientific Panel of the Amazon, which will feature participation from government representatives, researchers, civil society members, as well as indigenous peoples and local and traditional communities or the Observatory for the status of human rights defenders, the environment, and indigenous peoples, designed to pinpoint funding sources and optimal protective practices for defenders.

2. Biodiversity finance and support with the implementation of Kunming-Montreal Global Biodiversity Framework (KM GBF)

Whilst we welcome that the European Commission has increased its biodiversity spending under the NDICI and committed to spend €7bn on biodiversity-related projects during 2021 - 2027, the **EU will need to commit to a comprehensive finance and resource mobilisation strategy to generate a significant increase in funding for biodiversity to correspond to the needs, including the resources allocated under RMIP A&C. Strengthening of capacity will be required at all levels of the partner countries in the Americas. The EU Delegations should substantially and consistently increase support to partner governments to revise and implement their National Biodiversity Strategies and Action Plans (NBSAPs) to align them with the KM GBF and scale up technical assistance and capacity building to**

relevant ministries that are responsible for overseeing the sectors that drive biodiversity loss and associated harmful subsidies. We specifically recommend:

- Redirect available financial resources to support EU partner countries in the Americas and Caribbean, to implement National Biodiversity Strategies and Action Plans (NBSAPs). EU support can specifically target building capacity for policy and regulatory reforms in partner countries to unlock domestic resources from the public and private sector. To operationalise this commitment and underpin it with the needed efficiency through increased policy coherence, the EU should support partner countries to develop National Biodiversity Finance Plans (NBFPs) to identify their current flows and finance needs, identify preferred mechanisms to close their national biodiversity finance gaps, including opportunities to eliminate or reform harmful subsidies and ways to leverage international cooperation.
- The revised RMIP A&C should integrate biodiversity and its multiple values across all external programmes and across all development cooperation sectors, in particular those with significant impacts on biodiversity, and enhance the role of collective conservation actions, including by Indigenous Peoples and community based natural resource management
- Increase financial support for nature based solutions: around 30% of the climate finance budget under RMIP A&C should be allocated for nature-based solutions (NBS) to contribute to the ODA related financial flows with co-benefits for biodiversity to developing countries. Given the overall RMIP A&C budget, this would send an important signal to the wider donor community for a comprehensive commitment from all donor countries.

3. Implementation of the EU Deforestation law

The EU approved a landmark deforestation law in May 2023 to stop products made from coffee, beef, soy, palm oil, timber and rubber being placed on the EU market if they are linked to the destruction of the world's forests. The law will require companies that want to sell goods on the European Market to produce a due diligence statement and "verifiable" information proving their goods were not grown on deforested land (risk assessment). The EU is tasked to engage in a coordinated approach with producer countries based on a "comprehensive EU Strategic Framework" which it must develop. In many Latin American countries where there is a recurrence of legal amnesties for deforesters and land grabbers, it will be necessary to adopt more consistent practices of enforcement and environmental crime combat, under the risk of making exports unfeasible not only to the EU, but also for other countries and trade blocs that, likewise, advance in the elaboration of similar legislations.¹

The MTR of the RMIP A&C is a sizable and timely opportunity to redirect and mobilise technical and financial resources required to support EU partner countries in the Americas and Caribbean to comply with the new Regulation:

- Support development of country impact studies for all relevant countries in A&C to review
 the specific situation of the producing countries, potential impact, the level of risk for the
 producing country to comply with the regulation and mitigation/support measures and identify the
 most crucial needs/areas for immediate and long-term support.
- Incorporate the Strategic Framework in RMIP A&C. Sufficient financial and technical
 resources should be allocated for the implementation of the Strategic Framework to provide
 tailored technical assistance and funding. Efforts should focus on raising awareness of the
 Regulation among key actors including government, small-holder producers and civil society in
 producer countries and create a space for multi-stakeholder dialogue. It should also set out a

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- broad framework to guide EU action regarding supply-side partnerships to help implement the new Regulation.
- If the Regulation is to become the global benchmark in the fight against deforestation, the EU must put effective partnerships that are inclusive of all stakeholders and rights holders including indigenous peoples and local communities, at the heart of its international cooperation. Such partnership agreements must include jointly developed roadmaps that create an enabling environment, improve governance, tackle deforestation and respect rights. Partnerships with producing countries will be the key to unlocking the Regulation's potential, from ensuring smallholders (including indigenous and local communities and women) don't bear the financial brunt of the Regulation, to supporting producer countries to implement it, and preventing goods produced on deforested land from being sold on markets outside the EU.
- Ensure mechanisms are in place to account for the vulnerabilities and barriers faced by small scale producers in A&C and ensure that lack of capacity for compliance with the regulation once it comes into effect is not detrimental to food security or can increase poverty levels.
- Complementary to implementation of the EU Deforestation law, the revised RMIP should support
 the development of regenerative cattle ranching and agriculture as well as a new economic
 model that fosters bioeconomies- productive activities based on biodiversity as an alternative to
 traditional commodity production-deforestation linked systems in the region.

4. Funding modalities for CSOs

According to our <u>preliminary analysis</u> drafted jointly with other CSOs and Concord, the NDICI-Global Europe does not yet appear to have facilitated access to funding for CSOs. Instead funding modalities and accessibility have been significantly reduced, including CSO opportunities under the RMIP A&C. The majority of funding has been channelled through 'pillar assessed organisations' such as international organisations (IOs), namely UN agencies or EU Member States (EUMS) development cooperation agencies (such as AFD, GIZ, Enabel, etc). Specific and predictable funding allocations should be made available to civil society organisations under the RMIP A&C Americas and Caribbean MIP, to safeguard civic space and enable CSOs' participation in the implementation of the global biodiversity, climate and green transition programmes. Many environmental CSOs have the operational and technical capacity to implement technically demanding multi-country and global programmes, as well as to carry out the research.

The EU should consider **alternative funding modalities to call for proposals for CSOs** if this poses major administrative and capacity challenges for DG INTPA or EU Delegations. This could for example include:

- Transparent funding models that would allow CSOs to access and manage large scale and longer term programmes, similar to modalities available to pillar assessed organisations
- Requirement to include CSO partners in consortia led by IOs or EU MS agencies in case of indirect management or justify their exclusion
- Small granting schemes for local CSOs under each country programme with simplified eligibility and compliance criteria.