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WWF Environment Bill Second Reading Briefing Tackling the UK's Global Environmental Footprint

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WWF is a core member of Greener UK and Wildlife and Countryside Link. This briefing is intended to supplement the joint Greener UK/ Link Environment Bill briefings, which can be found here https://greeneruk.org/briefings/environment-bill

KEY POINTS

- The second reading of the Environment Bill is Wednesday 26th February. WWF welcome this Bill and encourage all MPs to attend as an illustration of the political will across the House to protect and restore nature at home and abroad.
- Mass deforestation is accelerating climate change and is a leading driver of wildlife extinction due to habitat loss, imbalances in the food chain and water scarcity. Economic activity, driven by the UK business sector, is a significant contributor to the destruction of nature.
- WWF welcomes the Bill as vital to set nature on the path to recovery. However, when considered as a whole, the Bill does not achieve what has been promised: gold standard legislation, showing global leadership for responding to the environmental crisis both at home and abroad and a world-leading watchdog (see Greener UK/Link Environment Briefing above).
- WWF have launched a public campaign to get deforestation #OffOurPlates, and we are raising our supporter awareness of the huge opportunity that the Environment Bill represents for our planet.
- The Bill is currently silent on the UK's global environmental footprint. While the framework to set legally binding targets is welcome, it must be significantly strengthened to be effective, and currently there are no targets set to ensure the offshoring of environmental impact can come to an end as reflected in the 25 Year environment plan.
- WWF is calling for the Environment Bill to include a target for the UK's global footprint, alongside other priority targets in the bill and an amendment to deal with global deforestation caused by conversion of the world's forests to produce food and other crops for our consumption. A legal commitment in the Bill would require UK business to assess risks from both deforestation and then at a later stage, all environmental impacts of their supply chains through a due diligence law.

THE PROBLEM

2019 was the second warmest year ever recorded in history¹. This same year, deforestation rates in the Amazon were the highest in a decade² - an area of Amazon forest the size of Puerto Rico was lost in one single year³. We have now reached a tipping point. Parts of the Amazon forest have lost their capacity to store carbon, i.e. they are emitting more CO2 than sequestering, thus their capacity to fight climate change is lower⁴.

¹ Masters, J. <u>Earth Had Its Second Warmest Year in Recorded History in 2019</u>. Scientific American blog, Jan 15, 2020.

² Unearthed. <u>Brazilian Amazon deforestation surges to highest level in a decade</u>. 11 November 2019

³ <u>Amazon sees alarming rise in deforestation</u>.

⁴BBC news. <u>Deforested parts of Amazon 'emitting more CO2 than they absorb'</u>. Article published on 11 February 2020

To supply the annual UK demand for seven commodities requires a land area more than half the size of the UK: a total of 13.6 million hectares⁵. More than 40% of the UK's overseas land footprint (nearly 6 million hectares) is in countries at high or very high risk of deforestation, weak governance and poor labour standards. This means the food and everyday products we buy could be destroying habitats for endangered wildlife and impacting livelihoods overseas. The largest rates of deforestation occur in tropical regions – home to some of the world's rarest flora and fauna. Furthermore, about 1.6 billion people depend directly on forests to secure their livelihoods⁶. The loss of precious natural ecosystems would result in significant economic and social impacts not only to those living close to forests but to the human population.

VOLUNTARY COMMITMENTS ARE NOT WORKING

A decade ago, through the Consumer Goods Forum, UK companies committed to remove deforestation from their supply chains by 20207. The UK then signed the New York Declaration on Forests (2014) and then the Amsterdam Declaration (2015) and has since been working to support producing countries to improve sustainability and remove deforestation from global supply chains. The deadline for many of these commitments is 2020, but there has been little success in implementing deforestation-free supply chains commitments on the ground⁸. None of the 500 companies and investors with deforestation-free commitments intend to meet their targets by 2020. Overall, rates of deforestation have accelerated substantially in tropical countries9 where the UK's footprint is substantial¹⁰.

It is time to recognise the inability of voluntary actions to tackle the problem. In fact, the UK Government recognised it had a key role in showing global leadership on this issue in its 25 Year Environment Plan. In the Plan, the government promised to "leave a lighter footprint on the global environment by enhancing sustainability and supporting zero deforestation supply chains"¹¹. It stated that 'we cannot continue with the current massive conversion of forests and other natural habitats into farmland'. We need the Environment Bill to create frameworks where all actors contribute to halt deforestation at pace and to ensure that we are not reaching out environmental targets in the UK by offshoring our environmental impact.

The establishment of the Global Resource Initiative (GRI) task force in 2019, as committed to in the 25 Year Environment Plan, was a positive step towards raising the ambition on reducing the UK's global footprint. The GRI task force should demonstrate how UK businesses, financial institutions and civil society can show leadership on sustainable, deforestation- and conversion-free supply chains. It is critical that government responds to the recommendations in the GRI task force report with ambitious and urgent commitments and plans of action. This must include ambitious domestic legislation as well as working with producer and consumer countries to demonstrate similar commitments and put global nature on the path to recovery.

THE BUSINESS CASE FOR GOVERNMENT ACTION

Environmental threats such as climate change, water crises, biodiversity loss and ecosystem collapse are issues that the business community consistently ranks as among the biggest they face. While many businesses have internal environmental policies, as a matter of corporate social responsibility, business sustainability leaders complain that there is no level playing field or consistency and little accountability. The current policy and legislative framework is not proving adequate to halt and reverse the environmental damage caused by our economic activity.

WWF are calling for the Bill to ensure that commodities are free from deforestation and to make it mandatory that companies take a due diligence ¹²approach to assessing the risks of environmental

⁵ https://www.wwf.org.uk/riskybusiness

⁶FAO: Forests and poverty reduction. http://www.fao.org/forestry/livelihoods/en/

⁷ The Consumer Goods Forum commitment: Achieving Zero net Deforestation by 2020.

⁸ Rogerson, S., 2020. Forest 500 annual report 2019, Global Canopy: Oxford, UK. https://forest500.org/

⁹ NYDF 5-y Assessment 2019

¹⁰ Risky Business Report (2017) WWF and RSPB

¹¹ 25 Year Environment Plan 2018, page 127

¹² The due diligence obligation 'Principles' would require business to:

identify and assess the nature of the actual and potential adverse impacts of its activities on the environment and human rights both domestically and internationally and throughout their supply chains and investment chains; take appropriate action to avoid, mitigate and remediate the negative impacts identified and assessed

cease operations and investments where impacts cannot be adequately mitigated;

impacts of their global supply chains; develop a plan to address these; report on progress; and ensure business is held to account where it fails to take such action. There is support for this obligation from across civil society and increasingly from the business community itself, as it is in line with customer expectations, improves supply chain resilience and supports staff retention.

A broad mandatory due diligence obligation would provide business with the long-term certainty and confidence they need to invest and adapt and will level the playing field – driving action by less progressive businesses. Such an obligation would bring reputational and financial benefits to British business and the public purse – including supply chain resilience, social license to operate, improved staff retention and in some cases lower operational costs. Organisations that build solutions into their plans and investments at the outset will benefit most. This would also increase the public's confidence in business operations, investments, and products.

Businesses are key to lead the transition towards sustainable supply chains and some businesses have shown leadership on the issue. However, they can't transform the systems alone.

PUBLIC DEMAND AND UK GLOBAL LEADERSHIP IN 2020

WWF have launched a public campaign to get deforestation #OffOurPlates, and we are raising our supporter awareness of the huge opportunity that the Environment Bill represents for the government to introduce world leading legislation to deal with the UK's global footprint. Our supporters will be calling for the government to rid our food supply chains of the deforestation which is currently being driven in some of the world's most unique habitats.

It is no longer justifiable to only look at environmental impacts caused within our own back yard but also to how the food we eat is leading to high levels of food insecurity, malnutrition and driving further climate change. We do not believe that the Environment Bill will be a flagship piece of legislation in 2020 without the inclusion of action on deforestation and the impact of the UK's footprint overseas. The science is unequivocal, we are not going to win the fight against climate change without our global forests.

In 2020 the eyes of the world are firmly fixed on the UK's positioning in the world after Brexit. Success in Glasgow at COP 26 will require both ambitious action at home and environmental leadership on the world stage. The Environment Bill is a once in a generation opportunity to set nature on the path to recovery and enshrine the UK's high environmental ambition in world-leading legislation. With this Bill, we can set an example at the international moments, which other countries can follow. This will set nature on the path to recovery.

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report on implementation of the due diligence plan including actions taken and the effectiveness of those actions.