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WWF Environment Bill Lords Committee Stage briefing – due diligence and global 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>

SUMMARY

- **WWF welcomes the Environment Bill and encourages all peers to attend Committee Stage debates** as an illustration of the political will across the House to protect and restore nature at home and abroad and remove deforestation and conversion from UK supply chains.
- **Peers should use Committee Stage to call for a strengthening of the Government’s proposed due diligence law and the introduction of a requirement to set a target to significantly reduce the UK’s global environmental footprint.**
- **WWF has recently published a major report** detailing how the UK can reduce its global environmental footprint, and is about to publish new evidence that shows that the due diligence legality model will be ineffective to stop deforestation and conversion in UK supply chains.

STRENGTHENING THE GOVERNMENT’S DUE DILIGENCE PROPOSALS

As a large consumer of forest risk commodities and host of UNFCCC Conference of the Parties 26 (COP 26), the UK has a vital role to play in reducing deforestation and land conversion that is a result of the supply of commodities, such as soy and palm oil. To supply the annual UK demand for just seven commodities a land area of 88% the size of the UK- a total of 21.3 million hectares- is required.

To reduce the UK’s role in global deforestation, the UK Government is using the Environment Bill to impose a due diligence obligation on large businesses operating in the UK on the trade and use of “forest risk commodities” and derived products. The objective of the due diligence legislation is to ensure that the ‘forest risk commodities’, i.e. soy used for animal feed, palm oil used for soap and other products, and cocoa, are imported into the UK only where they are in compliance with the local laws in the country of production. The Government proposals were debated during Commons Committee Stage and have now been included in the Bill.

The Government's work to address this issue is welcome. However, in both the Commons Report Stage Day 2 debate and the Lords Second Reading debate on the Environment Bill, MPs and peers called for the due diligence proposals to go further to reduce the UK's role in global deforestation and land conversion.

The due diligence law needs to provide for sustainable imports, not those subject to the often-poor governance of the producer countries. At the moment, the proposed law is based on producer country legality. This means that companies operating in the UK must demonstrate that their imported commodities were produced in compliance with existing in country laws. Many producer country laws are weak, allow some deforestation and other types of land conversion to happen legally and are poorly enforced. The prevailing laws are also subject to the political climate of the producer country, with the risk of de-regulation as exemplified by the current situation in Brazil. WWF is therefore concerned that the UK has opted for a weak form of due diligence which will lead to perverse consequences and needs to be strengthened.

WHY A GLOBAL FOOTPRINT TARGET?

A requirement to set a global footprint target means the UK will be required by law to tackle the key drivers of production and consumption that have a significant environmental impact, including those causing deforestation abroad. This will allow the UK to reduce its impact on both global climate and global biodiversity. It will also provide a number of benefits for the UK, including:

- Reducing the risk of future pandemics, which have been shown to be linked to the destruction of nature.
- Helping to safeguard against the economic costs of biodiversity decline and climate change. WWF's [Global Futures report](#) (February 2020) estimates that the decline of natural assets will cost the world at least £368 billion a year, with the UK suffering annual damage to its economy of at least £16 billion by 2050.
- Supporting business resilience. WWF's [Blueprint for Responsible Global Business](#) (2020), outlines the environmental risks facing businesses, and the benefits of managing them proactively, through a due diligence approach.

We know from our success at tackling emissions that good laws and targets drive change. The Environment Bill is an opportunity to bend the curve of nature loss by 2030— both by actions within the UK and through tackling our footprint overseas. 139 countries now have overarching frameworks and targets like the UK Climate Change Act, which has provided immense global leadership and inspiration. The UK could be the first country to embed the ambitions of the [Leaders' Pledge for Nature](#) in legislation and align our domestic and international ambition this year by including an ambitious target to significantly reduce the UK's global environmental footprint by 2030.

Parliament should therefore use the Bill to tackle the UK's global footprint and ensure we don't offshore our environmental impact. Reducing the footprint is a key element of the Government's 25 Year Environment Plan, and a target to reduce the UK's global footprint was a recommendation of [the June 2021 Environment Audit Committee report on biodiversity](#).

KEY POINTS FROM WWF'S JULY 2021 GLOBAL FOOTPRINT REPORT

- The UK must reduce its footprint of production and consumption by around 75% if it is to meet planetary ecological limits.
- Human impacts on the natural world are driven by over-consumption, unsustainable extraction rates, and by the methods we use to produce material goods. Reducing this impact requires urgent, sustained, and transformative action to address how we produce and consume materials.

- The UK is a high consuming country with significant environmental impacts. The report estimates that the UK's per capita greenhouse gas footprint is over six times the planetary limit, its per capita biomass consumption footprint is nearly double the planetary limit, and its per capita nitrogen footprint is nine times the planetary limit.
- Therefore, the UK's contribution to a global target of halving the overall environmental footprint must reflect its responsibility for the impacts and its capacity to address them.
- The report analysed six different footprints of UK consumption and production in relation to planetary limits. It found that the UK needs to reduce its ecological footprint by 60%, material footprint by 38%, biomass footprint by 48%, nitrogen footprint by 89%, phosphorus footprint by 85%, and carbon footprint by 85%.
- Significant reductions in the UK's footprint across multiple environmental domains should not be interpreted as meaning that the UK's economy must shrink, or that the wellbeing of UK citizens must be reduced. With a very few exceptions, the targets proposed in the report are about doing things differently: reducing waste, increasing recycling, increasing efficiency, and shifting towards production systems that work with nature.

KEY POINTS FROM WWF'S FORTHCOMING REPORT ON A LEGALITY MODEL OF DUE DILIGENCE

- There are up to 2.1 million hectares of natural vegetation that could be legally deforested within the 133 Brazilian municipalities which directly supply the UK with soy. This vegetation covers an area the size of Wales and stores over one billion tonnes of carbon.
- Between 2021 and 2030, UK imports of soy from these municipalities could result in the conversion of 36-59,000 hectares of vegetation, which stores 18-30 million tonnes of carbon.
- An analysis of palm oil in Indonesia and soy in Brazil evidence that a legality-based due diligence obligation is harder to implement and enforce than one based on conversion of all types of natural vegetation, due to the complexity of legal structures and lack of comprehensive, publicly available data.

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