

Forests & Finance Coalition
Contributions to the
[COP 30 Presidency Roadmap for Halting and Reversing Deforestation and Forest Degradation
by 2030](#)

Submitted to the UNFCCC /COP30 Secretariat
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(a) What are the most critical barriers — whether physical, economic, financial, institutional, technological or social — preventing the halting and reversing of deforestation and forest degradation?

In the decade since the Paris Agreement, banks have poured over USD 429 billion into soft forest-risk commodities. In addition, they provided USD 493 billion in credit to the largest transition mineral companies, which are increasingly driving deforestation. Despite better data, improved disclosure, and enhanced risk frameworks, major financial institutions are still banking on biodiversity collapse. A handful of agribusiness giants dominate supply chains for soy, palm oil, beef, and pulp – and their financiers continue to fuel and profit from this expansion. Even where real-time satellite monitoring tools can be used to monitor the impact of financial institutions' portfolios and expose non-compliance with No Deforestation, No Peatland and No Exploitation standards, banks and investors remain complicit. Financial Institutions have proven that voluntary commitments and self-regulation does not work. Regulators must therefore step up and must make it unlawful for banks and investors to profit from deforestation and rights violations.

For more information and detailed recommendations on the harmful financial flows that drive deforestation, please see:

Forests & Finance Coalition, 2025. [Banking on Biodiversity Collapse](#)

Forests & Finance Coalition, 2025. [Mining and Money](#)

(b) What potential levers, whether economic, financial, institutional, social or technological, exist for accelerating the implementation of the commitment to halt and reverse deforestation and forest degradation?

Financial Regulations are the crucial lever in accelerating the halting and reversing of deforestation and forest degradation, is the halting of the money pipeline for destructive activities. This must be done through strong financial regulations, including the following:

- Risk management and financial stability: Financial institutions should be required to integrate biodiversity and human rights risks and impacts into their risk management processes at the corporate group level of their clients. They must develop transition plans with specific targets and hold board members accountable for risk management. Regulators should mandate higher capital reserves for high-risk activities. System-wide stress tests should also include biodiversity considerations.
- Financial market functioning: Regulations should mandate regular disclosure of investment and loan portfolios, including exposure to biodiversity risks and impacts, with verifiable proof required for biodiversity-related claims. Financial products should be labelled based on their genuine sustainability impacts, and investment funds with harmful biodiversity impacts should be phased out.
- Monetary policy: Central banks should prioritize bonds from issuers making concrete and verifiable positive contributions to biodiversity and human rights in any quantitative easing programs and collateral frameworks. They should assess and address the contribution of their own investment portfolios to biodiversity and human rights impacts. They should also offer reduced interest rates to financial institutions investing in genuinely sustainable and socially just activities.
- Money laundering and financial crime: Biodiversity risks should be incorporated into due diligence and Know Your Customer processes. The financing of companies should be prohibited if they and their suppliers are not able to demonstrate clear adherence to all legal requirements in the areas where they operate. Financial institutions should be held accountable for crimes connected to the corporate groups that they finance, including those impacting biodiversity and human rights, and should be liable for remedy.
- Corporate disclosure: Annual public reporting on biodiversity and human rights risks and impacts should be required for companies under the common control of all medium and large corporations. This should include detailed, verifiable data on biodiversity and human rights impacts, including geolocation data of its operations. All companies should be required to publish annual profit and loss statements and provide details on their funding sources and (legality of) their assets.
- Stimulating sustainable activities: Expand taxonomies to include biodiversity, social and human rights criteria and include categories for inherently harmful sectors. Financial institutions should be required to align their portfolios accordingly. Create robust, transparent and verifiable criteria for finance that incentivises community-led sustainable land use and restoration.
- Human rights and environmental protection: Develop due diligence obligations for the financial sector to prevent the financing of embedded deforestation, forest degradation and human rights violations. Establish independent grievance and accountability mechanisms for affected communities and third parties to bring complaints against financial institutions.
- Strengthening institutions: Financial regulators to develop in-house expertise on biodiversity and human rights and establish inclusive stakeholder platforms to consult with Indigenous Peoples, civil society and other experts. Outcome-focused financial



regulations that align with the objectives of the GBF and shift the economy away from harmful activities must be supported by a robust sanctions regime. These should include stringent penalties for noncompliance and mandatory obligations to fund mitigation and remedy efforts for affected communities and ecosystems.

For more information and detailed recommendations on financial regulations, please see:

Forests & Finance Coalition, 2024. [Regulating Finance for Biodiversity](#)