

PRI CONSULTATION RESPONSE

**Consultation on COP30 Presidency Roadmap on
Halting and Reversing Deforestation and Forest
Degradation by 2030**

April 2026

An investor initiative in partnership with
UNEP Finance Initiative and UN Global Compact



About this consultation

Following the UNFCCC COP30 in Belem in 2025, the Brazilian presidency announced that it will develop roadmaps to transition away from fossil fuels and tackle deforestation. These two topics are in response to the Global Stocktake decisions adopted in COP28 in 2023. The COP30 Presidency Roadmaps aims to translate global consensus into implementation, by mapping critical barriers and enabling factors, while recognizing that no single transition pathway applies to all countries and regions. Parties, observers and stakeholders are invited to [submit contributions](#) until 10 April 2026.

The PRI is the leading organisation in advancing responsible investment globally. Set up with United Nations' support, our unique community contributes to stable financial markets and a more prosperous world for all. We bring together signatories, amplify their voices and provide resources and guidance for complex sustainability challenges. The six Principles were developed by investors, for investors. In implementing them, signatories contribute to developing a more sustainable global financial system.

The PRI develops policy analysis and recommendations based on signatory views and evidence-based policy research. The PRI welcomes the opportunity to respond to the COP30 Presidency's call for feedback on the roadmap for halting and reversing deforestation and forest degradation by 2030.

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To inform this paper, the following group has been consulted: Global Policy Reference Group

While the policy recommendations herein have been developed to be globally applicable, the PRI recognises that the way in which policy reforms are implemented may vary by jurisdiction and according to local circumstances. Similarly, the PRI recognises that there may be circumstances where there are merits to allowing market-led initiatives to precede regulatory requirements.

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Key recommendations

The PRI welcomes the COP30 Presidency’s initiative to develop a roadmap for halting and reversing deforestation and forest degradation by 2030, in response to the COP28 Global Stocktake and in alignment with the Kunming–Montreal Global Biodiversity Framework and the Glasgow Leaders’ Declaration on Forests and Land Use. This roadmap has the potential to serve as an important tool for advancing implementation of global climate and nature goals and for further enabling investors to contribute to these objectives.

Economic and market systems not accounting for the true value of forests, commodity-driven deforestation, environmentally harmful subsidies, and both illegal and legal deforestation are barriers to halting and reversing of deforestation and forest degradation.

At the same time, many investors recognise that deforestation has macroeconomic implications and can bring about system-level, transition and physical risks, and many have already begun taking steps to address deforestation-related risks and opportunities. A range of approaches and methods already exists to help investors address deforestation risks and identify related opportunities. However, more can be done to create an enabling environment to further support and scale investor action on deforestation – and action by the private sector at large.

For governments to address deforestation, the PRI recommends a holistic approach that include:

- Utilise credible market-based mechanisms to incentivise the conservation of forests. The Tropical Forest Forever Facility, carbon and nature markets are examples of such tools.
- Address commodity-driven deforestation through enhanced supply chain transparency, due diligence and standards. Cooperation between producer and consumer countries, and a just transition to a more sustainable, deforestation-free production system is also critical.
- Review and reform environmentally harmful subsidies for activities that drive deforestation and forest conversion.
- Enhance governance and enforcement effectiveness of environmental regulations to reduce illegal deforestation.
- Review legal deforestation and conversion allowances, as part of a broader strategy to toward sustainable land management and commodity production.
- Create an enabling environment for investors to contribute to addressing deforestation. This includes providing greater clarity on the role of investors and private-sector actors in the context of global and national goals, encourage private sector disclosure of nature-related dependencies, impacts, risks and opportunities, and to catalyse private finance for deforestation through strategic public spending and innovative financial mechanisms.
- Embed justice and people at the centre of all climate and nature policies, to ensure a just transition is realised.

This consultation response draws upon the UN-convened Net-Zero Asset Owner Alliance (“NZAOA”) report [“Guidelines and Recommendations for Halting Deforestation”](#). We recommend the COP 30 Presidency to refer to the report in the development of the roadmap.

Detailed response

Question 1: What are the most critical barriers — whether physical, economic, financial, institutional, technological or social — preventing the halting and reversing of deforestation and forest degradation?

Valuing forests

The true value of forests – and the essential ecosystem services they provide – is not captured in today’s economic systems. In many cases, a tree is worth more when cut down than when left standing. This imbalance exists largely because forests, like much of nature, function as public goods: they deliver widespread benefits that are not easily monetised or owned, while the financial gains from clearing them accrue narrowly to a few actors.¹

Commodity-driven deforestation

Deforestation and forest conversion at the global level are driven primarily by agricultural expansion to meet rising demand for forest-risk commodities traded internationally. Key products associated with this pressure include beef, leather, coffee, cocoa, soybeans, palm oil, pulp, paper, timber, and rubber. Tackling the problem therefore requires a comprehensive, value-chain-wide approach – one that both prevents deforestation and supports alternative, sustainable production models.²

Environmentally harmful subsidies

Governments often deploy incentives to promote activities they view as strategically important. Yet some of these measures inadvertently damage nature – these are environmentally harmful subsidies.³ They appear in many forms across countries and sectors, including cash transfers, tax breaks, below-market pricing, liability caps, regulatory exemptions, and preferential credit. These subsidies not only drive deforestation and wider environmental degradation but also hinder the transition to a sustainable economy by making harmful practices artificially competitive. In 2023, governments worldwide provided an estimated US\$2.4 trillion in such subsidies, with a significant share directed toward agriculture.⁴

Illegal and legal deforestation

Illegal exploitation of the world’s fauna and flora is a significant contributor to biodiversity loss⁵, with environmental crimes the fourth largest criminal enterprise globally.⁶ A study of tropical forests found that 60% of deforestation between 2013 and 2019 was driven by agriculture, and 42% of this was likely illegal, though patterns vary sharply by region. In Latin America, 77% of forest loss was linked to commercial agriculture, with 88% of that estimated to be illegal. In Africa, commercial agriculture accounted for around 10% of forest loss, 66% of which was probably illegal. In the Asia–Pacific region, agriculture drove 76% of forest loss, with 41% estimated to be illegal.⁷ At the same time, it is important to acknowledge that legal deforestation and land-use conversion, while permitted, still contribute substantially to overall forest loss.

¹ PRI (2024), [Nature Policy Roadmap: Policy recommendations for scaling up investor action for nature](#)

² NZAOA (2025), [Guidelines and Recommendations for Halting Deforestation](#)

³ International Institute for Sustainable Development (2025), [Reforming Environmentally Harmful Subsidies – a playbook](#)

⁴ UN Environment Programme (2026), [State of Finance for Nature 2026](#)

⁵ UN Office on Drugs and Crime (2024), [World Wildlife Crime Report 2024](#)

⁶ UN Environment Programme, [“UNEP-INTERPOL Report: Value of Environmental Crime up 26%”](#), press release, 4 June 2016

⁷ UN Office on Drugs and Crime (2025), [Global Analysis on Crimes that Affect the Environment – Part 2a: Forest Crimes: Illegal deforestation and logging](#)



Enabling investor action on deforestation

Climate change and nature loss have been identified as system-level risks to our economies. Many investors, in particular universal owners, are unable to diversify from such risks, with impacts to be felt across industries and geographies. Furthermore, investors are exposed to additional material risks – including transition risks and physical risks – through their investments to companies with forest-risk commodities in their direct operations and supply chains. While many investors have begun addressing these risks and directing capital toward positive outcomes, more can be done to create the enabling conditions to further enable and scale investor action on deforestation.

Question 2: 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?

Valuing forests

We welcome emerging concepts such as the Tropical Forest Forever Facility, which proposes a permanent global mechanism that uses investment returns to recognise the public goods provided by tropical forests and to financially reward countries for their conservation. Carbon and nature markets, including REDD+ and payment for environmental services schemes, also hold potential to incentivise and compensate the protection and sustainable management of forests. These initiatives are valuable because they can help unlock investment opportunities and create concrete pathways for investors to contribute to forest conservation. However, as with all market-based mechanisms, their credibility and effectiveness depend on the presence of robust safeguards and transparent, scientifically sound methodologies. Benefit sharing is also an important element to consider.⁸

Commodity-driven deforestation

Addressing commodity-driven deforestation and forest conversion requires a just transition toward sustainable, deforestation-free sourcing, production, and trade across all geographies. Several policy levers are essential to support this shift. First, governments – both in producer and consumer countries – should adopt legislation that manage the import and export of commodities linked to deforestation, forest conversion, and associated human rights abuses. Supply-chain due diligence should also be mandated and enforced. Such measures should focus on the highest-risk commodities and be grounded in clear definitions⁹ and scope. Second, policymakers should introduce mandatory reporting requirements for companies, financial institutions, and subnational authorities to enhance traceability and transparency.¹⁰ This includes facilitating access to publicly available data and aligning disclosure standards. Finally, effective action requires close cooperation between producer and consumer countries to ensure that trade regulations are designed and implemented in a fair, equitable, and development-sensitive manner.¹¹

Environmentally harmful subsidies

Policymakers should eliminate, phase out or reform environmentally harmful subsidies for activities that drive deforestation and forest conversion, and incentivise sustainable, deforestation-free production, in line with global agreements such as the Kunming-Montreal Global Biodiversity Framework and the Paris Agreement. The BIOFIN methodology can be a useful tool for governments to starting identifying and

⁸ [Target 13](#) of the Kunming-Montreal Global Biodiversity Framework focuses on benefit sharing.

⁹ For example, those from the [Accountability Framework initiative](#) and the [Soft Commodities Forum](#).

¹⁰ For example, [SeloVerde PA](#) is a government-backed environmental monitoring and traceability platform that helps the state of Pará in Brazil track rural land compliance, fight illegal deforestation, and bring transparency to agricultural supply chains.

¹¹ NZAOA (2025), [Guidelines and Recommendations for Halting Deforestation](#)

reforming subsidies and incentives. The International Institute for Sustainable Development has also produced a playbook on reforming environmental harmful subsidies.¹² UN Environment Programme’s State of Finance for Nature 2026 report furthermore outlines the types of harmful incentives that should be reformed.¹³

Illegal and legal deforestation

Effective governance and enforcement are fundamental to achieving policy objectives. Strengthening government capacity to implement and uphold regulations is therefore as important as introducing the policies themselves. Governments can draw on digital technologies – such as earth observation and artificial intelligence – to enhance monitoring and compliance efforts. Clearly defined monetary penalties for non-compliance can also reinforce adherence and provide unambiguous financial signals.

A foundational requirement for tackling illegal deforestation is a legal framework that clearly defines land ownership and land-use rights. Only with this clarity can authorities reliably distinguish between lawful and unlawful deforestation and degradation.

When it comes to legal deforestation, governments should reassess existing allowances for deforestation and land-use conversion as part of a broader shift toward sustainable land management and commodity production, ensuring alignment with national and global climate and biodiversity goals.

Enabling investor action

While many investors are already taking action to address deforestation, more can be done to create the enabling conditions to support and scale investor action on deforestation – and also to scale positive action from the private sector at large. Policymakers, companies, data providers and investors all have important roles to play.

Governments can provide greater clarity on the role of investors and other private-sector actors in the context of global and national deforestation goals. This includes identifying which activities in the transition offer meaningful opportunities for private-sector contribution. Tools such as taxonomies, sectoral pathways, and investable national climate and biodiversity plans can support this by signalling where capital is needed and how different sectors are expected to evolve. Clear guidance of this kind helps align expectations and reinforces the relevance of deforestation-related issues for investors and businesses. At the same time, governments and regulators should mandate disclosure of nature-related dependencies, impacts, risks, and opportunities, as called for under Target 15 of the Global Biodiversity Framework. Mandatory, standardised, and well-scoped reporting is essential to improve data quality and comparability, enabling investors to make informed decisions and assess deforestation-related exposures within their portfolios.

Governments can play a leading role in tackling deforestation through strategic public spending. Innovative financing tools – such as debt-for-nature swaps and ecological fiscal transfers – offer new ways to channel resources toward forest protection. Public capital can also be used to mobilise private investment, for example through blended-finance structures, insurance solutions and other de-risking mechanisms that lower investment barriers and encourage greater private-sector participation. While scaling up and accelerating pro-nature finance is essential, it is equally important to phase out nature-negative financial flows – including environmentally harmful subsidies, as outlined in the section above.

Companies can accelerate the elimination of deforestation and forest conversion from their supply chains by setting and publicly disclosing comprehensive no-deforestation and human rights commitments across all forest-risk commodities; implementing effective measures to meet these commitments, including traceability, certification where relevant, and transparent reporting on progress; ensuring responsible political engagement by disclosing lobbying activities and addressing misalignments; actively engaging

¹² International Institute for Sustainable Development (2025), [Reforming Environmentally Harmful Subsidies – a playbook](#)

¹³ UN Environment Programme (2026), [State of Finance for Nature 2026](#)

suppliers and other stakeholders through mapping and capacity-building; and conducting robust, ongoing due diligence to identify, prevent, and mitigate deforestation risks and associated human rights abuses.

A wide range of commercial and non-commercial data providers already supply information to help investors assess deforestation risks, but the next step is to connect and standardise these datasets so they can drive effective action. Data providers should make their methodologies transparent and outputs consistent, expand coverage and quality across asset classes, and translate deforestation information into usable, issuer-level metrics aligned with reporting frameworks. Strengthening collaboration among data providers, regulators, investors and other stakeholders is essential to manage growing data complexity and ensure data is relevant and decision useful.

Given the macroeconomic and system-level risks posed by deforestation, it is in investors' interests to assess their exposure to forest-risk commodities, integrate deforestation and related human rights considerations into investment policies, and undertake active stewardship with companies and policymakers. Investors can work toward phasing out deforestation-linked activities in their portfolios by 2030, align these efforts with net-zero transition plans, and engage directly and indirectly to support corporate and policy action. Investors can also enhance transparency by disclosing material deforestation risks, the measures taken to address them, and progress toward eliminating deforestation, forest conversion, and associated human rights abuses from their portfolios. Investors can furthermore continue to innovate on financial products and mechanisms that address deforestation.

For more details on levers available for government, companies, data providers and investors, please refer to the NZAOA report "[Guidelines and Recommendations for Halting Deforestation](#)".

Question 3: What country, regional or sector experiences, best practices, and lessons learned can be shared regarding forest conservation and restoration?

Investor approaches to addressing deforestation risk and opportunities

Investors can address deforestation in five key areas: risk assessments and screening, stewardship and engagement, policy engagement, investment practices, and disclosure. Development of investment policies that signal ambitions and targets as well as investee engagement activities provide a starting point for many investors.¹⁴

Investors increasingly conduct assessments of their exposure to deforestation and associated human rights risks across their financing and investment activities, often focusing on key forest-risk commodities. These assessments typically draw on a combination of internal analysis and external datasets, such as Forest500, ForestIQ, and broader ESG data tools, to identify where risks are most concentrated. However, there is still a clear need to improve the availability and quality of decision-useful data for investors. Strengthening corporate disclosure on nature is fundamental to enhancing data quality and enabling responsible investment, as discussed above.

Regarding company engagement, for more than a decade, investors have engaged companies – individually and collaboratively – to address deforestation risks within supply chains. This has included filing shareholder resolutions, requesting stronger action from asset managers, and introducing voting policies where corporate practices raise concern. Such engagement aims to drive improved governance, risk management, and transparency among companies exposed to forest-risk commodities.

Investors also signal support for policy action to mitigate deforestation risks. Recent examples include investor coalitions urging the UK government to adopt mandatory deforestation due diligence requirements

¹⁴ NZAOA (2025), [Guidelines and Recommendations for Halting Deforestation](#)



and supporting legislative efforts in California. Similar interventions have targeted deforestation in Indonesia and Brazil through the Investor Policy Dialogue on Deforestation initiative. Engaging policymakers to strengthen regulatory frameworks and improve corporate disclosure remains a critical lever for investors.¹⁵

Regarding investment practices, findings from deforestation risk assessments increasingly inform investment strategies, including targeted engagement with high-risk companies and escalation where progress is insufficient. Some investors apply negative screening to reduce exposure to harmful activities, while others explore new asset classes and strategies that mitigate deforestation and broader nature-related risks. Investments in nature-based solutions – such as conservation, restoration, and sustainable forest management – can complement, but not replace, efforts to eliminate deforestation within value chains.¹⁶

On disclosure, investors are making more frequent and detailed disclosures on deforestation, supported by evolving reporting frameworks and regulatory expectations. These disclosures typically outline policies, risk assessment approaches, and initial findings.

Collaborative initiatives for investors to participate

There are a range of deforestation-related initiatives which investors can join to share knowledge and to collaborate with peers to amplify the effectiveness of stewardship efforts. Initiatives include:

- The Principles for Responsible Investment's [Spring](#), a corporate engagement initiative for nature, with a focus on deforestation and responsible political engagement.
- The [Investor Policy Dialogue on Deforestation](#), coordinated by the Tropical Forest Alliance, an investor-led sovereign engagement initiative that aims to halt deforestation in some of the world's most biodiverse, carbon-absorbing biomes.
- [Nature Action 100](#), an engagement initiative focused on supporting greater corporate ambition and action to reverse nature and biodiversity loss, coordinated by Institutional Investors Group on Climate Change, Ceres, and Finance for Biodiversity Foundation.
- Engagements run by [FAIRR](#), an investor network that raises awareness of the risks and opportunities in the global food sector.
- Institutional Investors Group on Climate Change's [Deforestation Investor Group](#), a platform to support investors seeking to mitigate the financial risks associated with deforestation.
- Ceres' [Food Emissions 50](#), which supports investors in engaging the food companies to reduce greenhouse gas emissions and capitalize on opportunities for a more resilient food system.

Increasing availability of guidance, frameworks, datasets, and tools for investors

Over the past decade, a range of guidance and frameworks has emerged to support deforestation-related assessment and target-setting by private-sector actors. These include the SBTi FLAG guidance (2022), which requires companies to adopt no-deforestation targets before 2025, and the CERES Investor Guide to Deforestation and Climate Change (2020), which outlines processes for risk assessment and corporate engagement. The Deforestation Free Finance Roadmap (2021) provides a phased approach for financial institutions to eliminate commodity driven deforestation, while its companion Due Diligence guidance (2023) sets out methods to identify, prevent, and mitigate deforestation, conversion, and related human rights risks. The GFANZ Nature in Net Zero Transition Plans Consultation Paper (2024) highlights how nature-related levers can support credible net-zero strategies, and the WBCSD Deforestation Disclosure Guide for Financial Institutions (2024) offers practical steps to strengthen deforestation-related reporting. Together, these materials provide a good foundation for guiding investor action on deforestation.

Investors can draw on a wide range of tools and datasets – provided by commercial vendors, ESG rating agencies, NGOs, and other non-commercial sources – to assess and quantify deforestation risks within their

¹⁵ NZAOA (2025), [Guidelines and Recommendations for Halting Deforestation](#)

¹⁶ NZAOA (2025), [Guidelines and Recommendations for Halting Deforestation](#)



portfolios. These data support multiple functions, including identifying and mapping deforestation, screening portfolios, pinpointing high-risk companies and sectors, benchmarking corporate performance, and informing company engagement. As the availability of deforestation-related information grows, transparency improves across assets, companies, and supply chains, strengthening the ability of both investors and companies to conduct deforestation risk assessments.

Question 4: How can forest conservation, sustainable management, and restoration best reflect the diverse realities of countries at different stages of development, the rights and knowledge of indigenous peoples and local communities, and different degrees of forest cover?

Achieving a successful global net-zero transition requires embedding justice at the centre of all climate and nature policies, particularly those governing non-state actors such as companies and financial institutions. Current disclosure, due-diligence, and transition-planning frameworks insufficiently address cross-border impacts, human rights considerations, and the needs of developing countries, Indigenous Peoples, and local communities.

Effective efforts to tackle deforestation require prohibiting exploitative behaviours and empowering local stewards. Protecting the rights, knowledge and agency of Indigenous peoples, women, local communities and environmental defenders is essential and should be treated as a core policy priority. It is also important to recognise that poverty – particularly among people living in or near forests – can drive deforestation. Sustained efforts to reduce poverty and ensure access to essential goods and services are therefore a critical part of any long-term solution.

Policy frameworks such as disclosure and transition planning guidance and requirements should not only be science-based but also rights-based, evidence-led and community-informed. Market-based, voluntary, transparency-focused frameworks can play a useful role but should be complemented with policies that drive implementation. Reporting without liability and enforcement rarely shifts behaviour. Halting and reversing deforestation requires interventions at the regional, national and supranational levels and clear “red lines” that safeguard the livelihoods of land-connected communities and defenders.

As climate, land, and nature systems are deeply interconnected, policies that focus narrowly on certain sub-topics risk creating new inequities or shifting burdens to vulnerable regions. Integrated, multi-actor approaches can strengthen accountability, supports capacity-building – especially for small enterprises and emerging markets – and especially if moving beyond a focus on “doing no harm” toward actively delivering positive social and environmental outcomes.

Please refer to the Taskforce on Net Zero Policy’s report “[Interconnected Justice: Understanding the cross-border implications of climate transition policies](#)” for details.

The PRI has experience of contributing to public policy on sustainable finance and responsible investment across multiple markets and stands ready to support the work of the COP30 Presidency further to implement global climate and nature goals, and to enable responsible investors to contribute to these goals.

Please send any questions or comments to policy@unpri.org.

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