

SIX BRAZILIAN STATES AND FOREST COUNTRIES SIGN LEAF AGREEMENTS

- **Amapá, Amazonas, Mato Grosso and Pará become the first Brazilian states to sign Letters of Intent**
- **Costa Rica and Nepal join Ecuador in signing Memorandums of Agreement**

17 November – Sharm El Sheikh: A total of six new agreements with forest nations and states were announced today at COP27 by the LEAF Coalition, the public-private initiative, which aims to end tropical deforestation.

Amapá, Amazonas, Mato Grosso and Pará have become the first Brazilian states to sign Letters of Intent (LOI) with Emergent, the coordinator of The LEAF Coalition. These LOIs demonstrate the commitment of all parties to progress negotiations towards binding agreements to supply emissions reductions to LEAF Coalition participants, and signal significant progress for LEAF in Brazil.

LEAF also announced that Costa Rica and Nepal have signed memorandums of agreement (MOAs) with Emergent. These agreements, for countries who have already signed LOIs, outline the next steps and put in place a clear roadmap and timetable for the signing of binding Emissions Reduction Purchase Agreements (ERPAs) by the end of April 2023. Costa Rica and Nepal join Ecuador, which was announced earlier at COP27 as the first country to sign a MOA.

The signings were marked by a ceremony at the Legal Amazon Consortium hub at COP27. The event was attended by Helder Barbalho, governor of Pará, Mauren Lazzaretti, Secretary of State for the Environment of Mato Grosso and Eduardo Taveira, Secretary of State for the Environment of Amazonas. Also attending were Espen Barth Eide, Minister of Climate and Environment, Norway and Graham Stuart, UK Minister for Climate, representing two of LEAF's sovereign participants.

Previously at COP27, the LEAF Coalition announced it had mobilized a total of USD \$1.5 billion in financial commitments with a 100% increase from the private sector. Volkswagen Group and H&M Group were unveiled as the latest global corporations to join LEAF, while The Republic of Korea was announced as the first Asian government to provide financial support to LEAF.

'The need is urgent – for the climate, for biodiversity and the people that depend on forests,' said Eron Bloomgarden, Executive Director and Founder of Emergent, the administrative coordinator of LEAF. 'That's why we are delighted that Costa Rica and Nepal have joined Ecuador in signing agreements. They show the considerable progress we have made together since COP26, providing a clear roadmap and demonstrating the commitment of all parties to

sign binding agreements in the coming months. The signing of LOIs with the first Brazilian states represents strong progress in the Amazon, one of the world's most important carbon sinks.'

'Each of these countries and states has been working hard for years to implement national REDD+ strategies and plans, in the expectation of generating results-based payments. The ERPA agreements will unlock those payments, enabling forest countries and states to sell high-integrity emissions reductions credits to multiple corporations and governments. These credits are issued by the Architecture for REDD+ Standard (ART) which are verified to meet the requirements of its rigorous TREES standard. This robust, independent standard ensures the highest levels of environmental integrity and social safeguards,' said Bloomgarden.

'In Pará, we recognize the privileged position we have in the Amazon territory,' said Helder Barbalho, governor of Pará. 'By working with the LEAF Coalition, we hope to receive financial rewards for tackling deforestation and supporting our public policies to transition to a low-carbon economy that puts people first and values the living forest. As one of the first Brazilian states to sign a Letter of Intent with Emergent, we are pleased to be at the forefront of the battle to protect our forests.'

Mauro Mendes, governor of Mato Grosso said: 'We have worked hard in recent years to implement our REDD+ strategy. To continue with our mission to reconcile Conservation, Inclusion and Preservation, we need financial support at scale. This is what we hope to receive through our cooperation with the LEAF Coalition. We are pleased to be one of the first Brazilian states to sign a Letter of Intent with Emergent and look forward to further discussions.'

Wilson Lima, governor of Amazonas said: 'In the last four years, Amazonas has advanced significantly in the REDD + agenda in our State. The State Law on Environmental Services has been regulated and we have advanced in the safeguards that guarantee that the resources reach the traditional and original communities of our Conservation Units through the Program for Payments for Environmental Services Guardians of the Forest. I have no doubt that paying the environmental services provided by guardians of the forest, especially through REDD+, is the fastest way to reduce both poverty and deforestation in our biome.'

'Costa Rica is an early implementer of REDD+, using domestic funding,' said Franz Tattenbach, Minister of Environment and Energy, Costa Rica. 'We expect the LEAF initiative will bring the opportunity to access international financing to expand our efforts to reach zero gross deforestation and consolidate the significant reduction of forest emissions the country has reached in the last 20 years.'

'In Nepal we have been working to implement our national REDD+ strategy and reduce deforestation for over 10 years,' said Dr Pem Narayan Kandel, Secretary at the Ministry of Forest and Environment of Nepal. 'This collaboration with the LEAF Coalition provides a unique opportunity to continue our efforts to maintain forest cover, protect biodiversity and support the livelihoods of all our citizens, including Indigenous Peoples who play a vital role as

guardians of our forests. This agreement represents a significant milestone and a commitment to work with the LEAF Coalition towards a final agreement by April 2023.’

On the role of market initiatives, such as the LEAF Coalition, Craig Hanson, Managing Director of Programs at the World Resources Institute, said: ‘Scaling finance for forest conservation and restoration is vital if the world is to keep global warming below 1.5°C. Market initiatives like LEAF that conserve forests in a manner that ensures demand-side and supply-side integrity will play a critical role.’

On the progress of the LEAF Coalition, Mark Morage, Vice President of Natural Climate Solutions at Environmental Defense Fund, said: ‘The LEAF Coalition’s approach represents a critical tool in the global community’s collective toolkit to stop tropical deforestation at the speed and scale the world needs. We’re encouraged to see LEAF’s continued growth and advances towards conserving tropical forests at scale. Whether as companies, Indigenous Peoples and local communities, governments or civil society – we all have critical roles to play in tackling the deforestation crisis. The LEAF Coalition’s approach is a key avenue to align our collective efforts to achieve the outcomes for tropical forests, people and our climate that we’re all striving towards.’

The MOAs signed by Emergent with Ecuador and Nepal pave the way for ERPAs to provide Emissions reduction credits to the LEAF Coalition for the years 2022 – 2026. These agreements are designed to provide both countries with access to long-term predictable funding for sustainable development and forest protection. The MOA with Costa Rica establishes a clear timeline for the signing of an ERPA agreement to provide credits from 2017.

The LEAF Coalition ensures the highest environmental and social integrity of jurisdictional REDD+ results by only purchasing emissions reductions credits issued by ART as verified to meet requirements of its TREES Standard. Each emissions reduction credit represents a reduction in emission of one tonne of CO₂ equivalent as a result of activities to reduce deforestation.

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Notes to Editors

The LEAF Coalition

Established at the World Leader’s Summit on Climate at COP26 in Glasgow, the LEAF Coalition aims to build a market for high integrity REDD+ emissions reduction credits from large scale schemes operated by national or sub national governments (known as the jurisdictional approach). LEAF ensures the highest environmental and social integrity of REDD+ results by only purchasing credits issued by ART as verified to meet requirements of its TREES Standard for jurisdictional REDD+ emissions reductions and removals. This builds buyer confidence and

trust by ensuring the highest levels of environmental integrity and social safeguards, particularly for Indigenous peoples and local communities.

Emergent

Emergent is a U.S. non-profit that serves as an intermediary engaging between tropical forest countries and the private sector to mobilize finance to support emissions reductions in deforestation. It does this by developing and bringing practical, credible, and largescale forest protection solutions to market. Emergent serves as the coordinator of the LEAF Coalition. Launched during President Biden's Leaders' Summit on Climate in April 2021, LEAF is a public-private initiative designed to accelerate climate action by providing results-based finance to countries committed to protecting their tropical forests. Its participants, which include the US, UK, and Norwegian governments, together with 25 global companies, have already mobilized more than \$1.5 billion.

ART TREES

ART is a standalone, independent program that develops and administers standardized procedures for crediting emission reductions and removals from national and large sub-national REDD+ programs. ART's standard for the measurement, monitoring, reporting and verification of emission reductions and removals from the forest sector — The REDD+ Environmental Excellence Standard, known as TREES — represents the next step in the evolution of global efforts to protect and restore tropical forests. TREES supports transformational climate action at scale, while upholding rigorous social and environmental integrity.

REDD+

REDD+ is a framework created by the UNFCCC Conference of the Parties (COP) to guide activities in the forest sector that reduces emissions from deforestation and forest degradation, as well as the sustainable management of forests and the conservation and enhancement of forest carbon stocks in developing countries. It aims at the implementation of activities by national governments to reduce human pressure on forests that result in greenhouse gas emissions at the national level, but as an interim measure also recognizes subnational implementation. The implementation of REDD+ activities is voluntary and depends on the national circumstances, capacities and capabilities of each developing country and the level of support received.