CEEW
THE COUNCIL

Issue Brief | November 2026

Making the Forest Roadmap Work

Forest Finance, Deforestation-free Trade, and Priorities for COP31

Authors
Joy Rajbanshi
Johns Tiyndel
Vaibhav Chaturvedi



Copyright © 2026 Council on Energy, Environment and Water (CEEW).

Open access. Some rights reserved. This work is licenced under the Creative Commons Attribution- Non-commercial 4.0. International (CC BY-NC 4.0) licence. To view the full licence, visit: www.creativecommons.org/licences/by-nc/4.0/legalcode.

Suggested citation: Joy Rajbanshi, Johns Tiyndel and Vaibhav Chaturvedi. 2026. *Making the Forest Roadmap Work: Forest Finance, Deforestation-free Trade and Priorities for COP31*. New Delhi: Council on Energy, Environment and Water.

Disclaimer: The views expressed in this work are those of the authors and do not necessarily reflect the views and policies of the Council on Energy, Environment and Water.

Cover images: iStock. For illustrative purposes only.

Peer reviewers: Dr Sanjay Bala, Faculty, Ecosystem & Environment Management, Indian Institute of Forest Management (IIFM), Bhopal; Dr Manoj Kumar, Scientist, Centre of Excellence on Sustainable Land Management (CoE-SLM), Indian Council of Forestry Research & Education (ICFRE), Dehradun; and Sumit Prasad, Sr. Programme Lead, Council on Energy, Environment and Water (CEEW).

Acknowledgement: We thank Adishree Purohit, Research Intern, CEEW for her support in literature review, data collection, validation and cleaning.

Publication team: Purnima P. Vijaya (CEEW); Alina Sen (CEEW); The Clean Copy; Twig Designs, and FRIENDS Digital Colour Solutions.

Organisation: The Council on Energy, Environment and Water (CEEW)—**a home-grown institution** with headquarters in New Delhi—is among the **world's leading climate think tanks**. The Council uses **data, integrated analysis, and strategic outreach** to support public policy, transform markets, shape technology, and nudge behaviour. It addresses pressing regional and global challenges through an **integrated and internationally focused** approach. The Council prides itself on the **independence** of its high-quality research and strives to **impact sustainable development at scale**.

CEEW
THE COUNCIL

Making the Forest Roadmap Work

Forest Finance, Deforestation-free Trade, and Priorities for COP31

Issue Brief | November 2026

Joy Rajbanshi, Johns Tiyndel, and Vaibhav Chaturvedi

Contents

Section	Pg
Executive summary	1
1. Introduction	4
2. The Forest Roadmap: Bridging ambition and delivery	8
3. What the Forest Roadmap submissions reveal	9
3.1 Parties converge on finance, but differ on rules and processes	9
3.2 Non-party submissions reinforce the focus on delivery	11
3.3 The actionable asks point to a financing gap and a delivery problem	12
3.4 The record also shows what it cannot answer	12
4. Forest finance and demand-side trade measures	13
4.1 The evolving forest finance and market architecture	13
4.2 Why the TFFF and the EUDR, and what they leave open	15
4.3 Carbon-market integrity	15
5. How the Tropical Forest Forever Facility works	16
5.1 The financial structure can create scale, but it also transfers part of the problem to financial markets	18
5.2 The base payment may be insufficient where forest conversion has high returns	19
6. What the EUDR means for producer countries	19
6.1 The compliance cost is partially measured	20
6.2 The burden is likely to fall more heavily on smaller producers	20
6.3 The legality requirement turns weak land administration into a market-access problem	20
6.4 Risk classification changes scrutiny, but the basis for classification matters	20
6.5 Trade leakage can weaken the global impact of the EUDR	22
6.6 Other importing markets and the role of forest certification	22

Section		Pg
7. How India can engage in the Forest Roadmap debate		23
7.1	India and the Tropical Forest Forever Facility: What India should seek at COP31	23
7.2	EU Deforestation Regulation: Implications for India and policy priorities	27
7.3	Bringing India's asks into the Roadmap debate	28
8. Policy priorities for making the Forest Roadmap work		29
8.1	Establish an implementation architecture for the Forest Roadmap	29
8.2	Safeguard forest payments and strengthen forest-country representation	29
8.3	Assess the net financial benefits of the TFFF for forest countries	29
8.4	Review TFFF eligibility and degradation rules	30
8.5	Make community finance traceable	30
8.6	Coordinate support for producer-country compliance with the EUDR	30
8.7	Enable reuse of due-diligence information and transparent benchmarking	30
8.8	Align public and private financial flows with forest objectives	31
9. Conclusion		32
Acronyms		33
References		34

Executive summary

Deforestation and forest degradation threaten the environmental, climatic, and socioeconomic benefits that forests provide, including the livelihoods of people who depend on them. The first Global Stocktake (GST-1) recognised the urgency of halting and reversing both trends by 2030 (UNFCCC 2023). Meeting this target requires not only commitments but also adequate finance, effective market incentives, and robust institutions and systems to translate commitments into action. The 30th Conference of the Parties (COP30) Presidency Roadmap for Halting and Reversing Deforestation and Forest Degradation by 2030 (the Forest Roadmap) provides an opportunity to align these efforts. It addresses four key questions:

- What barriers are preventing progress?
- What measures can accelerate action?
- Which practices can be replicated?
- How can action account for differences in national circumstances, forest conditions, and the rights and knowledge of Indigenous Peoples and local communities?

Answering these questions can help identify practical approaches to financing, implementing, and sustaining forest conservation. This brief analyses the 174 written submissions to the COP30 Presidency's consultation against 13 questions on finance, trade and cross-cutting issues, and uses one forest-finance instrument (the Tropical Forest Forever Facility, TFFF) and one demand-side trade measure (the EU Deforestation Regulation, EUDR) as examples to identify what the Forest Roadmap can add to existing instruments and how India can contribute to its discussions.

Key findings

Submissions to the Forest Roadmap consultation highlight the challenge of translating commitments into action. **Our analysis identified 233 actionable asks across the 13 questions (Section 3.3). Three priorities emerged: direct access to finance for communities, including a funding floor (51 asks); operationalising the Forest Roadmap (40 asks); and extending due-diligence requirements to the demand side (24 asks).** These asks call for finance that reaches communities directly, a clear home, budget and reporting line for



Image: iStock.

Forest clearance and timber harvesting highlight the pressures driving deforestation and the need for sustainable forest management and restoration.

the Roadmap, and the retention and extension of demand-side due-diligence laws. Rather than proposing substantial changes to individual instruments, the submissions point to broader implementation challenges. Key questions concern institutional responsibility for implementing commitments, delivery of finance to those managing forests, distribution of the costs associated with new market requirements, and the support and systems countries and producers need to meet these requirements.

These findings highlight the need to consider both forest finance and demand-side trade measures together. Forest finance can strengthen incentives to conserve standing forests, while trade measures can influence the production and sale of commodities linked to deforestation. Pursued in isolation, each leaves gaps: additional finance may have limited impact if public subsidies and private investments continue to support activities that increase pressure on forests, while stricter market requirements may impose additional compliance costs on producers, particularly smallholders whose livelihoods depend on these commodities, where they lack the finance, infrastructure, and public systems needed to comply. The TFFF and the EUDR represent these two approaches, and both depend on reliable forest monitoring, land and tenure records, traceability, institutional capacity, and systems that support those managing forests. Neither instrument fully addresses all four questions raised by the Forest Roadmap, but examining them together reveals where stronger coordination between finance, markets, and implementation is needed.

The TFFF addresses one part of the forest-finance challenge. Forest countries (countries with large forest areas, particularly tropical forest countries) bear much of the cost of maintaining forests that deliver global benefits, yet receive limited international financial support. Of an estimated USD 84 billion in forest-related finance in 2023, only USD 2.9 billion came from international public sources (UNEP 2025). Forestry mitigation accounted for approximately 0.12 per cent of tracked global climate finance in 2024, a narrower measure than UNEP's estimate of all forest-related finance (CPI 2026a). Existing results-based approaches may provide insufficient incentives for countries that have already maintained substantial forest cover (Teo et al. 2024). The TFFF seeks to address this gap through payments linked to standing forest cover (TFFF Secretariat 2025), but its effectiveness will depend on payment stability, financial risk management, eligibility and degradation criteria, and whether benefits reach those managing forests.

On the demand side, the EUDR raises a related implementation challenge. Compliance depends largely on producer-country systems, including land-tenure records, legality documentation, plot-level geolocation, traceability, and digital data systems. These requirements can impose significant fixed costs on smallholders, particularly in countries with limited land administration capacity (Verma et al. 2026). Differences in requirements across major consumer markets can further increase compliance costs and risk diverting deforestation-linked trade towards markets with weaker regulations (Boysen 2025; Sharma and Villoria 2026). Greater coordination among consumer markets could help mitigate these risks, and existing legality requirements for forest-based products in other major importing markets, including the United States and Japan, offer a starting point (USDA APHIS 2026; Forestry Agency n.d.). Forest certification can support producers in demonstrating legal and sustainable sourcing across markets, but it cannot substitute for operators' own due-diligence responsibilities (EU 2023).

The central policy challenge, therefore, is to connect financial and market incentives with the systems required for effective implementation. Neither forest finance nor demand-side trade measures can realise their full potential without adequate institutions, infrastructure, and financial systems. By integrating forest finance, trade measures, forest monitoring, land administration, and community access into a coordinated implementation framework, the Forest Roadmap can help bridge this gap.

Key recommendations

Our analysis of the consultation, the TFFF and the EUDR identifies eight priorities for COP31. They respond to the Roadmap's four questions as follows: priority 1 addresses the main barrier, the absence of a delivery mechanism; priorities 2, 3, 7, and 8 set out measures that can accelerate action through finance and markets; priority 6 identifies practices that producer countries can replicate; and priorities 4, 5, and 7 address differences in forest conditions, national circumstances, and the rights of Indigenous Peoples and local communities.

1. **Establish an implementation architecture for the Forest Roadmap**. At COP31, the Presidency and Parties should define institutional responsibilities, agree a work programme with milestones, establish measurable indicators and regular reporting, and adopt a common baseline for forest-finance needs and gaps.

2. **Safeguard forest payments and strengthen forest-country representation**. Parties should encourage the TFFF Board to introduce mechanisms that protect payment reliability during periods of financial stress and ensure meaningful forest-country participation in decisions on the facility's investment risks.

3. **Assess the net financial benefits of the TFFF for forest countries**. The TFFF should report financing costs, leverage, payment stability, net fiscal benefits, and the distribution of potential losses, rather than relying solely on capital mobilisation as a measure of the facility's performance.

4. **Review TFFF eligibility and degradation rules**. The TFFF Board should reassess the exclusion of forest types such as dry forests, weight fire by severity and repeat burning, and review these rules periodically.

5. **Make community finance traceable**. The TFFF's proposed minimum of 20 per cent of payments for Indigenous Peoples and local communities already responds to calls for a funding floor. Recipient governments should track allocations and transfers from international sources through national and subnational institutions to these communities, with their organisations involved in monitoring. The Forest Roadmap should periodically assess whether international finance is additional to domestic spending.

6. **Coordinate support for producer-country compliance with the EUDR**. The Forest Roadmap, the EU, and other funders should align existing support around land and legality records, geolocation, and traceability and digital systems, prioritising shared public infrastructure and its long-term maintenance to reduce compliance burdens on smallholders.

7. **Enable reuse of due-diligence information and transparent benchmarking**. Importing markets should promote mutual recognition of core compliance information without compromising individual markets' legal requirements. The European Commission should establish transparent, evidence-based processes for reviewing country-risk classifications.

8. **Align public and private financial flows with forest objectives**. The Forest Roadmap should encourage the Tropical Forest Investment Fund to reflect forest-risk commodity activities in its investment exclusion policy and invite countries to identify and disclose public incentives that could undermine their forest commitments.

Box 1. India's perspective on the Forest Roadmap

India did not submit written inputs to the consultation, but the assessment of the TFFF and the EUDR shows why implementation rules must account for differences in forest conditions, supply chains and national circumstances (Section 7).

TFFF: About 23.4 million hectares (Mha) of India's moist forest could qualify, as recent loss from forest fires, estimated from Global Forest Watch data, falls below the 0.5 per cent entry cap (Section 7.1). The size of the potential payment depends on how fires are counted. At full capitalisation, the gross inflow would be about USD 94 million a year; counting every burn scar as degradation would eliminate the payment, whereas weighting fires by severity would retain up to USD 40 million a year. India could seek to extend eligibility to its 12.2 Mha of tropical dry forest, which is currently excluded.

EUDR: India is classified as low risk (European Commission 2025a), but most of its green-coffee and natural-rubber imports in 2024 came from standard-risk countries (UN Comtrade 2026), so these raw materials still require full due-diligence information. Small holdings also account for most of India's coffee holdings (Coffee Board 2023), which makes plot-level traceability and legality evidence harder to assemble.

Options for COP31: India could propose fire-severity weighting before the TFFF operations manual is approved and seek a separately funded window for dry forests. Under the EUDR, it could seek recognition of Coffee Board and Rubber Board registries as supporting evidence of plot location and legality, and targeted EU co-financing for smallholder compliance costs. Its forest-fire monitoring, producer registries and certification scheme also offer lessons for other countries.

Source: Authors' analysis.

1. Introduction

Forests play an important role in conserving biodiversity, providing ecosystem services, supporting livelihoods, enhancing climate resilience, and serving as one of the world's largest natural carbon sinks (FAO 2026). Their ability to sustain these functions depends on their ecological condition, the pressures they face, and the land-use decisions that affect them. Maintaining these functions requires addressing the pressures that contribute to forest loss and degradation. Deforestation, in particular, can reduce ecosystem resilience, disrupt hydrological systems, and increase vulnerability to climate change (Smith et al. 2023; Meli et al. 2024). Reducing deforestation therefore remains central to preserving the ecological, climatic, and socioeconomic functions of forests.

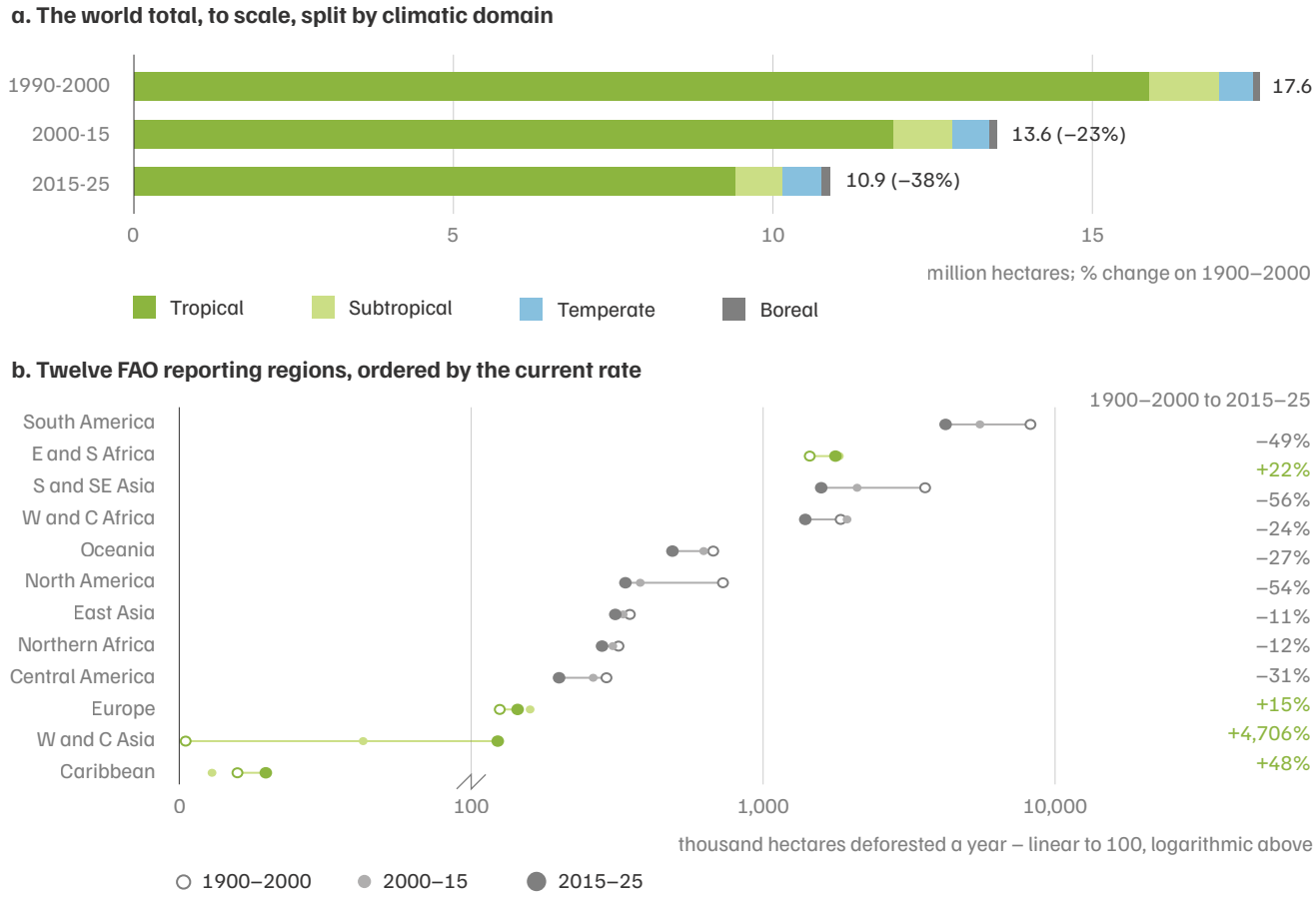
Globally, there has been measurable progress in reducing deforestation, but the pace and distribution of this progress remain uneven. According to the Food and Agriculture Organization of the United Nations (FAO)'s *Global Forest Resources Assessment 2025*, annual gross deforestation declined from 17.6 million hectares (Mha) in 1990–2000 to 13.6 Mha in 2000–15 and 10.9 Mha in 2015–25, representing a 38 per cent decline between the first and last periods (Figure 1a). However, regional trends vary considerably. Of the 12 FAO reporting regions, eight recorded declines in annual deforestation between the 1990–2000 and 2015–25 periods, while four recorded increases (Figure 1b). Moreover, almost 88 per cent of cumulative deforestation during 1990–2025 occurred in the tropical domain. This concentration remains evident in recent trends, with South America and Africa together accounting for more than 70 per cent of annual gross deforestation during 2015–25 (FAO 2025).



Image: iStock.

The forest–agriculture interface highlights the growing need to balance agricultural expansion with forest conservation.

Figure 1. Global gross deforestation (1990–2025) has declined by 38% since the 1990s, but regional trends remain sharply divergent



Source: Authors' compilation and calculation using FAO (Food and Agriculture Organization of the United Nations). 2025. Global Forest Resources Assessment 2025. Food and Agriculture Organization of the United Nations.

Note: 1. The measure is gross deforestation, not net forest change. Green indicates an increase in deforestation, while grey indicates a decrease.

2. Acronyms: C: central; E: east; FAO: Food and Agriculture Organization of the United Nations; S: south; SE: southeast; W: west

Forest degradation is another important dimension of forest change. Unlike deforestation, which permanently converts forest to another land use, degradation can reduce forest condition, carbon stocks, and ecological value while the area remains classified as forest. This can occur through repeated fires, logging, and fragmentation. In 2024, an estimated 8.8 Mha of tropical moist forest was degraded without being cleared, while 6.73 Mha of primary tropical forest was lost in the same year (Forest Declaration Assessment Partners 2025). Deforestation and degradation are therefore distinct processes that need to be considered when assessing forest change and designing appropriate policy responses.

The drivers of forest loss include both human activities and natural disturbances, and their relative contributions vary across landscapes. Globally, permanent agriculture is the largest contributor to tree-cover loss between 2001 and 2022, accounting for 34.8 per cent (±2.6 percentage points, 95 per cent confidence interval), followed by wildfire at 29.3 per cent (±2.3), and logging at 23.1 per cent (±2.2) (Sims et al. 2025). The study identifies permanent agriculture, hard commodities, settlements, and infrastructure as drivers indicative of deforestation, while other drivers are more likely to cause temporary or reversible forest loss. This distinction matters for policy. Commodity-focused demand-side measures,

such as the EU Deforestation Regulation (EUDR), mainly address conversion of forest to agriculture for the commodities they cover, and degradation caused by wood harvesting (EU 2023). They do not address loss from mining, infrastructure, wildfire not followed by conversion, or shifting cultivation, which need other instruments. Because the mix of drivers varies across forest regions, no single policy instrument can address the implementation challenge.

In this context, the 30th Conference of the Parties (COP30) Presidency Roadmap for Halting and Reversing Deforestation and Forest Degradation by 2030 (the Forest Roadmap) provides an opportunity to strengthen the implementation pathway by drawing attention to the barriers that constrain progress, the levers that can accelerate action, the practices that can be replicated, and the need to account for differences in national circumstances and forest conditions.

In this brief, we analyse 174 submissions to the presidency's consultation against 13 substantive questions (Table 1) covering finance, trade, and cross-cutting issues, following the Framework Method for structured qualitative analysis (Gale et al. 2013). The questions were developed iteratively. They drew on the Presidency's four guiding questions, the consultation's stated priorities and recurring recommendations identified through an initial review of the submissions. The analysis focused on forest finance and trade, as policy levers shaped largely by actors beyond forest countries and areas where the consultation identified unresolved issues. Domestic law enforcement, restoration and the bioeconomy were excluded as beyond the scope of this brief. Each question was formulated as a proposition and accompanied by a coding rule defining the criteria for inclusion. We group these questions into three broader questions to interpret what the findings mean for the Forest Roadmap: What incentives do existing instruments create? Which known weaknesses have they already sought to address? And what gaps remain for the Roadmap to address? The objective is to identify what the Roadmap can add to existing instruments and how it can support a more coherent pathway towards halting and reversing deforestation and forest degradation by 2030.

Table 1. The 13 policy propositions used to assess the submissions

Group	No.	Policy proposition	Basis in the consultation
Finance architecture	1	Pay for standing forest, not only for reduction	Roadmap question on levers; topic: international forest finance. Forest-rich developing countries asked for maintained forest, not only reduced loss, to be rewarded
	2	Provide a distinct route for high forest, low deforestation (HFLD) jurisdictions	Roadmap question on different degrees of forest cover. Raised by HFLD countries such as Guyana and Suriname
	3	Widen the TFFF's biome and canopy eligibility	Roadmap question on different degrees of forest cover; topic: forest finance. Submissions questioned which forests the facility covers (dry forest, savanna, mangroves)
	4	Give communities direct access to finance, with a funding floor	Topic: Indigenous Peoples, local communities, forests; Roadmap question on rights and knowledge. A recurring ask for finance to reach communities directly
	5	Make finance predictable, concessional, and accessible	Roadmap questions on barriers and levers; topic: forest finance. A recurring ask, mainly from developing countries
	6	Reform harmful subsidies and private financial flows	Roadmap question on economic and financial barriers. Prominent in non-party submissions

Group	No.	Policy proposition	Basis in the consultation
Trade and the demand side	7	Extend demand-side due diligence	Topics: Sustainable value chains; trade rules. Some submissions defended demand-side due-diligence laws and sought to extend them
	8	Treat unilateral trade measures as objectionable	Topic: Trade rules. Argued from parties including Brazil, Indonesia and Russia
	9	Finance producer and smallholder compliance	Topics: Value chains; international cooperation and capacity building. Submissions asked who pays producers' compliance costs
	10	Coordinate requirements across consumer markets	Topics: Value chains; trade rules. Proposals for harmonised standards and mutual recognition to limit trade leakage
Cross-cutting	11	Treat degradation and fire on a par with clearance	Topic: Forest degradation, drivers and solutions. Submissions asked for degradation and fire to be measured and treated like deforestation
	12	Apply differentiation and common but differentiated responsibilities in implementation	Roadmap question on countries at different stages of development. Submissions invoked national circumstances and CBDR
	13	Make the Roadmap operational and feed its results back into implementation	The Roadmap's stated aim to identify means of implementation, obstacles and gaps. A recurring ask for a home, a budget and a reporting line

Source: Authors compilation from 174 submission to the presidency consultation using Framework Method explained in Section 1.

Note: Acronyms: CBDR: common but differentiated responsibilities; HFLD: high forest, low deforestation; TFFF: Tropical Forest Forever Facility

The brief first analyses the Roadmap consultation submissions and the key insights they offer. It then examines forest finance and demand-side trade measures through the examples of the Tropical Forest Forever Facility (TFFF) and the EUDR, assessing their contributions, limitations and relevance to the Roadmap.

Building on these findings, the brief considers how India can contribute to the Roadmap discussions by drawing on its experience with the EUDR and its position as a TFFF observer. It concludes by outlining policy priorities and opportunities for engagement at the 31st Conference of the Parties (COP31).

2. The Forest Roadmap: Bridging ambition and delivery

Forests initially entered the international climate agenda through mitigation accounting, with the policy architecture evolving from the decisions on reducing emissions from deforestation and forest degradation (REDD+) through Article 5 of the Paris Agreement and the Glasgow Leaders' Declaration on Forests and Land Use in 2021. A significant milestone came with the first Global Stocktake (GST-1), which set a party-adopted commitment to halt and reverse deforestation and forest degradation by 2030 under paragraphs 33 and 34 of Decision 1/CMA.5 (UNFCCC 2023; Agroicone 2026). Although the forest agenda spans the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Forum on Forests, the biodiversity and desertification conventions, and the FAO, no single coordinating framework exists for implementation and delivery.

The Forest Roadmap emerged in this context to strengthen the implementation pathway. More than 90 parties supported the proposal, although an agreement was not reached in the negotiated outcome (Chandrasekhar et al. 2025). The COP30 Presidency nevertheless carried it forward under its own mandate and invited written contributions in 2026, with outcomes expected at COP31 (COP30 Presidency 2026; CPI 2026b). The consultation was structured around four questions: the barriers preventing progress; the levers that could accelerate action; experiences worth sharing; and how action should reflect different stages of development, the rights and knowledge of Indigenous Peoples and local communities, and different degrees of forest cover. The consultation also identified international forest finance, carbon markets, sustainable value chains, and international institutional challenges, such as trade rules, as areas for consideration.

The Forest Roadmap's success will depend not only on political commitments but also on whether countries and forest-dependent communities have the economic incentives, finance, and institutional capacity to act. It can therefore help bridge the gap between what countries have committed to achieve and the financial, market, and institutional conditions needed to deliver those commitments.

The Roadmap's timing also links it to the next assessment of collective progress under the Paris Agreement. The second Global Stocktake (GST-2) begins at COP31 in November 2026 with an information-collection and preparation phase, followed by a technical assessment from June 2027, and concludes at the 33rd Conference of the Parties (COP33) in November 2028 (UNFCCC n.d.). Implementing the Roadmap between 2026 and 2028 can therefore generate evidence on progress, institutional capacity, financial flows, producer-country readiness, and remaining gaps to inform this assessment.

> The Forest Roadmap provides a framework to identify barriers, accelerate action, and advance the 2030 forest goal.

3. What the Forest Roadmap submissions reveal

The COP30 Presidency's consultation provides the most direct available record of what countries and other stakeholders expect from the emerging forest architecture. It also offers a basis for assessing the issues discussed in Section 2. We reviewed all 174 written submissions against the 13 substantive questions set out in Section 1: six concerning forest finance architecture, four addressing trade and demand-side measures, and three covering cross-cutting issues (Table 1).

3.1 Parties converge on finance, but differ on rules and processes

Party submissions reveal both areas of convergence and differences across the Roadmap's finance, trade, and cross-cutting questions (Figure 2). The 22 party submissions come from 19 parties and negotiating groups (11 non-Annex I and 8 Annex I); the counts below refer to these 19. Non-Annex I parties make substantially more actionable asks concerning the finance architecture, with 10 across Q1–Q6, compared with 6 from Annex I parties. Predictable, concessional, and accessible finance (Q5) is the most widely argued finance proposition among non-Annex I parties, with 7 of the 11 presenting substantive arguments, compared with 1 of the 8 Annex I parties.

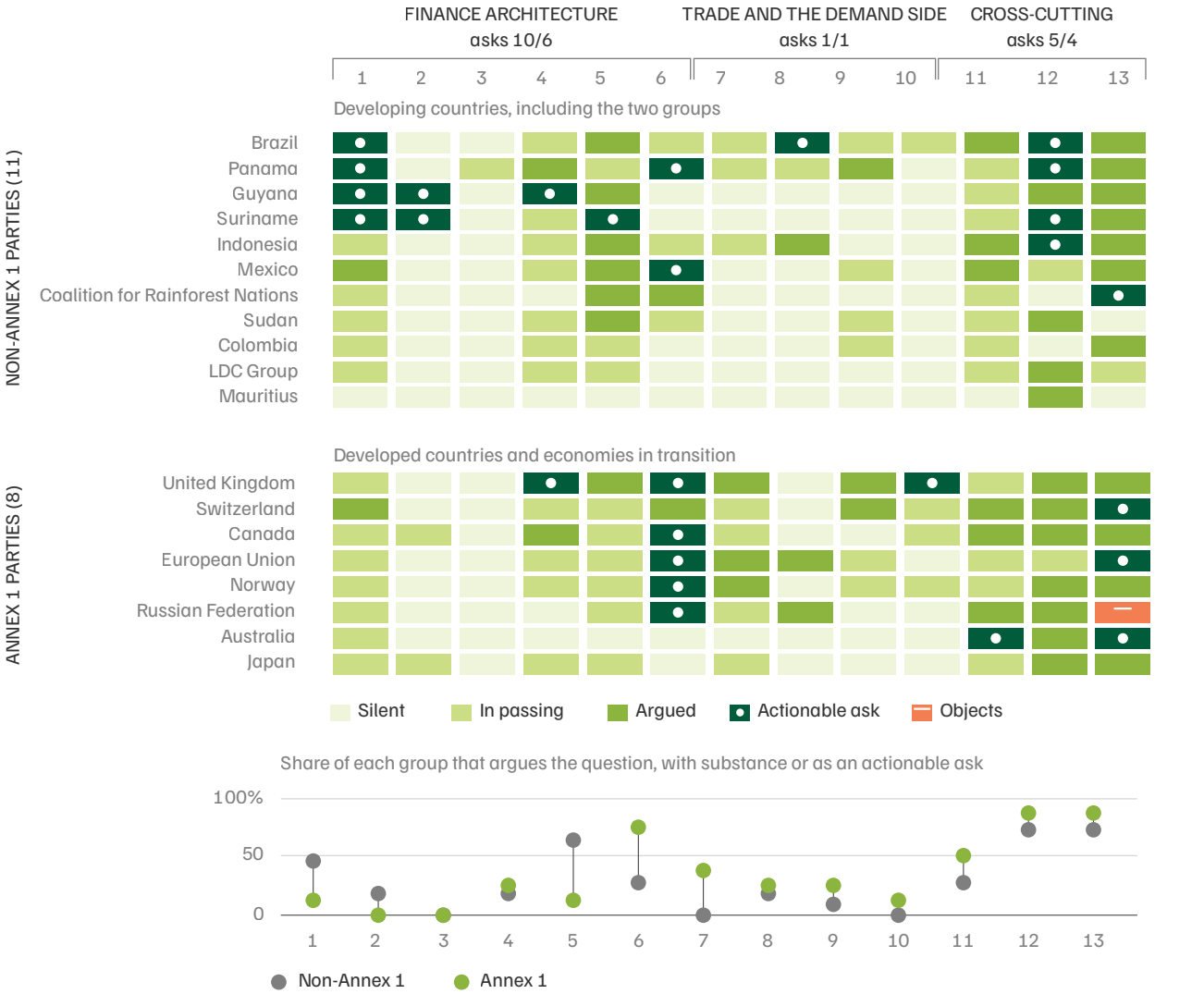
The clearest divergence, however, concerns demand-side trade measures. Extending demand-side due diligence (Q7) is addressed through substantive arguments by 3 of the 8 Annex I parties but by none of the 11 non-Annex I parties, 3 of which mention it only in passing, representing one of the largest divergences across the 13 questions. Overall, the submissions suggest that the main divide is not over the need for stronger international action on forests, but over how finance should be structured and accessed, how demand-side measures should operate, and how responsibilities should be differentiated.



Image: iStock.

Forest degradation at the forest frontier highlights the urgent need for stronger monitoring and restoration efforts.

Figure 2. Non-Annex I and Annex I parties converge on implementation priorities but differ on forest finance and trade measures



1 Pay for standing forest, not only for reduction
2 A distinct route for high-cover, low-loss states
3 Widen the TFFF's biome and canopy eligibility
4 Direct access for communities, with a floor
5 Predictable, concessional, accessible finance
6 Reform harmful subsidies and private flows
7 Extend demand-side due diligence
8 Unilateral trade measures are objectionable
9 Finance producer and smallholder compliance
10 Coordinate across consumer markets
11 Degradation and fire on a par with clearance
12 Differentiation and CBDR govern implementation
13 Make the roadmap operational and feed it back

Source: Authors' analysis of 22 submissions from 19 parties and negotiating groups to the COP30 Presidency's forest roadmap consultation.

Note: 1. The matrix shows how the 22 submissions from 19 parties and negotiating groups (11 non-Annex I and 8 Annex I) addressed each question, i.e., whether they remained silent, mentioned it in passing, or presented a substantive argument. Dark cells indicate actionable asks, while red cells indicate objections. The lower panel shows the share of each group engaging with each question. The grouping follows Annex I membership and does not represent a CEEW classification of development status.

2. Mexico's annex on fire management is excluded, with Mexico counted once.

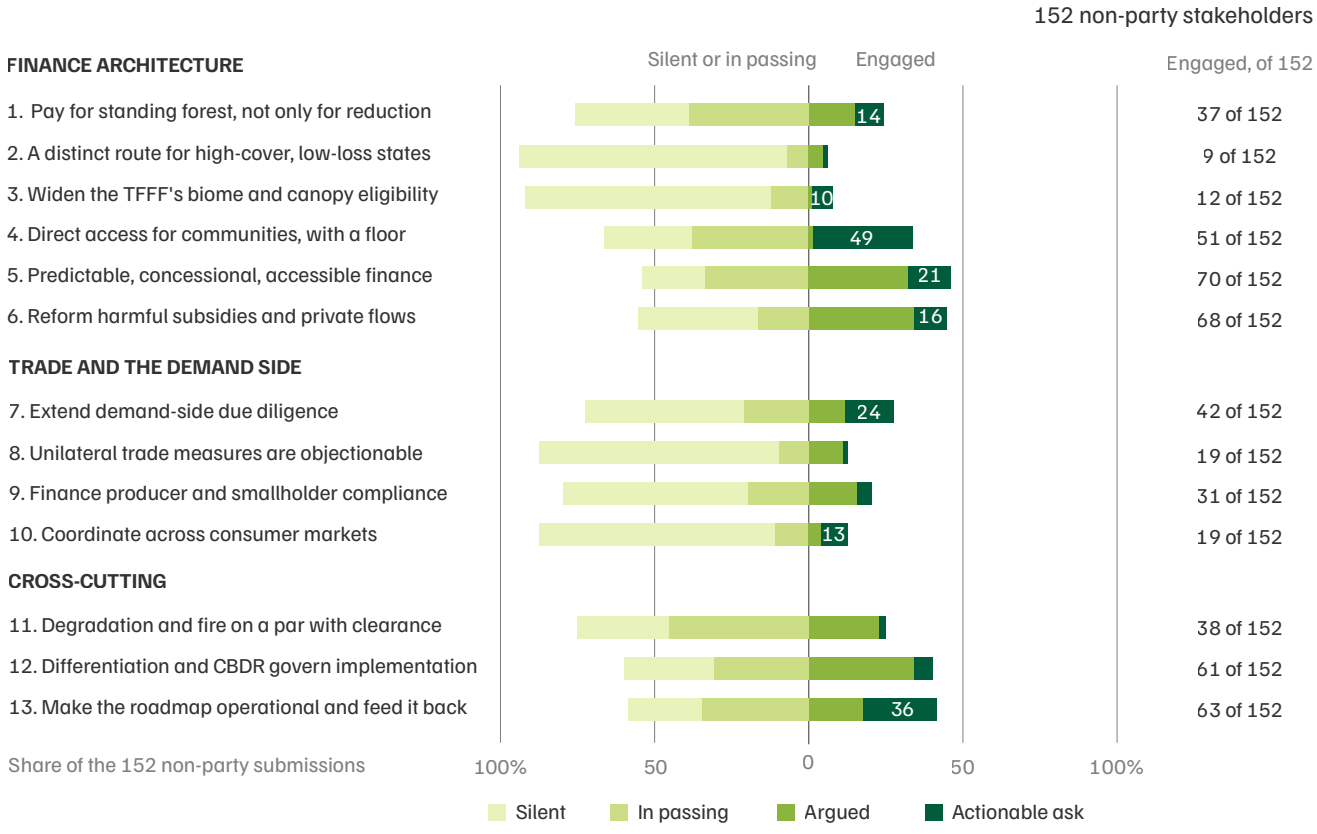
3. Acronyms: CBDR: common but differentiated responsibilities; COP: Conference of the Parties; TFFF: Tropical Forest Forever Facility; UNFCCC: United Nations Framework Convention on Climate Change

3.2 Non-party submissions reinforce the focus on delivery

Non-party stakeholders place considerable emphasis on finance and implementation (Figure 3). Among the 152 submissions, engagement is highest on predictable, concessional, and accessible finance (Q5, 70 submissions), reforming harmful subsidies and private financial flows (Q6, 68), and operationalising the Roadmap (Q13, 63). Differentiation and common but differentiated responsibilities (CBDR; Q12, 61) and direct community access to finance (Q4, 51) also receive substantial attention.

By contrast, engagement is limited on specific eligibility questions, including expanding TFFF biome and canopy eligibility (Q3, 12) and establishing a distinct route for HFLD jurisdictions (Q2, 9). Actionable asks are most frequent on direct community access to finance (Q4, 49), followed by operationalising the Roadmap (Q13, 36) and extending demand-side due diligence (Q7, 24). Overall, the submissions prioritise accessible finance and practical implementation, particularly ensuring that resources reach forest-dependent communities.

Figure 3. Non-party stakeholders focus most on accessible forest finance, subsidy reform and operationalising the Roadmap



Source: Authors' analysis of 152 non-party submissions to the COP30 Presidency's forest roadmap consultation. Of these, 89 were UNFCCC-admitted observer organisations, and 63 were other organisations, researchers, and individuals.

Note: 1. The bars distinguish submissions that remained silent, mentioned a question in passing, or argued a substantive position. Dark segments indicate actionable asks, while the values on the right show the number of the 152 non-party submissions engaging with each question, either substantively or through an actionable ask.

2. Acronyms: CBDR: common but differentiated responsibilities; TFFF: Tropical Forest Forever Facility

3.3 The actionable asks point to a financing gap and a delivery problem

Across the 233 actionable asks identified in the submissions (Figures 2 and 3), the strongest demands concern direct community access to finance, including a funding floor (Q4, 51 asks), operationalising the Roadmap and integrating it into implementation processes (Q13, 40), and extending demand-side due diligence (Q7, 24). These are followed by reforming harmful subsidies and private financial flows (Q6, 23) and securing predictable, concessional, and accessible finance (Q5, 22). Each submission was coded once against each question, so it could contribute at most one actionable ask per question; the 233 asks are therefore submission–question pairs rather than distinct recommendations.

Alongside this emphasis on delivery and access, the finance-related asks highlight two aspects of the financing challenge: increasing resources directed towards forests and addressing financial flows that can undermine forest protection. The scale of the imbalance is reflected in estimates from the United Nations Environment Programme (UNEP), which indicate that annual investment in forests needs to increase from USD 84 billion in 2023 to USD 300 billion by 2030, leaving an annual gap of approximately USD 216 billion (UNEP 2025).

At the same time, potentially environmentally harmful agricultural subsidies were estimated at approximately USD 406 billion in 2023, while private financial institutions provided USD 8.9 trillion in active financing to companies with a high risk of deforestation as of November 2024 (UNEP 2025). Although these figures are not directly comparable, they highlight why increasing forest-positive finance alone is insufficient without addressing financial flows that may continue to drive forest loss.

3.4 The record also shows what it cannot answer

The consultation provides important insights into the debate, but it does not fully represent producer-country positions. Party submissions do not include several important forest and commodity-producing countries, including countries in the Congo Basin and West Africa, Malaysia, and India. Their positions therefore cannot be inferred from their absence and must be established through national sources and other consultations.

The record also leaves several implementation questions unresolved, including how the Roadmap should become operational, who should finance producer-country compliance, and how TFFF eligibility and EUDR benchmarking should evolve over time.

Taken together, the submissions suggest that the priority is not to choose between forest finance and demand-side regulation, but to make the two instruments complementary. Finance can strengthen economic incentives to retain forests, while demand-side measures can strengthen markets for deforestation-free production. The unresolved challenge is who builds the institutional and financial systems that connect these approaches, including the traceability and monitoring systems required to reward forest protection and demonstrate environmental compliance. This is where the Forest Roadmap can add value.

> Direct community access, predictable finance, and subsidy reform dominate stakeholder demands.

4. Forest finance and demand-side trade measures

The submissions highlight a gap between the incentives created by existing instruments and their on-the-ground implementation, rather than a need to redesign any single instrument (Section 3.4). Building on these findings, this brief examines two aspects of this gap through the TFFF and the EUDR. It considers how these instruments contribute to forest finance and trade-related action, while also examining why neither fully addresses the questions raised by the Forest Roadmap.

This brief focuses on forest finance and demand-side trade measures because they address two complementary aspects of the economic drivers of deforestation. Forest finance can increase the economic value of retaining forests by supporting conservation, restoration, and sustainable forest management. Demand-side measures, meanwhile, can influence market incentives for forest-risk commodities by creating requirements for deforestation-free production.

Both approaches are increasingly recognised as important levers for shifting economic incentives towards halting deforestation and forest degradation (FAO n.d.). Their interaction is also important: finance can help countries and producers meet the institutional, monitoring, and compliance requirements of deforestation-free markets, while stronger market requirements can increase the value of investments that support sustainable, deforestation-free production.

4.1 The evolving forest finance and market architecture

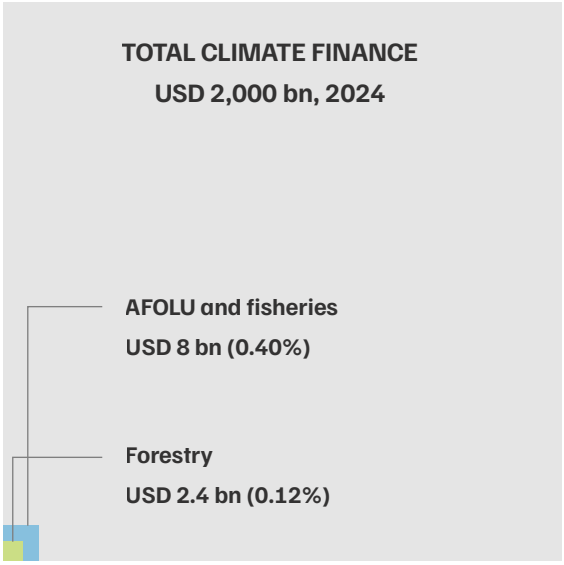
The current structure of forest finance does not adequately reward the conservation of standing forests. The UNEP tracked approximately USD 84 billion in forest-related finance in 2023, of which USD 77 billion was public finance, including USD 75 billion in domestic government spending. International public finance amounted to only USD 2.9 billion (UNEP 2025). These figures indicate that most forest finance comes from domestic budgets rather than international transfers, although only USD 12.9 billion (17 per cent) of domestic government spending occurred in 31 tropical forest countries (UNEP 2025).

Forestry also accounts for a declining share of global climate finance. While global climate finance exceeded USD 2 trillion in 2024, forestry mitigation finance fell from USD 4.5 billion in 2019 to USD 2.4 billion in 2024. In contrast, agriculture mitigation finance increased from USD 1.1 billion to USD 2.4 billion over the same period. Forestry therefore represented only around 0.12 per cent of tracked global climate finance in 2024 (Figure 4) (CPI 2026a).

> Forest finance relies heavily on domestic budgets, while international public funding remains limited.

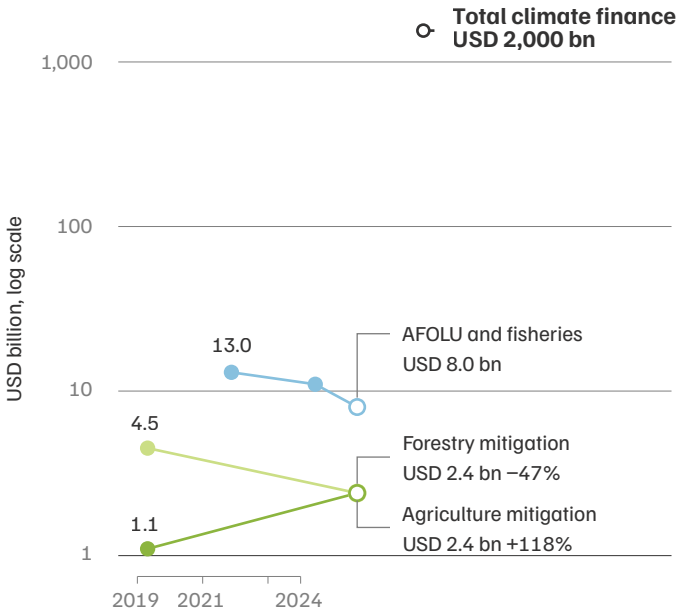
Figure 4. Forestry mitigation finance fell by 47% between 2019 and 2024 and accounts for 0.12% of global climate finance

a. How large forestry finance is



Areas are proportional. The forestry square is 3.5% of the width of the total, because area is the quantity.

b. Direction of travel



Only the years the source gives are plotted. The total is a single 2024 observation; nothing between points is interpolated.

Source: Authors' compilation using data from CPI (Climate Policy Initiative). 2026a. Global Landscape of Climate Finance 2026. Climate Policy Initiative.

Note: The vertical axis uses a logarithmic scale, and no values are interpolated between observations.

The deeper problem is what results-based finance can and cannot pay for. Existing results-based finance leaves a structural gap that hinders both the mobilisation of finance and reductions in deforestation. For instance, a jurisdiction that has already kept deforestation very low has little 'avoided' loss to sell. Several studies have also raised concerns about the effectiveness of avoided-deforestation projects. For example, West et al. (2023) found that most of the 26 projects they assessed across six countries had not significantly reduced deforestation and that reductions, where they occurred, were substantially smaller than claimed. At the same time, the 274 jurisdictions classified as high forest, low deforestation (HFLD) in 2020 (those with high forest cover and a ten-year average deforestation rate below the global average) hold 1.359 billion hectares (ha) and 44 per cent of the world's remaining forest. Their low current deforestation does not make them irrelevant. Moreover, 60 of the 310 jurisdictions that met the definition in 2002 subsequently lost that status as their average deforestation rate rose to 0.983 per cent a year, 7.5 times their earlier level (Teo et al. 2024). The implication is straightforward: a finance system that pays only after a forest comes under pressure is less suited to preventing that pressure from turning into loss.

In response to these limitations, a new financial structure has been developed to finance the maintenance of forests before deforestation occurs. In this case, the TFFF is a prominent example. Instead of relying on demonstrated reductions in forest loss, it provides payments to eligible forest countries for maintaining their forests. Its proposed model therefore shifts part of the financing logic from paying for avoided or reduced

loss towards creating a continuing financial incentive for maintaining forest cover. However, finance is only one side of the incentive structure that governs deforestation and forest degradation. The other side is international trade measures, which influence the returns to forest-risk production and the conditions under which producers can access major markets. The EUDR is a leading example, seeking to shape market access by requiring specified commodities to be produced without deforestation and in compliance with relevant legislation in the country of production.

4.2 Why the TFFF and the EUDR, and what they leave open

The TFFF and the EUDR are examined because they are important current examples of how economic incentives can influence decisions related to forests (Section 4.1). They also reflect several issues raised in the consultation submissions, including whether finance rewards the protection of standing forests, how eligibility and access are determined, who bears the cost of producer compliance, and how far due diligence should extend (Section 3).

However, neither instrument addresses all four Forest Roadmap questions. The TFFF primarily addresses forest finance by providing incentives to maintain standing forests. Its eligibility criteria and rules on forest degradation also raise questions about how support can account for different forest conditions. However, it does not directly address demand for forest-risk commodities. In contrast, the EUDR focuses on the demand side by requiring products within its scope to meet specific deforestation-free and legality requirements. Its country benchmarking accounts for differences in national circumstances, but its legality and traceability requirements may create barriers where land administration systems have limited capacity. Separate programmes generally strengthen these systems.

> The Tropical Forest Forever Facility rewards standing forests; the European Union Deforestation Regulation shapes market access, but neither resolves implementation gaps.

Neither instrument directly addresses the Roadmap's question of which practices can be replicated, although systems such as national forest monitoring and producer registries may offer useful lessons for other countries. Similarly, ensuring resources and support reach those who manage forests, including Indigenous Peoples and local communities, depends on delivery systems beyond the scope of both instruments. The TFFF and the EUDR therefore provide useful examples of existing approaches while also highlighting the gaps the Roadmap needs to address.

4.3 Carbon-market integrity

The consultation identifies carbon markets as an area for consideration, but their contribution to forest conservation depends on the integrity of the credits they generate. Evidence from avoided-deforestation projects indicates persistent over-crediting. Beyond the findings of West et al. (2023) noted in Section 4.1, a subsequent assessment identified some positive outcomes alongside continued over-crediting (Tang et al. 2025). In response, standard setters have begun strengthening the rules governing forest carbon credits. The Integrity Council for the Voluntary Carbon Market (ICVCM) has approved three REDD+ methodologies under its Core Carbon Principles, including Verra's VM0048, which uses jurisdictional deforestation data to establish project baselines rather than baselines set by individual project developers (ICVCM 2024). Under the Paris Agreement's Article 6.4 mechanism, the supervisory body has also agreed rules to manage the risk that credited carbon removals are reversed (UNFCCC 2025).

For the Forest Roadmap, carbon markets should complement rather than replace finance for standing forests. Maintaining the integrity of forest carbon credits requires conservative jurisdiction-level baselines, safeguards against permanence risks and leakage, transparent benefit-sharing with Indigenous Peoples and local communities, and clear rules governing interactions with other forest finance mechanisms, including the TFFF. These measures can help prevent the same conservation outcome from being counted more than once. The issue is also relevant for India, where the offset mechanism under the *Carbon Credit Trading Scheme* includes an approved methodology for mangrove afforestation and reforestation (MoP 2025).

5. How the Tropical Forest Forever Facility works

The TFFF is a new financial structure designed to base payments on forest area rather than avoided emissions. In simple terms, it pays for standing forests rather than reductions against a baseline. However, the innovation is not simply a new grant; it seeks to turn conservation into a long-term income stream from invested capital. Figure 5 illustrates who can receive payments and how those payments are generated.

On the financing side, the proposed structure combines USD 25 billion in junior sponsor capital with USD 100 billion in senior bonds, creating a USD 125 billion investment pool. The portfolio is assumed to generate a spread of around 350 basis points over United States (US) Treasuries in the base case. However, the TFFF estimates that a net excess spread of 160 basis points, after accounting for the cost of senior financing and fees, is required to support forest payments of approximately USD 2 billion annually. With an estimated 500 Mha qualifying for payment, this corresponds to a base payment of approximately USD 4 per ha (TFFF Secretariat 2025; TFFF 2026a).

The figure therefore highlights an important feature of the model: forest payments depend not only on the amount of capital raised but also on the returns generated by the investment portfolio and the costs of financing it. Consequently, several questions arise about the TFFF's financial structure and eligibility criteria, particularly the reliability of payments, the incentives they create, and who can access and benefit from them. These arguments and design considerations are discussed in the following sub-sections.



Image: iStock.

Investing in forest conservation can generate long-term environmental and economic returns while creating incentives to protect standing forests.

Figure 5. Eligibility criteria and financial structure of the Tropical Forest Forever Facility

a. Who can be paid

4 things it must measure and prove – and 4 commitments besides

1 **A developing country, with moist broadleaf forest**
on UNCTAD's list, and holding the tropical or subtropical moist broadleaf biome; mangroves adjoining it may be added

2 **A canopy threshold it picks once, 20–30%**
chosen at entry, 1 ha mapping unit, then held constant and stated in its reporting

3 **Deforestation below 0.5% a year, and falling**
a rolling 3-year average; the rate at entry then becomes its cap, ratcheting to 0.2% over 15 years

4 **Forest it can prove from space, every year**
optical imagery, 30 m or better, 4 bands or more; plantations and afforested land do not count

And 4 commitments on accession

At least 20% of payments to Indigenous Peoples and local communities, within a year of joining; adequate public financial management; a national grievance mechanism; and payments that do not displace existing forest spending

b. Where the payment comes from

Raised in 2 layers, invested in bonds, paid out in a fixed order

How the fund is raised

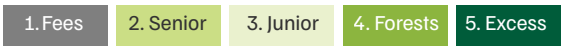


Junior Senior

Junior: sponsor equity, hybrid notes or 40-year loans, first loss · Senior: rated bonds

= USD 125 bn 5 times levered, invested in liquid listed bonds

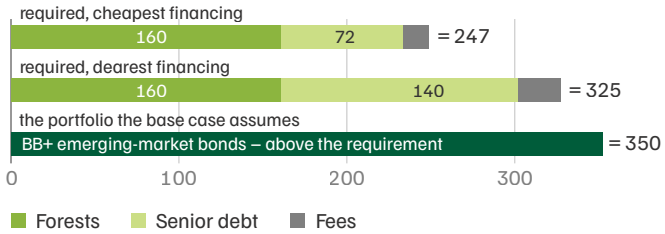
The order it is paid out



Senior takes Treasuries plus a market spread; junior takes Treasuries flat; forests take USD 4 per ha; the rest is retained. No junior coupon, no forest payment.

What the forest payment requires the fund to earn

Basis points over US Treasuries



The 160 is not what is left over for forests – it is the net excess spread the fund must clear after its cost of capital and fees, to pay USD 4 per ha on the 500 Mha expected to qualify: about USD 2 bn a year. The headroom above the requirement is what lifts the base case to USD 2.2 bn and builds retained capital.

Source: Authors' compilation using TFFF Secretariat. 2025. Tropical Forest Forever Facility (TFFF): Concept Note 3.1. TFFF Secretariat, October 2025 and TFFF (Tropical Forest Forever Facility). 2026a. Frequently Asked Questions. Tropical Forest Forever Facility. Last updated June 23, 2026.

Note: 1. The lower section shows the returns the fund must generate to support forest payments.

2. Retained basis points and implied per-hectare payments are the authors' calculations from TFFF figures.

3. Acronyms: UNCTAD: United Nations Conference on Trade and Development

5.1 The financial structure can create scale, but it also transfers part of the problem to financial markets

The TFFF's financial mechanism needs to be understood before its proposed per-hectare payment is taken at face value. The Tropical Forest Investment Fund (TFIF) does not invest donated money and use the returns. Instead, it borrows at a relatively low cost, invests the combined capital in higher-yielding sovereign and corporate bonds, and uses the spread to finance forest payments. The facility treats this spread as a durable source of conservation income, supported by long-dated assets, diversification, hedging, and a junior-capital cushion. It also acknowledges that payments would be curtailed if leverage exceeded specified thresholds, primarily in response to broad liquidity shocks that the facility expects to reverse as asset values recover (TFFF Secretariat 2025).

This raises three questions concerning the reliability and efficiency of the proposed financing model. First, the spread may not represent a stable source of income because bond yields and spreads incorporate compensation for interest-rate, credit, and liquidity risk rather than risk-free returns. The proposed structure may therefore transfer these risks rather than eliminate them (Chan-Lau and Ivaschenko 2001; Board of Governors of the Federal Reserve System 2019).

Second, even if the target spread is achievable, leveraged private capital may not be the most cost-effective way to finance a global public good, particularly when forest-linked sovereign loans could tie conservation incentives directly to countries' borrowing costs (Harstad 2025). Third, because forest payments depend on financial-market performance, their stability is not guaranteed. Tenkhoff and Voigt (2026) note that linking the TFFF to global financial markets may create instability and that the planned market investments are not guaranteed.

> The Tropical Forest Forever Facility's net benefit depends on who bears the risks and the fiscal costs.

The TFFF's own stress analysis illustrates this vulnerability. The modelling exercise estimates an annual probability of a sponsor coupon skip (a year in which returns are too low to pay sponsors their coupon, so forest payments are also suspended) of 10.58 per cent when the portfolio contains no non-Official Development Assistance (ODA)-eligible assets.[1] This probability falls to 4.48 per cent when 25 per cent of the portfolio is invested in non-ODA-eligible emerging-market assets. Moreover, a historical stress test shows the portfolio falling to 58.6 per cent of its value during a crisis comparable to that of 2008–09 (TFFF Secretariat 2025).

These findings suggest that payment stability would require greater exposure to emerging-market assets, raising a broader question about who ultimately bears the risks embedded in the financing model. Schäfer (2026) states the consequence directly: "Ultimately, it is the middle- and low-income countries indebted in international capital markets that end up paying through higher risk premiums for tropical forest protection." The premium is neither small nor unrelated to the problem: climate vulnerability alone is estimated to add approximately 117 basis points to the cost of government debt, on average, in the V20 group of climate-vulnerable developing countries (Buhr et al. 2018). Where a country receives a TFFF forest payment while also servicing sovereign debt held within the investment portfolio, the net fiscal benefit may therefore be smaller than the headline per-hectare payment suggests.

The implication is not necessarily that the TFFF's financial model is unworkable, but that its benefits should be assessed on a net basis. The spread cannot simply be treated as external funding generated without cost. Its value depends on the risks assumed by the facility, the countries in which those risks are concentrated, the stability of the resulting forest payments, and the fiscal position of the countries receiving them.

1. Official Development Assistance (ODA) is government aid provided by official agencies that has the promotion of the economic development and welfare of eligible developing countries as its main objective and is concessional in character, in accordance with the OECD Development Assistance Committee's criteria. https://www.oecd.org/en/topics/sub-issues/oda-eligibility-and-conditions/official-development-assistance--definition-and-coverage.html.

5.2 The base payment may be insufficient where forest conversion has high returns

Another important consideration is whether the incentive to preserve forests is sufficiently large where forests face competition from other land uses. The TFFF's proposed payment of USD 4 per ha is not a payment to individual farmers and should not be compared directly with gross agricultural revenue. Rather, it is a country-level forest payment from which domestic benefits must be generated.

A 2026 spatial opportunity-cost analysis finds that the USD 4 base payment represents only a small share of agricultural opportunity costs in many areas. The TFFF's substantially higher deforestation penalties, estimated at approximately USD 400–800 per ha of forest lost under the proposed rules, may discourage forest conversion where alternative land uses generate relatively low returns. However, they may be insufficient to deter conversion where agriculture offers much higher returns (Mitamura et al. 2026).

The implication is that the TFFF provides a floor for valuing standing forests rather than a universal land-use price. The same payment will create different incentives depending on the economic value of the land and the pressures driving land-use conversion. In areas where agricultural, timber, or mining returns are substantially higher, complementary measures may therefore be needed.

The policy question is thus not only whether the TFFF provides payments for standing forests, but also whether those payments can be translated into incentives that reach the countries, landholders, and communities making the actual decisions about retaining or converting forests.

6. What the EUDR means for producer countries

The EUDR is a demand-side lever that influences market access rather than providing payments to producers or governments for forest protection. Its environmental rationale is substantial, as it requires covered commodities, including cattle, cocoa, coffee, oil palm, rubber, soy, and wood, as well as specified derived products entering the European Union (EU) market, to be demonstrably deforestation-free and legally produced. It also requires due diligence, including plot-level geolocation, legality documentation, and risk assessment.

These requirements can strengthen market incentives for deforestation-free production, but they also place part of the burden of providing evidence on producer-country land, data, and supply-chain systems (EU 2023; European Commission 2026a).

The chronology is important in this regard because the regulation has been in force since 2023, but its obligations have not yet applied. Its application was subsequently postponed twice, by 12 months each time, while the EU developed its information system, country benchmarking, and other implementation arrangements. The regulation is now scheduled to apply from 30 December 2026 for large and medium-sized operators, while most micro and small operators will be subject to its requirements from 30 June 2027. Products added to its scope in July 2026, including soluble coffee, will be subject to the requirements from 30 December 2027 (EU 2024, 2025; European Commission 2026c).

However, implementing the EUDR raises several questions that are critical to achieving its intended forest outcomes. The arguments are structured as follows:

6.1 The compliance cost is partially measured

The European Commission's May 2026 simplification review estimates that annual recurring compliance costs for companies subject to the EUDR will fall from approximately EUR 8.1 billion under the original framework to EUR 2.0 billion following simplification measures (European Commission 2026a).

While this provides a useful estimate of the regulatory burden on companies, it should not be interpreted as a comprehensive assessment of the costs of implementing the EUDR across international supply chains. In particular, the estimate does not fully account for costs that may fall on producers and public institutions in exporting countries, including plot geolocation, land-tenure documentation, evidence collection, and traceability systems.

Producers, producer organisations, governments, or other supply-chain actors may bear these costs, depending on how compliance is organised. The policy challenge therefore extends beyond technology to the institutional and financial support needed to make compliance feasible for smallholders and other producers in partner countries.

6.2 The burden is likely to fall more heavily on smaller producers

Many commodities covered by the EUDR depend heavily on smallholders, particularly cocoa, coffee, and oil palm, for which smallholders account for approximately 90 per cent, 80 per cent, and 30–40 per cent of global production, respectively (Urugo et al. 2026).

When compliance involves relatively fixed costs for geolocation, documentation, verification, and traceability, those costs are proportionally higher for small producers than for large, vertically integrated companies. Certification and buyer support can reduce some of these barriers, but they do not automatically resolve constraints related to land tenure, documentation, or digital capacity.

The policy risk is therefore not simply that compliance becomes expensive, but that smaller producers who cannot demonstrate compliance may be excluded from EU-linked supply chains or face weaker bargaining power with intermediaries (Verma et al. 2026).

6.3 The legality requirement turns weak land administration into a market-access problem

Many smallholder farmers in Indonesia, Malaysia, Thailand, and other producer countries lack primary land documents, particularly where land under Native Customary Rights status (a land category used in the Malaysian states of Sabah and Sarawak) may not have been formally surveyed or recorded in national systems (RECOFTC 2024; EFI 2026; GIZ 2025).

Therefore, where customary or long-standing land rights are not fully documented, producers may struggle to demonstrate legality even when their land use is locally recognised and not associated with deforestation. The challenge is thus not only compliance with environmental rules, but also the capacity of national land and administrative systems to provide evidence that international supply chains can recognise.

6.4 Risk classification changes scrutiny, but the basis for classification matters

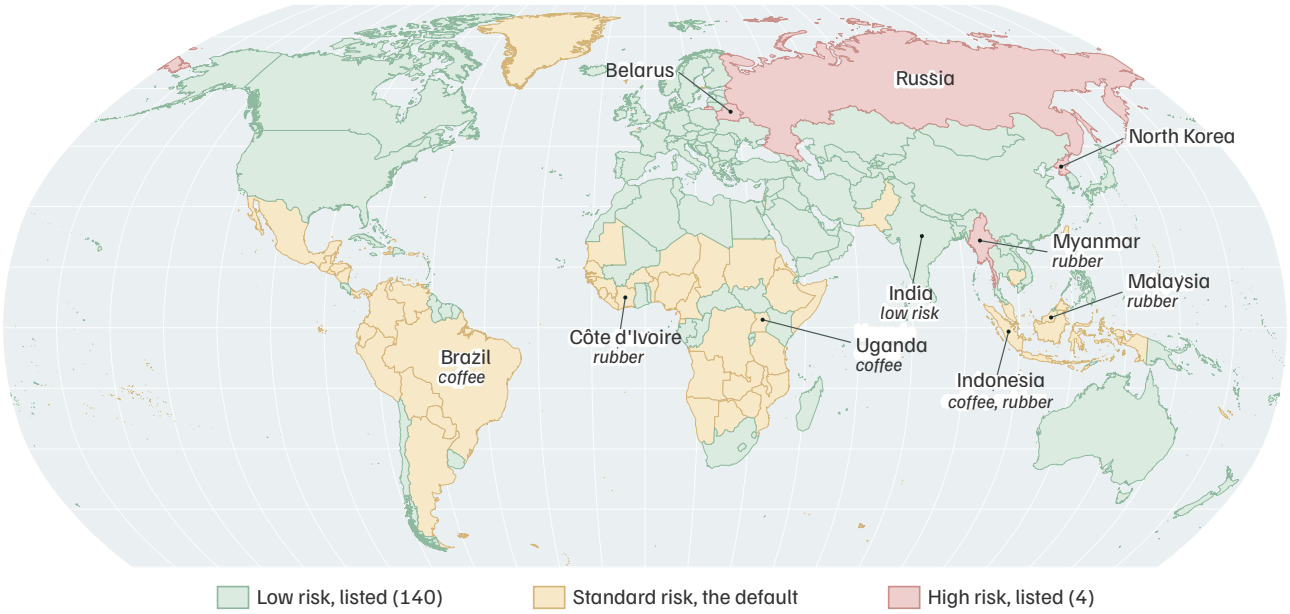
The EU has classified 140 countries as low risk (Figure 6; European Commission 2025a), allowing lower operator-check rates and simplified due diligence. However, this does not remove the requirement to demonstrate compliance through information such as plot-level geolocation and evidence of legality.

The commission's benchmarking methodology combines quantitative criteria concerning deforestation, agricultural expansion, and commodity production. For deforestation, it applies thresholds of 0.2 per cent average annual relative forest loss and 70,000 ha of annual absolute forest loss. Countries with less than 1,000 ha of annual absolute forest loss can qualify as low risk regardless of their relative rate.

Countries close to the low-risk thresholds, defined as those within 25 per cent of the relevant thresholds, are subject to an additional qualitative assessment under Article 29(4). This assessment considers factors beyond the quantitative indicators, including a country's legal and institutional framework and enforcement capacity (European Commission 2025b).

This raises questions about how the thresholds and criteria were selected, how sensitive country classifications are to them, and how transparent the underlying data and reasoning are to producer countries.

Figure 6. Most countries are classified as low risk under the EUDR, but several of India's coffee and rubber suppliers are standard or high risk



Source: Authors' compilation and presentation using the Annex (EUDR country risk classification) to European Commission. 2025a. Commission Implementing Regulation (EU) 2025/1093 of 22 May 2025 Laying Down Rules for the Application of Regulation (EU) 2023/1115 of the European Parliament and of the Council as Regards a List of Countries That Present a Low or High Risk of Producing Relevant Commodities for Which the Relevant Products Do Not Comply with Article 3, Point (a). Official Journal of the European Union L, 2025/1093.

Note: Countries are classified as low, standard, or high risk under the EUDR. Labels mark India and selected countries that supply its coffee and rubber imports.

6.5 Trade leakage can weaken the global impact of the EUDR

The EUDR can reduce deforestation embodied in EU imports, but non-compliant commodities may be redirected to markets without equivalent requirements, creating trade-induced leakage.

Recent evidence shows that EUDR-related restrictions on soy can shift South American exports from the EU towards non-EU markets, particularly China, potentially reducing the regulation's impact on deforestation (Sharma and Villoria 2026). Evidence from an earlier EU forest-related import policy, the Forest Law Enforcement, Governance and Trade (FLEGT) programme, similarly found that exports were diverted towards Asian markets without a discernible reduction in forest loss (Abman et al. 2026).

The extent of leakage varies across commodities and market structures. For cocoa, modelling by the Joint Research Centre (JRC) estimates that an EU-only EUDR scenario reduces global cocoa-related deforestation by 21 per cent, but results in 38.3 per cent trade-induced leakage. When the US and Canada adopt equivalent measures, the modelled reduction rises to 42.2 per cent while leakage falls to 24.6 per cent (Boysen 2025). This is consistent with Gilbert (2024), who argues that without similar regulations in other major consuming markets, non-compliant supplies could be diverted to non-European markets.

6.6 Other importing markets and the role of forest certification

Although the discussion has focused on the EUDR, producers also export forest-based and forest-risk products to markets with their own regulatory requirements.

In the US, the *Lacey Act* of 1900, as amended in 2008, prohibits the import of illegally harvested plants and plant products, with certain products requiring an import declaration (USDA APHIS 2026). Japan's amended *Clean Wood Act*, which came into effect in April 2025, requires upstream wood-related businesses and wood importers to verify the legality of the wood they handle (Forestry Agency n.d.).

Article 65 of the Forest Law of the People's Republic of China, as revised in 2019 and in force since 1 July 2020, prohibits operators from knowingly purchasing, processing, or transporting illegally sourced timber (ClientEarth 2020). The United Kingdom (UK) has also announced plans to consult on mandatory due diligence for forest-risk commodities in Great Britain (Defra 2026).

While these measures differ in scope and largely focus on legality rather than deforestation-free production, they indicate that demonstrating legal and sustainable sourcing is becoming increasingly important for accessing major international markets beyond the EU. Strengthening the supply of forest-based products from sustainably managed forests is therefore important, and forest certification offers an established approach. The Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) have introduced due-diligence modules aligned with the EUDR (PEFC 2024; FSC 2025).

An independent benchmarking exercise commissioned by FSC also found that its core certification systems already meet most of the EUDR criteria for credible schemes (FSC 2025). In India, the Ministry of Environment, Forest and Climate Change launched the *Indian Forest and Wood Certification Scheme* (IFWCS) in December 2023. The voluntary, third-party certification scheme covers forest management, trees outside forests, and chain of custody. The Indian Institute of Forest Management, Bhopal, serves as the scheme's operating agency (IIFM n.d.).

However, certification does not replace regulatory compliance. Under the EUDR, certification and other third-party verified schemes may inform risk assessment, but they cannot replace an operator's responsibility to conduct due diligence (EU 2023). Certification can instead provide useful information on plot location, legality, and chain of custody to support importers' due diligence processes across multiple markets.

For India, aligning IFWCS standards with the information requirements of the EUDR and other importing markets, while seeking recognition of IFWCS-certified information as supporting evidence, could help wood-based, agroforestry, and other forest-linked producers demonstrate compliance. This could be particularly valuable for producers supplying markets beyond Europe.

7. How India can engage in the Forest Roadmap debate

India was not among the parties that submitted written inputs to the presidency's consultation (Section 3.4), and its position in the Roadmap discussions remains to be developed. However, India's experience with the TFFF and the EUDR provides a basis for contributing to discussions on the Roadmap's four questions.

In terms of barriers, India's potential TFFF payments depend partly on how forest fires are accounted for, while EUDR compliance requires plot-level evidence from smallholders and traceability of raw materials imported from standard-risk countries. In terms of incentives, India could benefit from forest conservation payments and continued access to EU markets for coffee and rubber products.

India also has national systems that could offer useful lessons for other countries, including the Forest Survey of India's burnt-area mapping, the Coffee Board and Rubber Board registries, and the IFWCS. These experiences also highlight the need for differentiation. The exclusion of India's dry forests from the TFFF and the challenges faced by a low-risk country processing imported raw materials under the EUDR illustrate why implementation rules need to account for differences in forest conditions and national circumstances.

Building on these experiences, Sections 7.1 and 7.2 outline what India could seek under the TFFF and the EUDR, respectively. Section 7.3 connects these proposals to the broader priorities for the Forest Roadmap ahead of COP31.

> India's potential Tropical Forest Forever Facility eligibility depends on how forest cover, deforestation and monitoring are assessed.

7.1 India and the Tropical Forest Forever Facility: What India should seek at COP31

India joined the TFFF as an observer at the COP30 Leaders' Summit in November 2025, welcoming the initiative without formally acceding to it. Although the current eligibility framework may limit India's access to payments, its observer status provides an opportunity to engage with the facility's evolving rules. India's decision on whether to join should be informed by the following assessment.

Based on Forest Survey of India (FSI) forest-cover classes and after excluding plantations mapped by the National Remote Sensing Centre (NRSC), an estimated 23.4 Mha of natural forest in India's moist-forest biome meets the 30 per cent canopy threshold. However, FSI reports net forest-cover change using maps prepared two years apart, whereas the TFFF requires annual gross deforestation rates. Using annual tree-cover-loss data from Global Forest Watch and the University of Maryland at 30 m resolution as a proxy (Hansen et al. 2013; GFW 2026), the average annual loss rate for 2023–25 is estimated at approximately 0.37 per cent, below the 0.5 per cent threshold (Figure 7). This preliminary estimate suggests that India may meet the deforestation-rate criterion, subject to the TFFF's final monitoring methodology and verification requirements.

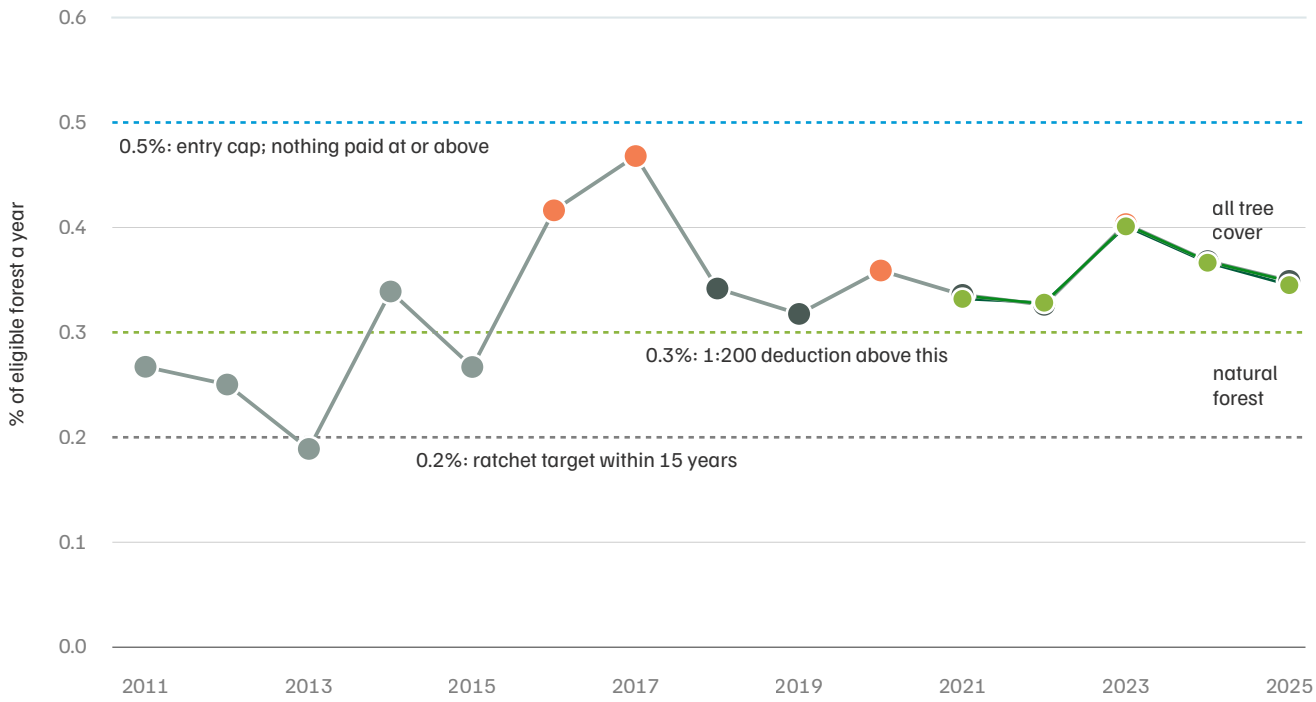
Two additional forest systems merit consideration. The Andaman and Nicobar Islands, with their tropical evergreen forests, have forest cover over 81.62 per cent of their geographical area (MoEFCC 2024), and these forests may be eligible for the TFFF, subject to the applicable criteria.

The mangrove forests of the Sundarbans also merit consideration. India has 4,991.68 km^2 of mangrove cover, with West Bengal accounting for 42.45 per cent and the Andaman and Nicobar Islands for 12.19 per cent (MoEFCC 2025). Although mangroves fall outside the moist broadleaf biome considered in this estimate, the TFFF concept note allows for the possible inclusion of mangrove areas contiguous with eligible tropical and subtropical moist broadleaf forests (TFFF Secretariat 2025). The eligibility of the Sundarbans would therefore depend on how the final operational rules define contiguity and address canopy-cover and monitoring requirements for mangrove forests.

At the proposed payment rate of USD 4 per ha, India's total annual inflow could reach approximately USD 94 million a year at full capitalisation (Figure 8). However, if the current deforestation rate continues, the proposed deforestation discount of 1:100 for rates up to 0.3 per cent and 1:200 for rates above this threshold would deduct approximately USD 28 million and USD 13 million, respectively (TFFF Secretariat 2025).

Forest degradation presents another significant challenge for India. The FSI identified 40,709.28 km^2 within recorded forests where canopy density declined from very dense or moderately dense to open forest between 2011 and 2021 (FSI 2023). The TFFF does not account for such thinning above the canopy threshold. Instead, it uses fire as a proxy for degradation, deducting 35 ha for every ha of forest burnt but still standing (TFFF Secretariat 2025). Using FSI's first national burnt-area assessment, our analysis finds that 5.5 per cent of India's eligible forests burnt during the 2023–24 fire season. If every burn scar were counted, the entire payment would be eliminated.

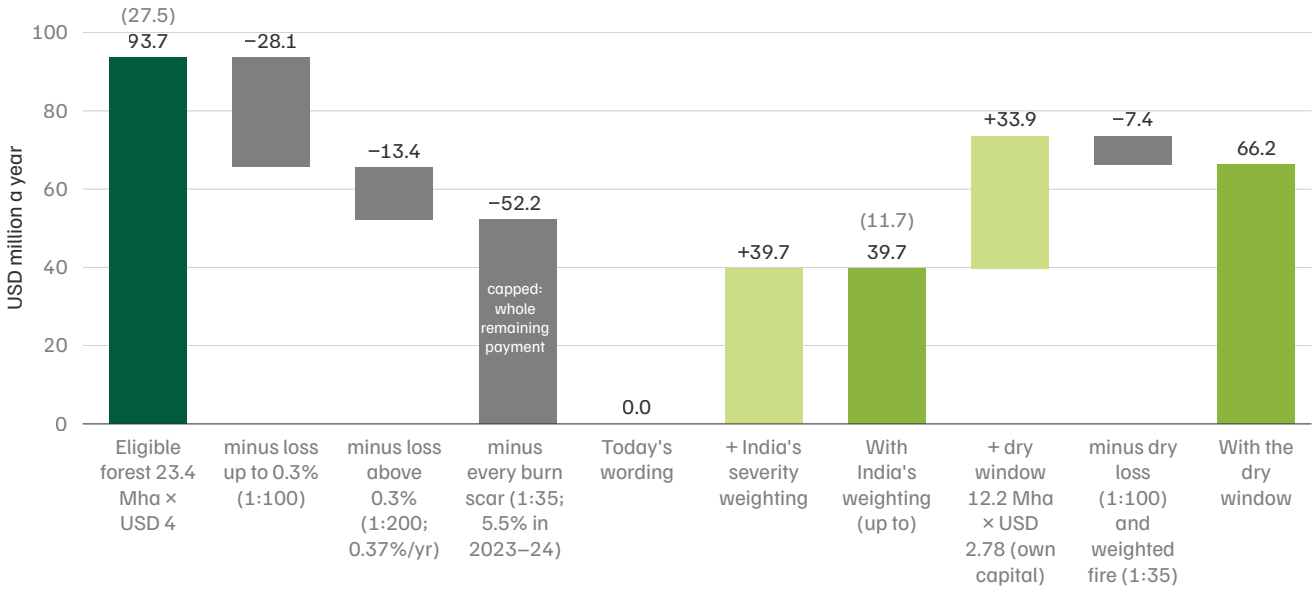
Figure 7. Annual tree-cover loss in India's TFFF-eligible forests stayed below the facility's 0.5% entry cap in 2011–25



Sources: Authors' analysis using GFW (2026; tree-cover loss v1.13 and SBTN Natural Lands Map 2020); Hansen et al. (2013); Tyukavina et al. (2022); FSI (2019); NRSC (2016); Dinerstein et al. (2017), and TFFF Secretariat (2025).

Note: The facility's thresholds are a 0.5% entry cap, a 0.3% deduction threshold, and a 0.2% ratchet target. The grey line shows all tree-cover loss; the green line shows natural-forest loss from 2021, based on the 2020 baseline. Orange markers indicate year-on-year increases. Estimates use 30 m data before applying the TFFF's 1 ha minimum mapping unit and may include temporary losses such as shifting cultivation.

Figure 8. Counting every burn scar would eliminate India's TFFF payment, while severity weighting would retain up to USD 40 million a year



Sources: Authors' calculations based on FSI (2019, 2023); NRSC (2016); Dinerstein et al. (2017); GFW (2026); Hansen et al. (2013); Tyukavina et al. (2022); TFFF Secretariat (2025); Rodriguez (2026), and TFFF Watch (n.d.).

Note: The figure traces the calculation from the gross payment for eligible moist forests (23.4 Mha) through deductions for forest loss and fire, and illustrates the implications of India's proposed fire-severity weighting. It also shows the proposed addition of a separately funded dry-forest window, including its carbon-weighted payment rate and corresponding deductions. Values in parentheses indicate indicative payment estimates based on USD 7.34 billion in pledged sponsor capital as of September 2026. All estimates are illustrative and subject to the TFFF's final operational rules.

However, FSI reports that nearly 93 per cent of the fires it observed were low-severity surface fires (FSI 2023). If fire deductions were weighted by severity and repeat burning, following the Intergovernmental Panel on Climate Change (IPCC)'s approach to degradation as a long-term loss (IPCC 2003), India would still receive up to USD 40 million annually (Figure 8 and Table 2).

This estimate represents an upper bound. Assigning a weight of 10 per cent to single low-severity fires would reduce the payment to approximately USD 23 million, while it would fall to approximately USD 25 million if 15 per cent of the burnt area were found not to be low severity.

Table 2. India's proposed fire severity weighting

Fire on eligible forest in the year	Proposed treatment	Discount
Fire that clears the canopy below the threshold	Deforestation	1:100 or 1:200
Burn not classed as low severity	Degraded forest, weight 1	1:35
Low-severity burn on ground that burnt the season before	Degraded forest, weight 1	1:35
Single low-severity surface fire	Weight set from field evidence of lasting damage	1:35 × weight (0 in the upper-bound estimate)

Source: Authors' proposal based on TFFF Secretariat (2025), FSI (2023), and IPCC (2003).

India's dry deciduous forests are also important for ecosystem functions and carbon storage and could be considered under a separately funded window with a carbon-weighted factor (USD 4 × 0.696, reflecting the ratio of carbon stored per hectare in dry and moist forests). This could add approximately USD 27 million, bringing the total annual inflow to around USD 66 million (Figure 8).

These estimates are indicative, assume full capital, and use datasets from different periods, depending on availability. Changes in deforestation and fire will increase or decrease payments from year to year.

In light of this assessment, the following priorities could guide India's engagement with the TFFF.

a. **Make fire-severity weighting India's first priority and propose it before the operations manual is approved**. The FSI maps burnt areas using high-resolution Sentinel-2 and Landsat 8/9 imagery, supported by near-real-time fire detections and ground verification (FSI 2023). Since global datasets may miss small fires or capture only canopy-destroying fire events (Tyukavina et al. 2022), India should propose a standardised approach that weights fire impacts by severity and repeat burning (Table 2). This approach should be applied consistently across countries to improve accuracy and avoid penalising those with more detailed national monitoring.

b. **Review the exclusion of dry forests and propose a separate window**. India's tropical dry broadleaf biome contains 12.2 Mha of natural forest with over 30 per cent canopy cover. As dry forests store less carbon than moist forests (78.08 versus 112.25 tonnes of carbon per hectare [t C/ha]; FSI 2023), India could propose a lower, carbon-weighted payment rate of USD 2.78 per ha. This would generate about USD 34 million annually before deductions and an estimated USD 27 million after deductions for forest loss and fire. Using the TFFF's funding ratio (USD 25 billion in sponsor capital for USD 2 billion in annual payments), the window would require approximately USD 0.42 billion in sponsor capital to fund the full payment, or USD 0.33 billion for the estimated net payment. Globally, covering 105 Mha of tropical dry forests with over 40 per cent tree cover (Miles et al. 2006) would require around USD 3.6 billion in sponsor capital and provide USD 292 million annually before deductions, equivalent to roughly half the sponsor capital pledged so far.

c. **Seek representation in the TFFF's governance and technical processes**. The charter allows the initial board to comprise up to 12 countries, with new appointments seeking to maintain parity between tropical forest countries and sponsor countries. The board also oversees approval of the operations manual (TFFF 2026b). India could explore opportunities for board representation, subject to the charter's eligibility and selection procedures, and seek consideration of experts for the Technical and Scientific Advisory Panel through the prescribed nomination process. India could also explore opportunities to contribute to the TFFF's technical expert groups on forest monitoring, drawing on its national expertise.

d. **Seek transparent payment calculations and safeguards against funding shortfalls**. The USD 4 per ha payment depends on raising the full USD 25 billion target and is not guaranteed. Under proportional funding, India's estimated annual moist-forest payment could fall from USD 39.7 million to USD 11.7 million with the USD 7.34 billion pledged as of September 2026 (Rodriguez 2026), or USD 15.9 million at the USD 10 billion milestone. The TFFF should publish payment rates based on capital actually received and establish binding rules for addressing payment shortfalls. It should also clarify inflation adjustments, which are capped at 2 per cent annually, and secure separate funding for the proposed dry-forest window.

e. **Build on FSI and NRSC capabilities to make India's forest monitoring TFFF-ready**. FSI's 1 ha mapping unit and 23.5 m, four-band imagery align with the TFFF's monitoring specifications, while its national burnt-area mapping provides a strong foundation. FSI and NRSC should build on these capabilities to produce annual maps of gross forest loss and gain with stated accuracy, classify burnt areas by severity and repeat burning, monitor post-fire recovery, distinguish natural forests from plantations, delineate eligible forest areas, and report on forests outside the eligible biome. This would enable India to advocate for annual assessments that account for statistically significant changes and draw on robust national data rather than relying primarily on global proxies.

> India should advocate for severity-weighted fire accounting rather than treating all burnt areas as forest degradation.

7.2 EU Deforestation Regulation: Implications for India and policy priorities

The EUDR classifies India as low risk, allowing simplified due diligence in some cases. However, most operators must still provide plot geolocation and evidence of legal production (EU 2023; EU 2025). The regulation is scheduled to apply from 30 December 2026 to large and medium operators and from 30 June 2027 to most micro and small operators (EU 2023; EU 2025; European Commission 2026b).

India's exposure to the EUDR is concentrated mainly in coffee, rubber products, and imported raw materials. In 2024, the EU-27 purchased 63 per cent of India's green and roasted coffee exports, valued at USD 705 million (UN Comtrade 2026). India also exported USD 884 million worth of new pneumatic tyres to the EU that year (UN Comtrade 2026).

Imported natural rubber accounted for 32–39 per cent of India's domestic consumption between 2023–24 and 2025–26, while the auto-tyre sector accounted for 67.1 per cent of natural rubber consumption in 2024–25 (UN Comtrade 2026; Lok Sabha 2026; Rubber Board 2025).

India's low-risk status does not extend to raw materials sourced from standard- or high-risk countries. In 2024, 74 per cent of green coffee imports and 56 per cent of natural rubber imports came from standard-risk countries, with a further 2 per cent of rubber imports originating from high-risk Myanmar (UN Comtrade 2026; European Commission 2025a).

This complicates due diligence for tyres containing imported rubber and, from 30 December 2027, soluble coffee (EU 2023; European Commission 2026e).

In light of these considerations, the following priorities could inform India's approach to the EUDR.

a. **Explore an India–EU EUDR technical dialogue**. The EU's task force with Indonesia and Malaysia offers a precedent for cooperation on smallholder inclusion, certification, traceability, and data protection (EEAS 2023). The India–EU trade agreement could provide a forum for similar cooperation on traceability and certification (European Commission 2026d). A technical dialogue could clarify documentation requirements for consignments blended from multiple origins, as the EU does not accept mass balance, and explore data-sharing with supplier-country systems supported by the *Sustainable Agriculture for Forest Ecosystems* (SAFE) initiative (European Commission 2026b; GIZ 2026). In 2024, SAFE countries supplied 70 per cent of India's green coffee imports and 41 per cent of its natural rubber imports by weight (GIZ 2026; UN Comtrade 2026). The dialogue could also support a joint review of India's Coffee Board and Rubber Board registries.

b. **Promote consistent treatment of EUDR flexibilities**. The EU has made commitments to specific partners. It acknowledged the Malaysian Sustainable Palm Oil (MSPO) certification as a scheme that can facilitate EUDR compliance and agreed under Annex 18-A of the EU–Mercosur Partnership Agreement to consider certification and traceability data where EU law permits (EEAS 2025; EU–Mercosur 2025).

   India could seek a transparent process for assessing its Coffee Board and Rubber Board systems against the same criteria, consistent with its position at the World Trade Organization (WTO; WTO 2025). This would seek equal access to available flexibilities, rather than an exemption, while preserving the EUDR's environmental objectives. India could also engage in the EUDR's 2030 review to ensure that relevant trade-facilitation measures and opportunities to reduce compliance costs are considered for low-risk countries such as India. This is particularly relevant because the regulation's review provisions specifically highlight tools for least-developed and standard- or high-risk countries (EU 2023; EU 2025).

c. **Facilitate smallholder compliance through public registries**. Indian coffee production relies heavily on small holdings: 93 per cent of holdings were 4 ha or smaller in 2007–08, while holdings under 10 ha accounted for 70 per cent of output (Coffee Board 2023). Although plots of 4 ha or less can use a single geolocation point, operators must still establish traceability and verify legality, potentially creating challenges for small growers (EU 2023; Verma et al. 2026; Kurian 2025).

   India could seek EU agreement to allow operators to use verified identifiers from Indian public systems, such as the Coffee Board's *Indian Coffee Sustainability Standard and Certification Scheme* (INDICOFS) and the Rubber Board's *Bharat Sustainable Natural*

Rubber (BSNR) traceability platform, as supporting evidence of plot location and legality, without replacing operators' due-diligence responsibilities (Coffee Board 2025; Rubber Board 2026). For consignments sourced entirely from India, such identifiers would primarily support information collection, as simplified due diligence does not require a formal risk assessment (EU 2023). This could build on the commission's planned database interface and forthcoming repositories for certification schemes and producer-country legislation (European Commission 2026a). Domestically, India could prioritise the registration of smaller holdings and links to state land records. By August 2026, BSNR had mapped over 56,000 ha against a target of 150,000 ha by March 2027 (European Rubber Journal 2026; Rubber Board 2026). India could also submit evidence to the EUDR's 2030 review on the practical application of the single-point rule for small plots (EU 2023; EU 2025).

d. **Seek targeted EU co-financing for smallholder compliance costs**. India could seek targeted EU co-financing for additional EUDR-related costs that existing national programmes cannot readily absorb. These include plot mapping and documentation for smallholder coffee growers, land-status verification for rubber-growing areas under the *Indian Natural Rubber Operations for Assisted Development* (INROAD) project (European Rubber Journal 2026), and improved traceability for Indian processors and smallholders. This could build on the EUDR's cooperation provisions, which call for consideration of relevant EU instruments and attention to smallholder needs (EU 2023). India's calls for finance, technology transfer, and capacity-building in the UNFCCC trade dialogue provide a broader policy rationale.

   Similarly, the India–EU trade agreement's cooperation provisions on carbon border adjustment measures may offer a further precedent, subject to the agreement's entry into force and the scope of the relevant commitments (European Commission 2026d).

7.3 Bringing India's asks into the Roadmap debate

Several of India's proposed actions could also contribute to the broader priorities of the Forest Roadmap ahead of COP31 (Section 8). Applying fire deductions based on severity and repeated burning, and establishing a separately funded window for dry forests, would help inform discussions on eligibility criteria and the treatment of forest degradation. Transparent payment calculations and safeguards against funding shortfalls would support more predictable forest finance and help assess the actual benefits of these payments.

India's experience with forest monitoring could also inform the development of monitoring and reporting systems under the Roadmap (Section 7.1).

On the trade side, using Coffee Board and Rubber Board registries and information certified under the IFWCS as supporting evidence, alongside co-financing for smallholder compliance, could help improve coordination between importing and producer countries and reduce duplication in due-diligence processes across markets.

These proposals would allow India to contribute practical experience to the Roadmap discussions, particularly on how implementation can account for differences in forest conditions and national circumstances. They would also provide evidence from a country whose perspective is not yet represented in the written submissions to the presidency's consultation.

> India's experience exposes the gap between global compliance requirements and domestic implementation support.

8. Policy priorities for making the Forest Roadmap work

The following priorities draw on the main findings of this brief and the consultation submissions to identify areas for policy consideration. The first responds to the Roadmap's question on barriers: the need for a clear implementation and delivery mechanism, a recurring theme in the submissions. The priorities concerning forest payments, net financial benefits, due-diligence information, and financial flows set out measures through which finance and markets can accelerate forest conservation. Coordinated support based on shared public infrastructure highlights practices that producer countries could adapt and replicate. Finally, the priorities concerning eligibility criteria, community-level finance, and country benchmarking address the need to account for differences in forest conditions and national circumstances while recognising the rights of Indigenous Peoples and local communities.

8.1 Establish an implementation architecture for the Forest Roadmap

Making the Roadmap operational is one of the strongest demands in the consultation, second only to direct community access to finance (Section 3.3). Currently, the Roadmap is a presidency-led initiative with convening power but no delivery mechanism. As a first step, COP31 can turn the Roadmap into an implementation architecture that connects commitments to delivery. The Roadmap should also establish a common baseline for forest finance needs and gaps, since submissions cite different estimates of the financing gap. Reporting should track not only forest outcomes, but also whether the systems needed to achieve them are being put in place (e.g. forest monitoring, land, and traceability systems) and whether international finance reaches subnational institutions. India could demonstrate this by building on FSI and NRSC capabilities (Section 7.1). This reporting could also inform the second Global Stocktake (Section 2).

8.2 Safeguard forest payments and strengthen forest-country representation

The TFFF already includes safeguards such as capital buffers, liquidity provisions, and rules for reducing payments when financial conditions deteriorate. However, concerns remain about how the fund will prioritise forest payments when it faces financial pressure.

At COP31, parties should encourage the TFFF to establish a pre-funded reserve to maintain a minimum level of forest payments during periods of financial stress, with clear rules governing its use and replenishment. Forest countries should also be represented on the TFIF board, particularly in decisions on the level of investment risk the facility undertakes. This would give countries that depend on forest payments a direct role in decisions affecting their reliability.

8.3 Assess the net financial benefits of the TFFF for forest countries

Before committing capital, the TFFF should publish a common assessment of financing costs, leverage, expected payment stability, and net fiscal benefits to recipient countries, including who bears losses if returns decline.

This is important because, when recipient-country sovereign debt is part of the investment portfolio, associated financing costs can reduce the net benefit of forest payments. Climate vulnerability can also raise sovereign borrowing costs for climate-vulnerable developing countries (Buhr et al. 2018; Section 5.1).

The assessment should also report how the facility performs under market and liquidity stress scenarios, building on the stress testing already undertaken by the TFFF. This would allow policymakers to assess the actual financial benefits delivered to forest countries rather than relying solely on the volume of capital mobilised or the headline payment per ha.

8.4 Review TFFF eligibility and degradation rules

The TFFF should periodically review its eligibility criteria, particularly its current biome boundaries and approach to measuring forest degradation. This review should consider forest systems outside the eligible biome, such as Brazil's Cerrado, the Miombo woodlands of southern Africa, and India's dry forests, where conservation pressures may persist or increase.

India's assessment illustrates the implications of the current approach. Counting every burn scar would eliminate its payment, whereas weighting fire by severity and repeat burning, applied consistently across countries, would leave India with up to USD 40 million annually at full capitalisation (Section 7.1).

India could propose this weighting approach before the operations manual is approved, along with a separately funded, carbon-weighted window for dry forests. The facility should also support monitoring of forest degradation beyond fire.

8.5 Make community finance traceable

The TFFF already proposes that at least 20 per cent of forest payments should benefit Indigenous Peoples and local communities. The consultation also includes 51 actionable asks concerning direct community access to finance or a financing floor. The proposed 20 per cent minimum already responds to the call for a floor, and direct access depends largely on how recipient countries channel these funds. The remaining challenge is therefore ensuring that funds can be tracked after they enter recipient countries.

The Roadmap should therefore encourage recipient countries to publish their implementation mechanisms, specifying how much funding is allocated, where it is transferred, and which institutions or communities receive it, with organisations of Indigenous Peoples and local communities involved in designing and monitoring these mechanisms. Assessments of whether international finance is additional to existing domestic spending should also be conducted periodically. This would turn community benefit-sharing from a stated commitment into a verifiable one.

8.6 Coordinate support for producer-country compliance with the EUDR

Producer countries are already receiving support to prepare for the EUDR through initiatives such as the Team Europe Technical Facility (Global Gateway n.d.), SAFE (SAFE n.d.), and *Market Access Upgrade Programme* (MARKUP) II (MARKUP n.d.). These initiatives provide support for smallholders, traceability, geolocation, and related data systems.

However, this support is spread across different programmes and countries. Structural challenges, including land-tenure and legality documentation, plot geolocation, traceability, and digital capacity, can remain costly and difficult for smallholders to address.

The Forest Roadmap could therefore help coordinate and align existing EUDR-support initiatives, placing greater emphasis on shared public infrastructure and long-term maintenance rather than short-term project support. This would help reduce duplication, improve continuity of support, and lower the risk of smallholders being excluded from EUDR-compliant supply chains.

8.7 Enable reuse of due-diligence information and transparent benchmarking

The Forest Roadmap should promote mutual recognition of due-diligence information across markets, allowing producers to reuse the same core evidence rather than prepare separate documentation for different regulatory systems.

For the EUDR and emerging requirements in Great Britain (Defra 2026), this could include recognising the EUDR due diligence statement and its reference number as a common information token while retaining each market's distinct legal requirements.

Credible forest certification schemes, including FSC, PEFC, and India's IFWCS, can provide reusable evidence to support compliance across multiple markets, including the US and Japan. However, the information must meet each market's requirements and complement, rather than replace, operators' own due-diligence responsibilities.

The Roadmap should also call for a transparent country-benchmarking process, including a published re-benchmarking calendar, a mechanism for countries to submit evidence, and clear reasons for changes in risk classification. This is particularly important for supply chains, such as India's soluble coffee: although India is classified as low risk, compliance still depends on plot-level information from the countries where the underlying coffee is produced.

> The Forest Roadmap must address not only how forests are financed, but also where global capital flows.

8.8 Align public and private financial flows with forest objectives

Reforming harmful subsidies and private financial flows remains a significant priority in the submissions, accounting for 23 of the 233 actionable asks. Submissions cite estimates that more than USD 2 trillion a year in subsidies is potentially harmful to nature, and the most recent estimate puts environmentally harmful subsidies at no less than USD 2.6 trillion a year (Koplow and Steenblik 2024), while approximately USD 8.9 trillion in private finance is exposed to deforestation risks (UNEP 2025). This cross-sector estimate is broader than the USD 406 billion in agricultural subsidies cited in Section 3.3.

Given the scale of these flows relative to the TFFF's potential annual financing of USD 2 billion at full scale, the Forest Roadmap should focus on actions within its convening remit.

The Roadmap should encourage the TFIF to explicitly include forest-risk commodity activities in its negative investment list before it finalises its investment policy. The seven commodities covered by the EUDR could provide a practical reference for defining such exposure.

In parallel, countries should disclose, through the Roadmap's reporting, their largest public incentives that may conflict with their forest objectives, along with the measures being taken to realign them.

9. Conclusion

The Forest Roadmap can contribute meaningfully by connecting existing finance, market, and implementation mechanisms rather than creating another standalone instrument. This analysis shows that forest finance and demand-side measures, such as the EUDR, address different aspects of the deforestation challenge. Their effectiveness, however, depends on the institutional capacity, financing, monitoring, and market systems needed for implementation. The consultation findings also highlight that the challenge lies not only in setting ambitious goals but also in translating commitments into action on the ground.

At COP31, the priority is to give the Roadmap an implementation architecture with clear responsibilities. Within it, Parties and institutions can protect forest payments and assess their net benefits, revisit eligibility and degradation rules, make community finance traceable, coordinate support for producer-country compliance, enable the reuse of due-diligence information, and align wider financial flows with forest objectives.

India's experience shows how these rules play out in practice, from the treatment of forest fires and dry forests under the TFFF to the position of a low-risk country that processes imported raw materials under the EUDR. Evidence generated through the Roadmap's implementation can also inform the second Global Stocktake (Section 2), helping translate the GST-1 call to halt and reverse deforestation and forest degradation by 2030 into practical action.

Acronyms

AFOLU	agriculture, forestry and other land use
BSNR	*Bharat Sustainable Natural Rubber*
CBDR	common but differentiated responsibilities
CEEW	Council on Energy, Environment and Water
CMA	Conference of the Parties serving as the meeting of the Parties to the Paris Agreement
COP	Conference of the Parties
COP30	30th UN Climate Change Conference (Conference of the Parties)
COP31	31st UN Climate Change Conference (Conference of the Parties)
COP33	33rd UN Climate Change Conference (Conference of the Parties)
EU	European Union
EU-27	27 member states of the European Union
EUDR	*European Union Deforestation Regulation* (Regulation (EU) 2023/1115)
EUR	euro
FAO	Food and Agriculture Organization of the United Nations
FLEGT	Forest Law Enforcement, Governance and Trade
FSC	Forest Stewardship Council
FSI	Forest Survey of India
GST	Global Stocktake
ha	hectare
HFLD	high forest, low deforestation
ICVCM	Integrity Council for the Voluntary Carbon Market
IFWCS	*Indian Forest and Wood Certification Scheme*
IIFM	Indian Institute of Forest Management
INDICOFS	*Indian Coffee Sustainability Standard and Certification Scheme*
INROAD	*Indian Natural Rubber Operations for Assisted Development*
IPCC	Intergovernmental Panel on Climate Change
JRC	Joint Research Centre (European Commission)
km^2	square kilometre
MARKUP	*Market Access Upgrade Programme* (EU–East African Community)
Mha	million hectares
MSPO	Malaysian Sustainable Palm Oil
NRSC	National Remote Sensing Centre
ODA	official development assistance
PEFC	Programme for the Endorsement of Forest Certification
REDD+	reducing emissions from deforestation and forest degradation, plus conservation, sustainable management of forests and enhancement of forest carbon stocks
SAFE	*Sustainable Agriculture for Forest Ecosystems*
SBTN	Science Based Targets Network
t C/ha	tonnes of carbon per hectare
TFFF	Tropical Forest Forever Facility
TFIF	Tropical Forest Investment Fund
UK	United Kingdom
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
US	United States
USD / US$	United States dollar
V20	Vulnerable Twenty Group
WTO	World Trade Organization

References

Abman, Ryan, Hattie Jenkins, and Clark Lundberg. 2026. "The Limits of Cross-Border Environmental Policies: Trade Diversion as Leakage." *Journal of Environmental Economics and Management* 137: 103298. https://doi.org/10.1016/j.jeem.2026.103298.

Agroicone. 2026. COP30 *Presidency Roadmap on Halting and Reversing Deforestation and Forest Degradation by 2030*. Submission to the COP30 Presidency consultation. Agroicone, April 10.

Board of Governors of the Federal Reserve System. 2019. *Financial Stability Report*, May 2019. Board of Governors of the Federal Reserve System.

Boysen, Ole. 2025. *The Impact of the EU Deforestation Regulation on Cocoa: Markets, Trade and Forest Conservation*. JRC Working Papers on Economic Analysis of Policies in Africa. European Commission, Joint Research Centre, July 2025.

Buhr, Bob, Charles Donovan, Gerhard Kling, et al. 2018. *Climate Change and the Cost of Capital in Developing Countries: Assessing the Impact of Climate Risks on Sovereign Borrowing Costs*. Imperial College Business School, SOAS University of London and UN Environment.

Chan-Lau, Jorge A., and Iryna V. Ivaschenko. 2001. *Corporate Bond Risk and Real Activity: An Empirical Analysis of Yield Spreads and Their Systematic Components*. IMF Working Paper WP/01/158. International Monetary Fund, October 2001.

Chandrasekhar, Aruna, Daisy Dunne, Orla Dwyer, et al. 2025. "COP30: Key Outcomes for Food, Forests, Land and Nature at the UN Climate Talks in Belém." *Carbon Brief*, November 26. https://www.carbonbrief.org/cop30-key-outcomes-for-food-forests-land-and-nature-at-the-un-climate-talks-in-belem.

ClientEarth. 2020. "China Introduces New Law to Safeguard Forests and Improve Governance." News. ClientEarth, July 8. https://www.clientearth.org/latest/news/china-introduces-new-law-to-safeguard-forests-and-improve-governance/.

Coffee Board. 2023. *Database on Coffee*. Market Intelligence Unit, Coffee Board of India, July 2023. https://coffeeboard.gov.in/Database/DATABASE3_JULY2023.pdf.

Coffee Board. 2025. *Indian Coffee Sustainability Standard and Certification Scheme*. Coffee Board, Ministry of Commerce and Industry, Government of India, December 2025. https://coffeeboard.gov.in/Indian%20Coffee/Indian%20Coffee%20Sustainability%20Standard%20%20Certification%20Scheme.pdf.

COP30 Presidency. 2026. "Invitation to Submit Contributions." United Nations Framework Convention on Climate Change. https://unfccc.int/sites/default/files/resource/COP30Presidencyinvitation_to_submit_contributions.pdf.

CPI (Climate Policy Initiative). 2026a. *Global Landscape of Climate Finance 2026*. Climate Policy Initiative.

CPI (Climate Policy Initiative). 2026b. *Roadmap to Halting and Reversing Deforestation and Forest Degradation by 2030*. Climate Policy Initiative. https://www.climatepolicyinitiative.org/id/publication/roadmap-to-halting-and-reversing-deforestation-and-forest-degradation-by-2030/.

Defra (Department for Environment, Food and Rural Affairs). 2026. "Government Steps Up Action to Tackle Illegal Deforestation." Press release, June 23. Department for Environment, Food and Rural Affairs. https://www.gov.uk/government/news/government-steps-up-action-to-tackle-illegal-deforestation.

Dinerstein, Eric, David Olson, Anup Joshi, et al. 2017. "An Ecoregion-Based Approach to Protecting Half the Terrestrial Realm." *BioScience* 67 (6): 534–45. https://doi.org/10.1093/biosci/bix014.

EEAS (European External Action Service). 2023. "Joint Press Release: The Kick-Off Meeting of the Ad Hoc Joint Task Force between Indonesia, Malaysia, and the European Union." European External Action Service, August 4. https://www.eeas.europa.eu/delegations/indonesia/kick-meeting-ad-hoc-joint-task-force-between-indonesia-malaysia-and-eu_en.

EEAS (European External Action Service). 2025. "EU and Malaysia Agree to Strengthen Their Partnership and Continue Their Joint Efforts against Deforestation." European External Action Service, September 5. https://www.eeas.europa.eu/delegations/malaysia/eu-and-malaysia-agree-strengthen-their-partnership-and-continue-their-joint-efforts-against_en.

EFI (European Forest Institute). 2026. *EU Deforestation Regulation: Early Responses in Producer Countries*. Technical Facility on Deforestation-Free Value Chains. European Forest Institute, April 2026.

EU (European Union). 2023. *Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the Making Available on the Union Market and the Export from the Union of Certain Commodities and Products Associated with Deforestation and Forest Degradation and Repealing Regulation (EU) No 995/2010. Official Journal of the European Union* L 150, 9.6.2023, 206–47. https://eur-lex.europa.eu/eli/reg/2023/1115/oj.

EU (European Union). 2024. *Regulation (EU) 2024/3234 of the European Parliament and of the Council of 19 December 2024 Amending Regulation (EU) 2023/1115 as Regards Provisions Relating to the Date of Application. Official Journal of the European Union* L, 2024/3234, 23.12.2024.

EU (European Union). 2025. *Regulation (EU) 2025/2650 of the European Parliament and of the Council of 19 December 2025 Amending Regulation (EU) 2023/1115 as Regards Certain Obligations of Operators and Traders. Official Journal of the European Union* L, 2025/2650, 23.12.2025. https://eur-lex.europa.eu/eli/reg/2025/2650/oj.

EU–Mercosur. 2025. *EU–Mercosur Partnership Agreement*, Annex 18-A. Text submitted to the Council, September 3. https://circabc.europa.eu/rest/download/808e9887-bf92-41f4-9193-719e4e5a9587.

European Commission. 2025a. *Commission Implementing Regulation (EU) 2025/1093 of 22 May 2025 Laying Down Rules for the Application of Regulation (EU) 2023/1115 of the European Parliament and of the Council as Regards a List of Countries That Present a Low or High Risk of Producing Relevant Commodities for Which the Relevant Products Do Not Comply with Article 3, Point (a). Official Journal of the European Union* L, 2025/1093. https://eur-lex.europa.eu/eli/reg_impl/2025/1093/oj.

European Commission. 2025b. *Commission Staff Working Document on the Methodology Used for the Benchmarking System, Accompanying the Document Commission Implementing Regulation (EU) .../... Laying Down Rules for the Application of Regulation (EU) 2023/1115 as Regards a List of Countries That Present a Low or High Risk*. SWD(2025) 129 final. European Commission, May 22. https://ec.europa.eu/transparency/documents-register/detail?ref=SWD(2025)129&lang=en.

European Commission. 2026a. *Simplification Review on the Regulation (EU) 2023/1115 on the Making Available on the Union Market and the Export from the Union of Certain Commodities and Products Associated with Deforestation and Forest Degradation* (EUDR). Report from the Commission to the European Parliament and the Council. COM(2026) 191 final. European Commission, May 4. https://data.consilium.europa.eu/doc/document/ST-8943-2026-INIT/en/pdf.

European Commission. 2026b. *Guidance Document for Regulation (EU) 2023/1115 on Deforestation-Free Products*. Commission Notice C(2026) 4972 final. Official Journal of the European Union C, C/2026/3896, 20.7.2026. https://eur-lex.europa.eu/eli/C/2026/3896/oj.

European Commission. 2026c. "Commission Updates Product Scope and Digital Tools to Support Implementation of EU Deforestation Regulation." News article, Directorate-General for Environment, July 13. https://environment.ec.europa.eu/news/commission-updates-product-scope-and-tools-support-eudr-2026-07-13_en.

European Commission. 2026d. "EU–India: Text of the Agreements." Directorate-General for Trade and Economic Security. Texts published after the conclusion of negotiations on January 27, 2026, for information only and final upon signature; Chapters 16 and 18 and Annex 14-A. https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india/eu-india-agreements/text-agreements_en.

European Commission. 2026e. *Commission Delegated Regulation (EU) 2026/2102 of 13 July 2026 Amending Regulation (EU) 2023/1115 as Regards the List of Relevant Commodities and Relevant Products. Official Journal of the European Union* L, 2026/2102, 17.9.2026. https://eur-lex.europa.eu/eli/reg_del/2026/2102/oj.

European Rubber Journal. 2026. "ANRPC Meeting Offers 'Future Vision' for Natural Rubber Sector." *European Rubber Journal*, August 28. https://www.european-rubber-journal.com/article/2099630/anrpc-meeting-offers-future-vision-for-natural-rubber-sector.

FAO (Food and Agriculture Organization of the United Nations). 2025. *Global Forest Resources Assessment 2025*. Food and Agriculture Organization of the United Nations. https://doi.org/10.4060/cd6709en.

FAO (Food and Agriculture Organization of the United Nations). 2026. "FAO Report Highlights Forests' Crucial Role in Food Security and Nutrition." *FAO Newsroom*, 15 September. https://www.fao.org/newsroom/detail/fao-report-highlights-forests'-crucial-role-in-food-security-and-nutrition/en.

FAO (Food and Agriculture Organization of the United Nations). n.d. "Solutions Tree: All Measures." Halting Deforestation. Food and Agriculture Organization of the United Nations. https://www.fao.org/haltingdeforestation/about/transforming-agri-food-systems/solutions-tree/all-measures.

Forest Declaration Assessment Partners. 2025. *Forest Declaration Assessment 2025: Tracking Progress on 2030 Forest Goals*. Climate Focus (coordinator and editor), October 2025.

Forestry Agency (Japan). n.d. *Annual Report on Forest and Forestry in Japan, Fiscal Year 2024 (Summary)*. Ministry of Agriculture, Forestry and Fisheries, Japan. Accessed November 3, 2026. https://www.maff.go.jp/e/data/publish/AnnualReportonForestandForestry/AnnualReportonForestandForestryinJapan_FY2024.pdf.

FSC (Forest Stewardship Council). 2025. "ASI Benchmarking Confirms FSC's Strong Alignment with EUDR." Forest Stewardship Council, September 23. https://fsc.org/en/newscentre/eudr/asi-benchmarking-confirms-fscs-strong-alignment-with-eudr.

FSI (Forest Survey of India). 2019. *India State of Forest Report 2019* (With Forest Cover Map). Forest Survey of India, Ministry of Environment, Forest and Climate Change, Government of India. https://fsi.nic.in.

FSI (Forest Survey of India). 2023. *India State of Forest Report 2023*. Vol. 1. 18th ed. Forest Survey of India, Ministry of Environment, Forest and Climate Change, Government of India. https://fsi.nic.in.

Gale, Nicola K., Gemma Heath, Elaine Cameron, et al. 2013. "Using the Framework Method for the Analysis of Qualitative Data in Multi-Disciplinary Health Research." *BMC Medical Research Methodology* 13: 117. https://doi.org/10.1186/1471-2288-13-117.

GFW (Global Forest Watch). 2026. "Tree Cover Loss v1.13 (2001–2025), Tree Cover Loss Due to Fires, and Natural Forest (SBTN Natural Lands Map 2020), by District: India." Accessed through the Global Nature Watch data API (dataset version 20260424), October 2026. World Resources Institute. https://globalnaturewatch.org/dashboards/country/IND/.

Gilbert, Christopher L. 2024. "The EU Deforestation Regulation." *EuroChoices* 23 (3): 64–70. https://doi.org/10.1111/1746-692X.12436.

GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). 2025. *Assessment of Thailand's Existing Standards and Tools for EUDR Compliance*. Draft, November 2025. EUDR Engagement project, co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development.

GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). 2026. *Sustainable Agriculture for Forest Ecosystems (SAFE)*. Factsheet, as at April 2026. Deutsche Gesellschaft für Internationale Zusammenarbeit. https://www.giz.de/sites/default/files/media/pkb-document/2026-08/giz2026-en-sustainable-agriculture-forest-ecosystems-factsheet.pdf.

Global Gateway. n.d. "Team Europe Initiative on Deforestation-Free Value Chains: Deforestation-Free Trade Gateway." Zero Deforestation Hub. Accessed September 18, 2026. https://zerodeforestationhub.eu/projects/dftg/.

Hansen, M. C., P. V. Potapov, R. Moore, et al. 2013. "High-Resolution Global Maps of 21st-Century Forest Cover Change." *Science* 342 (6160): 850–53. https://doi.org/10.1126/science.1244693.

Harstad, Bård. 2025. *Improving Tropical Forest Financing: From TFFF and REDD+ to SSLB and FLL*. Discussion Paper. Harvard Project on Climate Agreements, Harvard Kennedy School, August 2025.

ICVCM (Integrity Council for the Voluntary Carbon Market). 2024. "Integrity Council Approves Three REDD+ Methodologies." Integrity Council for the Voluntary Carbon Market, November 15. https://icvcm.org/integrity-council-approves-three-redd-methodologies/.

IIFM (Indian Institute of Forest Management). n.d. "Indian Forest and Wood Certification Scheme (IFWCS) – PRAMAAN." Indian Institute of Forest Management. Accessed October 16, 2026. https://iifm.ac.in/pramaan.

IPCC (Intergovernmental Panel on Climate Change). 2003. *Definitions and Methodological Options to Inventory Emissions from Direct Human-Induced Degradation of Forests and Devegetation of Other Vegetation Types*. Institute for Global Environmental Strategies (IGES) for the IPCC. https://archive.ipcc-nggip.iges.or.jp/public/gpglulucf/degradation.html.

Koplow, Doug, and Ronald Steenblik. 2024. *Protecting Nature by Reforming Environmentally Harmful Subsidies: An Update*. Earth Track, September 2024. https://earthtrack.net/sites/default/files/documents/ehs_report_september-2024-update_final.pdf.

Kurian, Jose. 2025. "EU Deforestation Law Puts Kerala Coffee Trade on Alert as Compliance Window Narrows." *Onmanorama*, December 4. https://www.onmanorama.com/news/business/2025/12/04/europian-union-deforestation-law-puts-kerala-coffee-trade-alert-compliance-window-narrows.html.

Lok Sabha. 2026. "Import of Rubber." Unstarred Question No. 3702, answered by the Ministry of Commerce and Industry (Department of Commerce), August 11, Annexure I. Lok Sabha Secretariat. https://sansad.in/ls/questions/questions-and-answers.

MARKUP (Market Access Upgrade Programme). n.d. "EUDR Readiness." Accessed September 18, 2026. https://www.eacmarkup.org/resource/eudr-readiness.

Meli, Paula, David Ellison, Silvio F. de Barros Ferraz, Solange Filoso, and Pedro H. S. Brancalion. 2024. "On the Unique Value of Forests for Water: Hydrologic Impacts of Forest Disturbances, Conversion, and Restoration." *Global Change Biology* 30 (2): e17162. https://doi.org/10.1111/gcb.17162.

Miles, Lera, Adrian C. Newton, Ruth S. DeFries, et al. 2006. "A Global Overview of the Conservation Status of Tropical Dry Forests." *Journal of Biogeography* 33 (3): 491–505. https://doi.org/10.1111/j.1365-2699.2005.01424.x.

Mitamura, Shun, Emma Jagu Schippers, Thierry Brunelle, and Yann Kervinio. 2026. *Can National Payments for Standing Forests Deter Deforestation? An Opportunity Cost Analysis of the Tropical Forests Forever Facility*. Preprint, HAL-05686008, submitted July 8. https://hal.science/hal-05686008v1.

MoEFCC (Ministry of Environment, Forest and Climate Change). 2024. "Union Minister Bhupender Yadav Releases India State of Forest Report 2023." Press release, December 21. Press Information Bureau, Government of India. https://pib.gov.in/PressReleasePage.aspx?PRID=2086742.

MoEFCC (Ministry of Environment, Forest and Climate Change). 2025. *Where the Land Meets the Sea: Mangroves as Guardians of Life and Livelihoods*. Press Information Bureau, Government of India, March 29. https://static.pib.gov.in/WriteReadData/specificdocs/documents/2025/apr/doc202541530201.pdf.

MoP (Ministry of Power). 2025. "Turning Climate Commitments into Action: India's Carbon Offset Plan Hits the Ground." Press release, March 28. Press Information Bureau, Government of India. https://pib.gov.in/PressReleasePage.aspx?PRID=2116421.

NRSC (National Remote Sensing Centre). 2016. *Land Use and Land Cover, 2015–16*. National Remote Sensing Centre, Indian Space Research Organisation. https://www.nrsc.gov.in/nrsc-new/Apps_LULC.php.

PEFC (Programme for the Endorsement of Forest Certification). 2024. "PEFC EUDR DDS Module Standard Published." Programme for the Endorsement of Forest Certification, July 26. https://pefc.org/news/pefc-eudr-dds-module-standard-published.

RECOFTC. 2024. *Potential Impacts of the EU Regulation on Deforestation-Free Products (EUDR) on Smallholders in Thailand and Indonesia: Case Studies on Rubber, Timber and Coffee*. RECOFTC, June 2024.

Rodriguez, Sebastian. 2026. "Brazil Confident New Rainforest Fund Will Reach $10bn Donor Milestone." *Climate Home News*, September 29. https://www.climatechangenews.com/2026/09/29/brazil-confident-new-rainforest-fund-tfff-10bn-fund-finance/.

Rubber Board. 2025. "Consumption of Natural Rubber in India, by End Use, Financial Year 2025." Rubber Board of India data, as reported by Statista. https://www.statista.com/statistics/275390/world-usage-distribution-of-natural-rubber.

Rubber Board. 2026. "Bharat Sustainable Natural Rubber (BSNR)." Online portal. Rubber Board of India, Ministry of Commerce and Industry. https://bsnr.rubberboard.org.in/index.htm.

SAFE (Sustainable Agriculture for Forest Ecosystems). n.d. "Sustainable Agriculture for Forest Ecosystems (SAFE) Project." Zero Deforestation Hub. Accessed September 18, 2026. https://zerodeforestationhub.eu/projects/safe/.

Schäfer, Georg. 2026. "The Tropical Forest Forever Facility – A Game-Changer?" *Debating Development Research* (blog), May 26. https://www.developmentresearch.eu/?p=2587.

Sharma, Manoj, and Nelson B. Villoria. 2026. "Costly Regulation, Minimal Results: The EU's Deforestation Regulation Effect on Global Soy Trade." *European Review of Agricultural Economics* 53 (3): 873–907. https://doi.org/10.1093/erae/jbag008.

Sims, Michelle J., Radost Stanimirova, Anton Raichuk, et al. 2025. "Global Drivers of Forest Loss at 1 km Resolution." *Environmental Research Letters* 20 (7): 074027. https://doi.org/10.1088/1748-9326/add606.

Smith, C., J. C. A. Baker, and D. V. Spracklen. 2023. "Tropical Deforestation Causes Large Reductions in Observed Precipitation." *Nature* 615 (7951): 270–75. https://doi.org/10.1038/s41586-022-05690-1.

Tang, Yuzhi, Chao Yang, Haishan Wu, et al. 2025. "Tropical Forest Carbon Offsets Deliver Partial Gains amid Persistent Over-Crediting." *Science* 390 (6769): 182–87. https://doi.org/10.1126/science.adw4094.

Tenkhoff, Leona, and Lisa Voigt. 2026. “The Tropical Forest Forever Facility and Its Role in International Forest Finance.” SWP Comment 1. Stiftung Wissenschaft und Politik, German Institute for International and Security Affairs, January 2026. https://doi.org/10.18449/2026C01.

Teo, Hoong Chen, Tasya Vadya Sarira, Audrey R. P. Tan, Yanyan Cheng, and Lian Pin Koh. 2024. “Charting the Future of High Forest Low Deforestation Jurisdictions.” *Proceedings of the National Academy of Sciences* 121 (37): e2306496121. https://doi.org/10.1073/pnas.2306496121.

TFFF (Tropical Forest Forever Facility). 2026a. *Frequently Asked Questions*. Tropical Forest Forever Facility. Last updated June 23. https://tfff.earth/wp-content/uploads/2026/06/TFFF-FAQs-June-23-2026.pdf.

TFFF (Tropical Forest Forever Facility). 2026b. *Tropical Forest Forever Facility Charter*. Tropical Forest Forever Facility. Adopted July 22. https://tfff.earth/wp-content/uploads/2026/09/2026-07-17-TFFF-Facility-Charter.pdf.

TFFF Secretariat. 2025. *Tropical Forest Forever Facility (TFFF): Concept Note 3.1*. TFFF Secretariat, October 2025. https://tfff.earth/wp-content/uploads/2025/10/TFFF-Concept-Note-3.1.pdf.

TFFF Watch. n.d. “Investment Tracker.” TFFF Watch. Accessed October 8, 2026. https://tfffwatch.org.

Tyukavina, Alexandra, Peter Potapov, Matthew C. Hansen, et al. 2022. “Global Trends of Forest Loss Due to Fire from 2001 to 2019.” *Frontiers in Remote Sensing* 3: 825190. https://doi.org/10.3389/frsen.2022.825190.

UN Comtrade. 2026. *UN Comtrade Database: India’s Exports and Imports by Partner, 2024 (HS Lines in EUDR Annex I)*. United Nations Statistics Division. https://comtradeplus.un.org/.

UNEP (United Nations Environment Programme). 2025. *State of Finance for Forests 2025: Unlock. Unleash. Realizing Forest Potential Requires Tripling Investments in Forests by 2030*. United Nations Environment Programme. https://doi.org/10.59117/20.500.11822/48718.

UNFCCC (United Nations Framework Convention on Climate Change). 2023. “Outcome of the First Global Stocktake.” Decision 1/CMA.5. In *Report of the Conference of the Parties Serving as the Meeting of the Parties to the Paris Agreement on Its Fifth Session, Held in the United Arab Emirates from 30 November to 13 December 2023*. Addendum. FCCC/PA/CMA/2023/16/Add.1. United Nations Framework Convention on Climate Change. https://unfccc.int/sites/default/files/resource/cma2023_16a01E.pdf.

UNFCCC (United Nations Framework Convention on Climate Change). 2025. “Rules for Managing Emission Reversal Risks Agreed by UN Body.” News. United Nations Framework Convention on Climate Change, October 10. https://unfccc.int/news/rules-for-managing-emission-reversal-risks-agreed-by-un-body.

UNFCCC (United Nations Framework Convention on Climate Change). n.d. “The Second Global Stocktake.” United Nations Framework Convention on Climate Change. Accessed November 3, 2026. https://unfccc.int/topics/global-stocktake/about-the-global-stocktake/the-second-global-stocktake.

Urugo, Markos Makiso, Mohammed Worku, Biruk Tagesse Lambe, Miressa Regasa, and Yetenayet B. Tola. 2026. “Collateral Damage of the EU Deforestation Regulation on Commodity Supply Chains in Cocoa, Coffee, Palm Oil, Soy, and Cattle Value Chains.” *Discover Sustainability*. Article in press, accepted July 28. https://doi.org/10.1007/s43621-026-04286-3.

USDA APHIS (United States Department of Agriculture, Animal and Plant Health Inspection Service). 2026. “File a Lacey Act Declaration.” United States Department of Agriculture, Animal and Plant Health Inspection Service. Last modified January 6. https://www.aphis.usda.gov/plant-imports/file-lacey-act-declaration.

Verma, Rupal, Florencia Sarmiento, and Erika Luna. 2026. *Smallholders and the European Union Deforestation Regulation: Challenges, Implications, and Pathways to Compliance*. SSI Report. International Institute for Sustainable Development, August 2026. https://www.iisd.org/system/files/2026-08/smallholders-european-union-deforestation-regulation.pdf.

West, Thales A. P., Sven Wunder, Erin O. Sills, et al. 2023. “Action Needed to Make Carbon Offsets from Forest Conservation Work for Climate Change Mitigation.” *Science* 381 (6660): 873–77. https://doi.org/10.1126/science.ade3535.

WTO (World Trade Organization). 2025. “European Union – Deforestation Free Commodities (ID 203).” Specific trade concern, Council for Trade in Goods, meeting of November 27–28, 2025; statement by India recorded in minutes G/C/M/153, paras. 10.515–10.516. World Trade Organization. https://tradeconcerns.wto.org/en/stcs/details?imsId=203&domainId=CTG.

Authors



Dr Joy Rajbanshi

joy.rajbanshi@ceew.in

Dr Joy Rajbanshi

Dr Rajbanshi is a geophysical researcher working as a Programme Lead with CEEW's Low-carbon Economy team. His research focuses on modelling emissions from the Agriculture, Forestry and Other Land Use (AFOLU) sector to support long-term climate strategies. Before joining CEEW, he worked as a Senior Research Fellow at BITS Pilani, Goa, on a Ministry of Environment, Forest and Climate Change-sponsored project on forest carbon sequestration and land restoration. During this tenure, he also prepared a landslide report and vulnerability map for Goa. He holds a PhD in Geography from the University of Calcutta, a postgraduate diploma in GIS and Remote Sensing from Jadavpur University, and bachelor's and master's degrees in Geography from West Bengal State University.



Dr Johns Tiyndel

johns.tiyndel@ceew.in

Dr Johns Tiyndel

Dr Tiyndel is a Research Analyst with CEEW's Low-carbon Economy team and works on AFOLU research, combining quantitative analysis with policy-oriented research. Previously, he worked as a Senior Research Fellow under the National Agricultural Higher Education Project (NAHEP) at the Central Agricultural University, Manipur, and then as an Associate Agronomist at Aibono Smart Farming Pvt. Ltd., Bengaluru. He holds a PhD in Agricultural Economics from CCS Haryana Agricultural University, a bachelor's degree in Agricultural Science from Tamil Nadu Agricultural University, Coimbatore, and a master's degree in Agricultural Economics from Central Agricultural University, Imphal.



Prof. Vaibhav Chaturvedi

vaibhav.chaturvedi@ceew.in

Vaibhav Chaturvedi

Prof. Vaibhav Chaturvedi is a Senior Fellow at CEEW, leading research on the low-carbon economy and carbon markets. He is also an Adjunct Professor at XLRI Jamshedpur and a Lead Author for the IPCC's Seventh Assessment Report. His research focuses on energy and emissions modelling, economic transformation, and climate policy. He co-chairs the Mitigation Working Group of the Independent Global Stocktake Process and has served on several Government of India committees. He holds a Doctorate in Economics from IIM Ahmedabad and was previously a Post-Doctoral Research Fellow at Pacific Northwest National Laboratory, USA.

Council on Energy, Environment and Water

INTEGRATED | INTERNATIONAL | INDEPENDENT

The Council on Energy, Environment and Water (CEEW)—**a homegrown institution** with headquarters in New Delhi—is among the **world's leading climate think tanks**. The Council uses **data, integrated analysis, and strategic outreach** to support public policy, transform markets, shape technology, and nudge behaviour. It addresses pressing regional and global challenges through an integrated and internationally focused approach. The Council prides itself on the **independence** of its high-quality research and strives to **impact sustainable development at scale**.

CEEW IN NUMBERS

16 years
16 research teams
400+ team members
680+ peer-reviewed studies

240+ policies & plans informed
80,000+ livelihoods enabled

770+ convenings
800+ opinion articles
52 mn reached via films & documentaries

CEEW'S LEADERSHIP

Board: Mr Jamshyd Godrej (Chairperson); Dr Suresh Prabhu; Mr Amitabh Kant; Dr Janmejaya Sinha; Mr Montek Singh Ahluwalia; Dr Naushad Forbes; Mr S. Ramadorai, and Ms Vinita Bali

CEO: James Abraham

CEEW'S STRATEGIC PILLARS

Clean electricity penetration
Low-carbon industrialisation & circularity
Security of fuels of the future
Quality of life
Green economy & livelihoods
Sharing lessons from India

SELECT POLICY ENGAGEMENTS

NATIONAL/INTERNATIONAL

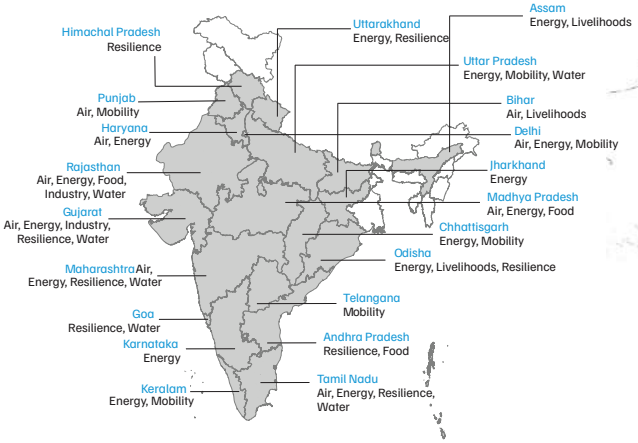
2011 | National Water Resources Framework
2014 | 175 GW renewables target
2015 | International Solar Alliance
2016 | PM *Ujjwala Yojana*
2017 | *Saubhagya Scheme*
2019 | *India Cooling Action Plan*
2021 | Net Zero by 2070
2022 | *Mission LiFE*
2022 | *National Bioenergy Programme*
2022 | E-waste (Management) Rules
2023 | G20 Green Development Pact
2023 | *National Green Hydrogen Mission*
2024 | Green Steel Taxonomy
2024 | *PM Surya Ghar Yojana*
2025 | *National Critical Mineral Mission*
2025 | Rajya Sabha Guidelines on Crop Residue Burning
2025 | India's Carbon Credit Trading Scheme (CCTS)
2025 | IFSCA's Framework for Transition Bonds
2026 | Disaster Risk Index for 16th Finance Commission
2026 | India's NDC 3.0
2026 | India's Scenarios towards Viksit Bharat and Net Zero

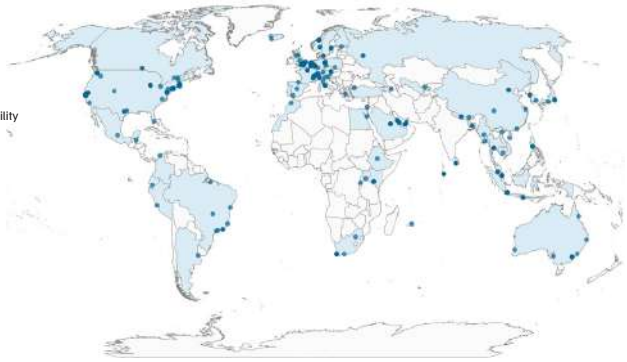
STATE

2022 | *Rajasthan Organic Farming Mission*
2022 | *Jharkhand State Solar Policy*
2022 | *Uttar Pradesh Vidyut Sakhi programme*
2023 | *Rajasthan Renewable Energy Policy and Green Hydrogen Policy, 2023*
2023 | *Uttarakhand Solar Policy*
2025 | Green Odisha Initiative
2025 | *Maharashtra Climate Action Plan 2.0*
2025 | *Delhi Clean Air Action Plan*
2026 | *Delhi EV Policy 2.0*
2026 | Bihar Promotion of New and Renewable Energy Sources
2026 | Gujarat Integrated Renewable Energy Policy and Green Hydrogen Policy
2026 | *Uttarakhand Mukhyamantri Saur Swarojgar Yojana*
2024-26 |
Directives of Commission on Air Quality Management
Net Zero Roadmaps (BH, GJ, TN, UK)
Agroforestry Roadmaps (AS, MH, OD)
140+ Heat Action Plans (GJ, MH, OD, TN)
Treated Used Water Reuse Plans (MH, UP)
Flood Risk Mitigation Plans (GJ, MH)

COLLABORATIONS SINCE 2010

21 Indian states | **60+** countries | **230+** global institutions/forums







Council on Energy, Environment and Water (CEEW)

ISID Campus, 4 Vasant Kunj Institutional Area
New Delhi - 110070, India
T: +91 (0) 11 4073 3300

info@ceew.in | ceew.in | @CEEWIndia | ceewindia

Scan to download the study