



Enabling Sustainable Transactions to Promote Forest Friendly Commodities

Investing in sustainability

Deforestation in agricultural commodity supply chains is often fueled by investment decisions largely uninformed about the environmental, social and economic costs of land conversion for agriculture.

With an estimated \$1.7 trillion invested in the production and procurement of major agricultural commodities, financial institutions have huge say and the ability to influence sustainable value chains.

The 'Good Growth' solution

The Good Growth Partnership is working closely with the international finance sector to increase the amount of capital directed toward sustainable commodity production.

This includes building the capacity of key lenders and investors to avoid deforestation related risks in commodity supply chains and also encouraging the adoption of stronger environmental safeguards and legal environmental compliance in the finance sector.

Budget

GEF: USD \$6,495,101 Co-financing: USD \$22,958,419

Implementing agencies

Countries and regions in scope

- Liberia: Monrovia

Project components

Making the business case for sustainability

By developing a series of compelling business cases, the Good Growth Partnership aims to influence policies which promote sustainable investment decisions. This includes designing investment products that address the financial limitations of independent farmers as well as fiscal incentives which encourage the use of degraded land over forests.

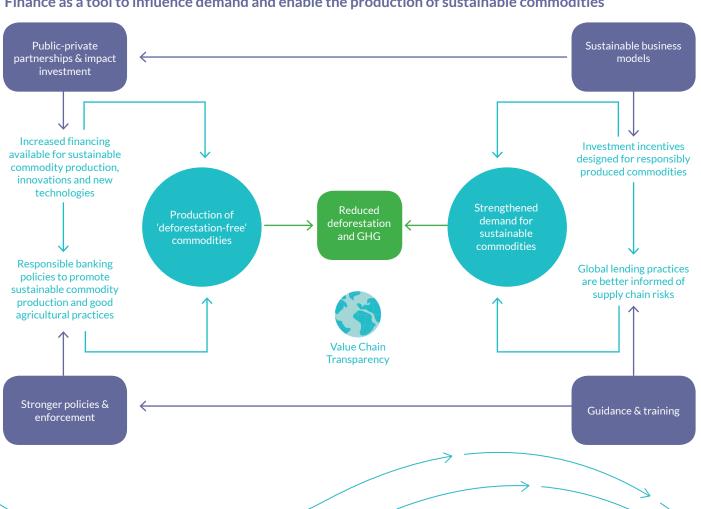
Identifying risks to encourage responsible practice

To support the shift away from unsustainable investments, the Partnership is developing tools and methodologies and also offering training and guidance to major agricultural commodity regulators and financial institutions so that they can identify potential risks, mitigate them and influence decision-making processes.

Mobilizing public-private finance

Given the strained state of many public budgets, the Partnership is bringing together governments and the financial sector to align resources in an effort to close the agricultural financing gap. Simultaneously, the Partnership provides analysis and technical input on fiscal revisions such as tax reduction, incentives, grants and subsidies which have the potential to accelerate the transition towards reduced and avoided deforestation production systems.

Finance as a tool to influence demand and enable the production of sustainable commodities



- Insight

"This collaborative work, encompassing demand, supply and finance of commodities is a critical step toward safeguarding sustainable economies where people and nature can prosper together. The involvement of members from UN Environment's Finance Initiative ensures that the finance industry is fully engaged in delivering this transformative change."

Eric Usher

Head of the UN Environment Finance Initiative

Global expected results

\$400 million

of new investments, designed by the IFC by the end of the project, to stimulate the adoption of innovative agricultural practices and models that steer clear of deforestation.

50

international banks and financial institutions trained on risk management and zero deforestation lending policies.

1,000

small-scale oil palm farmers given access to micro-grants to purchase inputs that allow them to maximize yields after being trained in good agricultural practices.





About the Good Growth Partnership

Working across production, financing and demand, the Good Growth Partnership convenes a wide range of stakeholders and initiatives to reduce deforestation in three global commodity supply chains: soy, beef and palm oil.

Launched at the United Nations New York headquarters in 2017, the Partnership is funded by the Global Environment Facility and led by the United Nations Development Programme in partnership with Conservation International,

the International Finance Corporation, UN Environment and World Wildlife Fund.

In collaboration with the governments of Brazil, Indonesia, Liberia and Paraguay, as well as civil society and major private sector players, the Good Growth Partnership aims to place sustainability at the heart of commodity supply chains.

Project Document

View the project document in full at www.goodgrowthpartnership.com

Contact

For more information please contact

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