

Tropentag, September 20-22, 2023, hybrid conference

"Competing pathways for equitable food systems transformation: Trade-offs and synergies"

## Promoting environmentally and socially responsible global supply chains

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## Abstract

Biodiversity conservation and climate change migitation are main challenges for the safeguarding of livelihoods and human security and the functioning of the world's ecosystems. Forest conservation and restoration make a remarkable contribution, regarding their importance for valuable ecosystem services and global carbon storage. Planting trees has become a popular and seemingly easy medium to implement this approach. However, it has become clear that planting trees is not a panacea since deforestation is still too high, due to the ongoing lack of incentives in the global economy.

OroVerde - Tropical Forest Foundation provides a holistic view on forest conservation and restoration and identifies ways to make our way of life environmentally and socially more responsible. In this sense, global supply chains are one important focus: Many products consumed in Europe (e.g. coffee, coccoa, palm oil) come from tropical countries while their cultivation is one of the main deforestation drivers. Two upcoming policy instruments address the problem in the EU: the EU-Deforestation Regulation and the Corporate Sustainability Due Diligence Directive. However, these regulations raise challenges for both smallholder farmers and companies.

OroVerde uses multiple levers to tackle this problem: at the local level, the work's focus is on smallholder farmers in Central America. Strengthening policy frameworks, improving access to financing, and providing organisational development of farmer associations facilitates market access, even to Europe, to farmers with sustainable production methods contributing to the restoration of ecosystems, rather than to deforestation. The main goal ist to foster incentives to conservation in producer countries.

On the private sector level in Germany, the focus is on awareness and transition in companies. By the means of an online platform "ELAN", companies are supported on how to eliminate deforestation from their supply chains, thus implement the regulations, but at the same time benefitting smallholder farmers and contributing to a sustainable global economy. By conducting advocacy work, influence is exerted on the design of the laws in order to make them more environmentally and socially compatible, respecting the requirements of stable ecosystems, the rights of indigenous people and local communities and the livelihoods of smallholder farmers.

**Keywords:** Deforestation-free supply chains, ecosystem conservation, EU legal framework, forest landscape restoration, smallholder farmers