

EXECUTIVE SUMMARY

WE ARE IN A CRISIS: The forest ecosystems that support a liveable climate, invaluable biodiversity, thriving economies, and intangible cultural importance remain under massive pressure. Standing forests are essential for limiting global warming to 1.5°C. Yet, the world remains off track to reach the 2030 goals of halting and reversing deforestation and forest degradation by 2030.

In 2022, global gross deforestation reached 6.6 million hectares worldwide and was 21 percent higher than needed to eliminate deforestation by 2030. The loss of primary tropical forests reached 4.1 million hectares and is even further off track—the loss was 33 percent higher than the needed trajectory to halt primary forest loss by the end of the decade. This backslide puts forest goals even farther out of reach after the small but insufficient progress made in 2021.

Forest regrowth in tropical deforested areas has increased steadily over the past four years, demonstrating the great capability of forests to recover from disturbances. Regrowth is certainly positive, but the ecological conditions characterizing mature forests may take decades to be reestablished. While there is evidence that restoration is scaling up globally, tracking progress is hindered by the glaring lack of transparency on public and private efforts to restore forests across the world.

Several regions continue to lose high integrity forests at alarming rates. These include non-tropical and tropical Latin America, non-tropical Africa, as well as boreal and temperate forests in North America and Europe. Comprehensive data on forest degradation, especially in many northern forests, remains insufficient to adequately assess progress and inform needed action.

HOPE IS NOT LOST: Well over 50 countries are on track to eliminate deforestation within their borders by 2030. For instance, in tropical Asia, the only region that is close to the pathway for achieving zero gross deforestation, Indonesia and Malaysia have achieved sustained reductions in deforestation. Both developed and developing countries have demonstrated the transformative power of political will and dedicated action. Their efforts have led to dramatic and, in some cases, sustained reductions in deforestation rates.

PROFOUND CHALLENGES REMAIN: Unfortunately, these individual successes cannot outweigh the massive forest loss and degradation underway across critical forest ecosystems. Further, one country's progress cannot be disentangled from another country's ecological crisis. Reduced deforestation in one geography may be due to the outsourcing of forest-risk commodity production and subsequent leakage of deforestation to other countries and ecosystems. In a globalized economy, all countries bear the responsibility of addressing continued forest loss.

WE MUST FACE A STARK REALITY: The world simply cannot sustain its “business-as-usual” exploitation and destruction of forests. Economic systems that rely on natural resource extraction and consumption have already destabilized six of the nine planetary boundaries that comprise the Earth's life support system, including the boundary for land use.¹

Leading countries and companies have set the pace; the rest of the world must follow their example. Without a widespread, transformative embrace of alternative development models, the world will not meet its ambitious goals for sustainable development, climate, and forests.

Governments must re-define “business-as-usual” for forests:

They must build a regulatory and fiscal environment that mandates corporate action, disclosure, and accountability for forests; that incentivizes the protection, sustainable management, and restoration of forests; and that encourages voluntary efforts to pioneer alternative economic approaches that recognize the true value of standing forests.

MONEY TALKS: Following the money makes it painfully clear that forest goals are still given low priority. Globally, only USD 2.2 billion in public funds are channeled to forests every year – a negligible fraction compared to other global investments. In fact, it would not even cover the cost of two football stadiums: Tottenham Hotspur Stadium in London cost about USD 1.1 billion to complete;² and the budget for the ongoing renovation of Camp Nou stadium in Barcelona comes to USD 1.6 billion.³

Developed countries have announced dozens of initiatives to support ending tropical deforestation – yet the incentives provided by these programs are not nearly enough to overcome the challenges of reaching forest goals. Most developing countries still need significant support to initiate the bold reforms required to reconcile their development pathways with forest goals.

At the same time, many developed countries also struggle to adequately protect their forests at home. Subsidies and regulations allow, and even encourage, forest management and extraction that degrades forest quality, even in irreplaceable primary and old-growth forests.

And the sad fact remains that many commitments to protect the rights of Indigenous Peoples (IPs) and local communities (LCs), including land tenure and free, prior and informed consent, are still just lip service. IPs and LCs receive a mere fraction of the finance they need to secure their rights and effectively steward their territories. Meanwhile, these communities are consistently subject to violence and criminalization when protecting their lands, even as they are most directly harmed by forest destruction.

THERE IS A YAWNING GAP BETWEEN CURRENT AND NEEDED FINANCE FOR FORESTS.

Financial institutions, companies, and governments must put their money where their mouth is:

Invest in activities that nurture forests, not destroy them. And invest directly in the most effective forest stewards: Indigenous Peoples and local communities.

RESPONSIBILITY MUST BE SHARED: All countries share the responsibility to turn the tide on the unfolding tragedy of lost and degraded forests. Some geographies have demonstrated what it takes to make a difference: Brazil's turn to increased enforcement and the rapid shift on Amazon deforestation in 2023, for example, or the European Union's striking advancements in both domestic and international forest policy.

Within the private sector, a small group of company leaders have, with the support of civil society, pioneered best practices like supply chain monitoring and traceability and supplier engagement to mitigate and reduce their exposure to deforestation and ecosystem conversion in their supply chains. It is possible for the private sector to change its business-as-usual practices at a meaningful scale.

Financial institutions are increasingly recognizing and acting on the risks of exposure to deforestation, degradation, and ecosystem conversion through their investments - both the risks to their business, and the negative impact they can have on people and the environment.

And yet, the overall impact of all of these leaders remains extremely limited. They only control a small share of the global market and resources. The majority of major companies in forest-risk commodity supply chains assessed by Forest 500 have no clear, comprehensive, or ambitious policy to eliminate deforestation from their supply chains. The majority of financial institutions have no forest risk policy covering their lending and investments. In 2022 alone, Forest 500 estimates that private financial institutions provided USD 6.1 trillion to companies most at risk of driving tropical deforestation through agricultural commodity production. Despite many ambitious pledges, many companies and governments have made limited efforts to advance forest goals.

The majority of governments, companies, and financial institutions who have done little or nothing have also, so far, escaped accountability. There is a systemic lack of data and transparent reporting on forests, -from data on forest degradation in temperate and boreal forests and restoration progress globally, to proactive reporting on activities and outcomes by actors who have made forest pledges.

WITHOUT DATA AND TRANSPARENCY, PROGRESS WILL REMAIN DIFFICULT—AND ACTORS WILL NOT BE HELD ACCOUNTABLE FOR THEIR PROMISES.

Governments, companies, and financial institutions must shine the spotlight on themselves:

They must invest in data collection, active monitoring, and transparent, proactive reporting on the state of forests and ecosystems, on their plans and strategies to align their economic and development priorities with forests, and on their progress in implementing forest pledges.

THE FOREST DECLARATION ASSESSMENT PARTNERS HAVE SAID IT BEFORE: Nothing less than a radical transformation of development pathways, finance flows, and governance effectiveness and enforcement is required to shift the world’s trajectory to achieve the 2030 forest goals.

Our economic models must be re-structured to value forests for the benefits that they provide over the long term, rather than for the superficial and short-term gain that comes with clearing them.

IPs and LCs have consistently demonstrated the effectiveness of alternative models of development and forest management. Leading countries, companies, and financial institutions have shown that change in policies and practices is possible.

THE WHOLE WORLD MUST FOLLOW THEIR LEAD TO REDEFINE “BUSINESS-AS-USUAL” AND SHIFT THE GLOBAL TRAJECTORY TO 2030.

¹ Richardson, K., et al. (2023). Earth beyond six of nine planetary boundaries. *Science Advances*, 9(37), eadh2458. <https://doi.org/10.1126/sciadv.adh2458>.

² StadiumDB: Tottenham Hotspur Stadium.

³ Mallick, A. (2023, September 13) “Barcelona's Estimated Stadium Revenue from the new Camp Nou.” *TechnoSports*.

INTRODUCTION

Climate change and the destruction of nature are among the most pressing challenges facing humanity and are inextricably interlinked. Forests are essential for fighting these challenges (**Box I.1**), yet they face widespread and persistent destruction in many parts of the world. International forest pledges, adopted by nearly all countries as well as hundreds of companies, civil society organizations, and Indigenous Peoples' organizations, have set an ambitious goal to halt and reverse deforestation and land degradation by 2030. These goals are expressed in multiple forest declarations like the Bonn Challenge (2011), the New York Declaration on Forests (NYDF, 2014), and the Glasgow Leaders' Declaration on Forests and Land Use (2021). For the purposes of the Forest Declaration Assessment, these overarching forest goals are expressed as:

- Ending the loss and degradation of natural forests by 2030
- Restoring 350 million hectares of degraded landscapes and forestlands by 2030

The [Forest Declaration Assessment](#) is a civil society effort to assess collective progress towards these global forest goals. Started in 2015 as an independent initiative to track the New York Declaration on Forests, this effort now engages a strong and diverse group of over two dozen research organizations, think tanks, NGOs, and advocacy groups from around the world. We, the Forest Declaration Assessment Partners, draw on our collective expertise to provide scientific and independent analysis that, combined, provides a comprehensive and robust picture of global progress.

BOX I.1. THE ESSENTIAL ROLE OF FORESTS

Forests sustain the livelihoods of millions of people worldwide,¹ making their conservation and sustainable management central to the achievement of the UN Sustainable Development Goals (SDGs). Forests are also the home of nearly 70 thousand vertebrate species and 80 percent of terrestrial plants and animals² and are crucial for tackling the global biodiversity crisis.³ Well-managed forests are also essential for mitigating and adapting to climate change.³ Forests regulate and stabilize the global climate, and standing forests are a key component for limiting global warming to 1.5°C.^b

Deforestation and forest degradation are significant sources of greenhouse gas emissions. In 2022, deforestation alone accounted for approximately 7 percent⁴ of global emissions,⁵ and from 2010 to 2018, emissions from deforestation and forest fires in some areas of the Amazon exceeded the amount of carbon sequestered by the forests, making them a source – rather than a sink – of carbon emissions.⁶

Forest restoration – whether through natural regeneration or active interventions – can remove and store significant amounts of carbon. But forest restoration is not a panacea: primary forest is irreplaceable.^c Degraded and deforested land can be restored, but its original quality of carbon storage, biodiversity, and associated ecosystem services may never fully recover.⁷ Forest protection provides the most efficient, substantial mitigation opportunity.

^a The mission of the Global Biodiversity Framework for the period up to 2030, towards the 2050 vision is: To take urgent action to halt and reverse biodiversity loss to put nature on a path to recovery for the benefit of people and planet by conserving and sustainably using biodiversity and by ensuring the fair and equitable sharing of benefits from the use of genetic resources, while providing the necessary means of implementation.

^b Gross yearly carbon removals by forests are estimated at 15.6 billion metric tons of carbon dioxide equivalent (GtCO₂e) between the years 2001 and 2019. See Harris, N. L., Gibbs, D. A., Baccini, A., Birdsey, R. A., de Bruin, S., Farina, M., et al. (2021). Global maps of twenty-first century forest carbon fluxes. *Nature Climate Change*, 11(3), 234–240; IPCC, 2019: Summary for Policymakers. In: *Climate Change and Land: an IPCC special report on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems* [P.R. Shukla, J. Skea, E. Calvo Buendia, V. Masson-Delmotte, H.-O. Pörtner, D. C. Roberts, P. Zhai, R. Slade, S. Connors, R. van Diemen, M. Ferrat, E. Haughey, S. Luz, S. Neogi, M. Pathak, J. Petzold, J. Portugal Pereira, P. Vyas, E. Huntley, K. Kissick, M. Belkacemi, J. Malley, (eds.)]. In press.

^c Primary tropical moist forests are defined as mature natural humid tropical forest cover that has not been completely cleared and regrown in recent history.

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We form a coordinated front for research, outreach, and advocacy for global forests, and annually publish rigorously researched and peer-reviewed progress assessment reports on the state of global forests.

The 2023 report is divided into four chapters that broadly cover the articles outlined in the Glasgow Leaders' Declaration with a focus on forest ecosystems:

Chapter 1. Overarching forest goals

Chapter 2. Sustainable production & development

Chapter 3. Forest finance

Chapter 4. Forest rights & governance

This report focuses primarily on forests rather than other terrestrial ecosystems. This stems from the Forest Declaration Assessment's history and mandate as an initiative to track the NYDF, a mandate that has since expanded to tracking other global forest goals. It does not intend to imply that other ecosystems are less impacted by conversion-risk sectors (e.g., the Cerrado's savannahs and the Great Plains' old-growth grasslands are the largest conversion fronts outside of the Amazon⁸), nor that the protection and restoration of other ecosystems is less crucial to reducing the impacts of climate change and safeguarding biodiversity. While the most comprehensive datasets usually focus on forests, data on the conversion of non-forest ecosystems (e.g., grasslands, savannahs) is included where available. Thus, when we discuss ending deforestation and forest degradation in this report, it should also be understood that ending conversion of other ecosystems is an equally important goal.

¹ Chao, S. (2012). *Forest Peoples: Numbers across the world*. Moreton-in-Marsh, United Kingdom: Forest Peoples Programme.

² FAO and UNEP. (2020). "The State of the World's Forests 2020: Forests, biodiversity and people." In *The State of the World's Forests (SOFO): Vol. 2020*.

³ Intergovernmental Panel on Climate Change (IPCC). (2022). *Cross-Chapter Paper 7: Tropical Forests*. Cambridge University Press, Cambridge, UK and New York, NY, USA: Intergovernmental Panel on Climate Change. 611.

⁴ Harris, N. L. et al. (2021).

⁵ World Data Lab. (2023). *World Emissions Clock*.

⁶ Gatti, L. V., et al. (2021). Amazonia as a carbon source linked to deforestation and climate change. *Nature*, 595(7867), 388–393. <https://pubmed.ncbi.nlm.nih.gov/34262208/>.

⁷ Wilson, S. J., Schelhas, J., Grau, R., Nanni, A. S., & Sloan, S. (2017). Forest ecosystem-service transitions: the ecological dimensions of the forest transition. *Ecology and Society*, 22(4), art38. <https://doi.org/10.5751/ES-09615-220438>.

⁸ WWF. (2022). *Plowprint Report*. Gland, Switzerland: Worldwide Fund for Nature.

Chapter 1

OVERARCHING FOREST GOALS

Theme 1 Assessment

Chapter contents

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KEY MESSAGES

Did the world make progress on forest goals?

This report's overall finding is unmistakable: the world is off track to eliminate deforestation and forest degradation by 2030.

In 2022, global progress on protecting and restoring forests moved too slowly and, in some cases, progress was reverted. Global deforestation increased by 4 percent in 2022 compared to 2021. Each year that passes without sufficient progress, it becomes more and more challenging to meet global forest goals by 2030. Progress in 2021 was already insufficient, and the world needed to make up that lost ground (and more) in 2022.

The following key findings stand out from this year's Assessment:

- **In 2022, 6.6 million hectares of deforestation occurred worldwide.** That means that not only did the world miss its 2022 target for eliminating deforestation by the end of the decade, but there was a 4 percent increase in deforestation compared to 2021.
- **Regional deforestation targets were missed in all tropical regions, though not to the same degree.** Tropical Asia fared better than other tropical regions; it saw a 16 percent lower rate of deforestation in 2022 compared to baseline levels. While this progress is still slightly too slow (as deforestation in the region was still 1 percent higher than the Assessment-identified target), it shines in comparison to Tropical Latin America and the Caribbean (LAC), which saw a 9 percent increase in deforestation compared to baseline. That means tropical LAC is the tropical region farthest off track from the pathway to 2030 (with 35 percent higher deforestation than the Assessment-identified target for 2022).
- **Progress on reducing deforestation was mixed in the world's non-tropical regions,** with three out of five non-tropical regions (non-tropical Asia, and non-tropical Africa, North America) meeting their respective deforestation targets in 2022.

- **Global progress on eliminating primary forest loss was off track.** Not only did the world miss its 2022 target for eliminating primary forest loss, but there was a 10 percent increase in pantropical humid primary forest loss in 2022 compared to 2021. Though available data is limited to humid tropical forest loss (rather than all primary forests), it is clear that the world's progress on stopping the loss of these irreplaceable forests is vastly insufficient.
- **Gross emissions from deforestation increased.** Gross emissions from deforestation increased by 6 percent compared to 2021 – totaling 4 billion metric tons of carbon dioxide equivalent in 2022.
- **Forest degradation (data available only to 2021) fell somewhat below baseline overall.** Degradation was higher than the baseline in tropical and non-tropical regions of Latin America and Africa, whilst rates decreased in tropical and non-tropical Asia, Europe, and North America.
- **Forest regrowth in tropical deforested areas has increased exponentially over the past four years,** demonstrating the great capability of forests to recover from disturbances, but also signaling that at least a portion of deforested areas are abandoned after logging. Regrowth is certainly positive, but the ecological conditions characterizing mature forests may take decades to be reestablished.
- **While there is evidence that restoration is scaling up globally, tracking progress is hindered by the glaring lack of transparency on public and private efforts to restore forests across the world.** It is essential that both public and private sector actors step up to report their restoration data with a focus on quality, validation, and transparency.
- **Forested KBAs saw significant loss in tree cover in 2022, and forest degradation continues, while slightly slowing down between 2020 and 2021.** There was 1.2 million hectares of tree cover loss within KBAs – with only two regions meeting the Assessment-identified target needed to be on schedule to eliminate tree cover loss in forested KBAs by 2030.
- **Biodiversity in forests is declining at an alarming rate.** According to 2022 updated data from the Forest Specialists Index, monitored populations of forest specialists (i.e., species dependent on forest habitats for their survival or reproduction) declined in abundance by 79 percent on average between 1970 and 2018 with habitat loss, habitat degradation, overexploitation, and climate change as the most pressing threats.