

FACT SHEET: Leader Hoyer's AMAZON21 Legislation

Why Ending Deforestation Is Critical to Combating Climate Change:

- Deforestation and the loss of other natural carbon sinks (such as mangroves, wetlands, and peatlands) are a leading contributor to greenhouse gas emissions generated by human activity and are fueling the climate crisis.
- The Intergovernmental Panel on Climate Change (IPCC) has found that emissions from agriculture, deforestation, and other land-use changes degrading the world's natural carbon sinks account for up to one quarter of all human-generated emissions. The IPCC also found that addressing deforestation is the action with the largest potential to mitigate greenhouse gas emissions.
- On Tuesday, November 2, 2021, President Joe Biden made a historic pledge for the United States to contribute \$9 billion toward global deforestation efforts while at the COP26 conference in Glasgow, and world leaders from more than 100 countries committed to ending deforestation by 2030.
- The following day, House Majority Leader Steny H. Hoyer unveiled the America Mitigating and Achieving Zero-emissions Originating from Nature for the 21st Century Act – or “AMAZON21” – to achieve President Biden’s goal by authorizing \$9 billion for the State Department to finance forest conservation and natural carbon sequestration in developing countries and establish a new technical assistance program at the U.S. Agency for International Development (USAID) that will support developing countries’ capacity to participate in carbon markets.

What AMAZON21 Will Achieve:

- Because annual appropriations funding has a five-year lifespan, which is too short a time span to enter into global agreements, the United States has been limited in its ability to enter into direct, bilateral agreements with developing countries to finance forest conservation and enhancing nature-based carbon sequestration projects.
- AMAZON21 fixes that problem by establishing a \$9 billion trust fund to finance bilateral forest-conservation and terrestrial carbon-sequestration projects at the national or sub-national level within developing countries through results-based payments. These types of conditional-financing mechanisms are a critical tool envisioned in the Paris Agreement to preserve and enhance forests and other natural carbon sinks that absorb large amounts of carbon dioxide, and they are only triggered when the developing country or sub-national local partner carries out actions agreed-to in advance and are independently verified.

- Furthermore, this legislation establishes a new technical assistance program at the U.S. Agency for International Development (USAID) to help developing countries participate in carbon markets, an important tool to reduce global greenhouse gas emissions. Many developing countries lack the tools and technical expertise needed to promote and participate in carbon markets, which they can use to finance important terrestrial carbon-sequestration efforts, such as conserving forests or reforestation, within their borders.
- Embedded throughout AMAZON21 is the critical role that monitoring, reporting, and verification of forest conservation and terrestrial carbon sequestration projects play in ensuring their environmental integrity. A deforestation project is only as good as the standards, data, and reporting requirements embedded in its design. Moreover, the legislation includes important safeguards for protecting the rights of women, indigenous peoples, and other key local stakeholders.

The Global Impact of AMAZON21:

- Through monitoring by satellite imagery and other capabilities, the United States will be able to assess the impact of AMAZON21 and determine recipient countries' eligibility to continue receiving aid.
- If fully funded, AMAZON21's programs could avoid up to 180 million metric tons of carbon emissions each year – equivalent to the annual emissions of a state the size of Indiana or of taking every passenger car off the road in the United States for as many as two years.
- These investments will not only help preserve our planet's natural carbon sinks that absorb carbon dioxide, they yield other important benefits, such as protecting clean air and water, safeguarding biodiversity, and protecting the vulnerable lands of indigenous peoples.