Tropical Forests Forever Facility (TFFF)

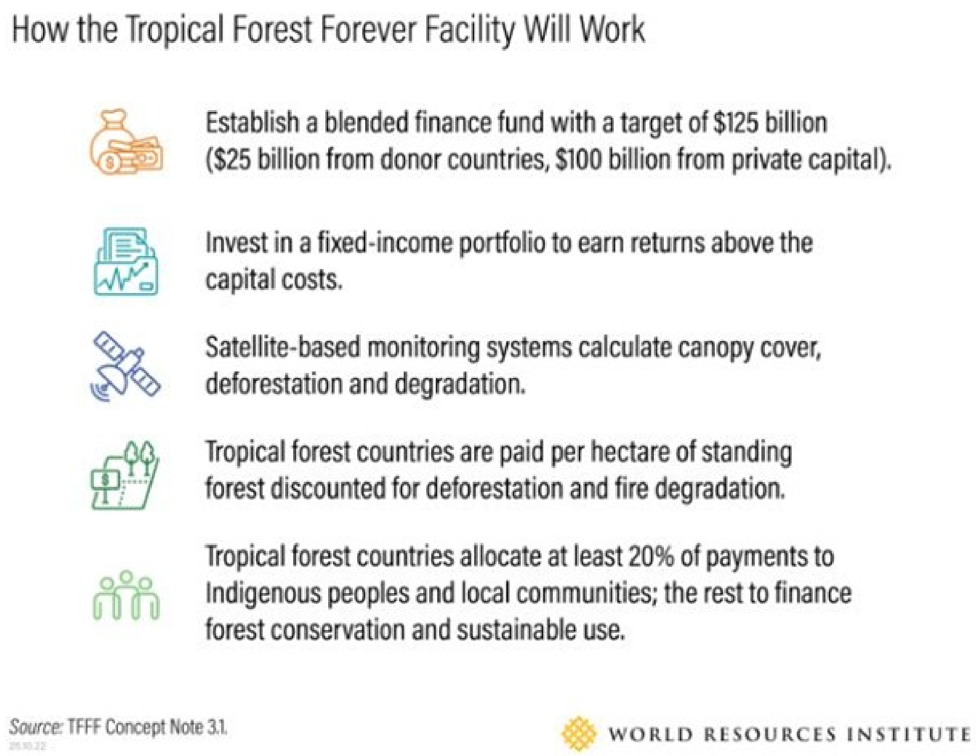
Prelims: *Current events of national and international importance | Environment*

Why in news?

*India will join the Tropical Forests Forever Facility (TFFF) as an **observer**, announced by India's ambassador to Brazil during COP 30 Leaders' Summit.*

- **TFFF –** It is a ***Brazil-led global fund*** to reward tropical countries for protecting and expanding forests.
- **Aim –** To mobilize around ***$125 billion*** through public and private investment, using returns to pay nations that conserve forests.
- **Launched at –** COP 30 Leaders' Summit in Belem, Brazil.
- **Trustee & Host** – World Bank
- **Endorsed by –** 53 countries globally —
    - **34 tropical forest countries** covering 90% of tropical forests in developing nations including Indonesia, the Democratic Republic of the Congo, China, etc.
    - Supported by **non-tropical nations** like Canada, UK, UAE, Japan, Germany.
- **Major contributors** – Norway ($3 billion), Brazil & Indonesia ($1 billion each), Portugal ($1 million), France (up to €500 million),Netherlands ($5 million), etc.
- **Key Features**
    - **Performance-linked finance** – It is designed as a "payment-for-performance" model
    - **Verification mechanism** – Uses agreed satellite monitoring standards and systems to reward tropical forest countries with a continuing source of funding.
    - **Continuity of Funding –** Funding continues as long as forests are preserved, creating a sustained incentive.
    - **Sovereignty-respecting –** Recipient countries retain full discretion over fund utilization, provided it supports conservation outcomes

- **Aligns with –** Existing mechanisms like REDD+, forest carbon markets, and Article 6 of the Paris Agreement.



- **Beneficiaries**
  - **Tropical forest countries** - Gets financial support for conservation.
  - **Indigenous Peoples & Local Communities** - Livelihoods, rights, cultural preservation.
  - **Sponsor Countries & Capital Providers** - Moves from aid-based donations to investment-based nature finance.
  - **Private Investors** - Diversified portfolio of fixed income assets from Emerging Market and Developing Economies (EMDES).

References

1. The Hindu | Tropical Forests Forever Facility (TFFF)
2. Hindustan Times | Tropical Forests Forever Facility (TFFF)
3. WRI | Tropical Forests Forever Facility (TFFF)