



The Meeting of the Conference of Parties to the **ASEAN Agreement on Transboundary Haze Pollution (COP-17)** welcome the development of an **Investment Framework for a Haze-Free, Sustainable Land Management in Southeast Asia** to prioritise national and regional actions on haze reduction and **enable predictable funding flows and potential for joint programme and project development** among ASEAN Member States and other stakeholders. 20 October 2022, Singapore.

## Investment in Haze-Free ASEAN delivers on UN SDGs

Potential approaches for support through the investment framework include:

### 1. Transforming agriculture waste to green products

Stop haze through the circular economy by using agricultural residues (e.g. rice, maize) to produce new bio-materials for packaging or renewable energy and provide alternative income sources for farmers and communities.



### 2. Restoring forests and lands via innovative financing

Scale-up biodiversity and carbon financing to incentivise ecosystem protection and conservation, while creating new options to finance forest and peatland restoration programmes.



### 3. Integrate Zero Burning and Haze-Free approaches into commodity supply chains

Use the power of markets and supply chains to institutionalise sustainable production of goods and services through bottom-up, sector-wide recognition and compliance of haze-free product labelling to meet emerging green purchase behaviour.



### 4. Enhancing capacity to better predict, prevent monitor and control fires

Harness advancement in satellite technology and AI predictive analytics to enhance national efforts to better manage fire and minimise incidents of transboundary haze pollution.



### 5. Developing multi-stakeholder dialogue and financing platform

Consolidate and scale projects across the ASEAN region, while facilitating business case advisory to build stronger investment appeal globally.



## To learn more about ASEAN Investment Framework, contact:

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# ASEAN Investment Framework for Haze-Free Sustainable Land Management

## Background

Large-scale land and forest fires regularly impact up to 30-50 million hectares (ha) of land in Southeast Asia. These fires can generate smoke clouds covering hundreds of millions of ha for months at a time. This transboundary smoke haze has impacted parts of all 10 ASEAN Member States (AMS) and had severe impacts. Over the last 25 years, hundreds of billions of economic damage have been done at immense social costs and environmental impacts. The fires and the associated ecosystem degradation are one of the largest sources of GHG emissions from the land-use sector globally. In response, the 10 AMS have developed a number of plans and mechanisms including the:

- ASEAN Agreement on Transboundary Haze Pollution (AATHP)
- ASEAN Peatland Management Strategy
- ASEAN Haze-Free Roadmap

While significant progress has been made in some countries, the situation in others is worsening. While technically many solutions are known, the challenge has been to take action at sufficient scale in an integrated manner, across a wide range of locations with the involvement of different sectors and stakeholders.

## Investment Framework

To address the challenge, ASEAN is in the process to develop the Investment Framework for Haze-Free Sustainable Land Management.

The investment framework will help build multi-stakeholder partnerships and enhance the availability of resources to stop large scale burning of forests, peatland and agricultural residue by establishing socially and economically viable alternatives. The initial target is to leverage USD 1.5 billion in funding up till 2030.

The development of the Investment Framework is supported by International Fund for Agricultural Development (IFAD) through the Measurable Action for Haze-Free Sustainable Land Management in Southeast Asia (MAHFSA) programme.

## Why Invest for A Haze-Free ASEAN?

About 40% of the world's tropical peatlands are in ASEAN. Yet the ongoing battle to reduce the impact of drained peatlands, which often result in peatland fires, huge GHG emissions and transboundary haze pollution, continues. To become a haze-free ASEAN, we must secure the buy-in from farmers and the landowners, with offers of scalable and sustainable alternative solutions. The global community too, must contribute to a shared future that is inclusive and dignified for all life if we are to combat haze in ASEAN.

## Aligning with Global Agendas

### • UNFCCC and Paris Climate Agreement

Land and forest degradation and fires in Southeast Asia are major global sources of GHG. Preventing fires and transforming land-use is fully in line with the targets for both mitigation and adaptation under UNFCCC. The investment framework will fully support implementation of the emissions reduction targets of all national NDCs.

### • UN Sustainable Development Goals

Ensuring haze-free sustainable land management in ASEAN will help implement at least 10 of the Sustainable Development Goals (SDGs).

### • Convention on Biological Diversity (CBD)

The investment framework is fully aligned with the Proposed Global Biodiversity Framework under CBD to achieve the 2050 Vision of "Living in Harmony with Nature".

### • Convention to Combat Desertification (UNCCD)

The investment framework is fully in line with the Land Degradation Neutrality Target.

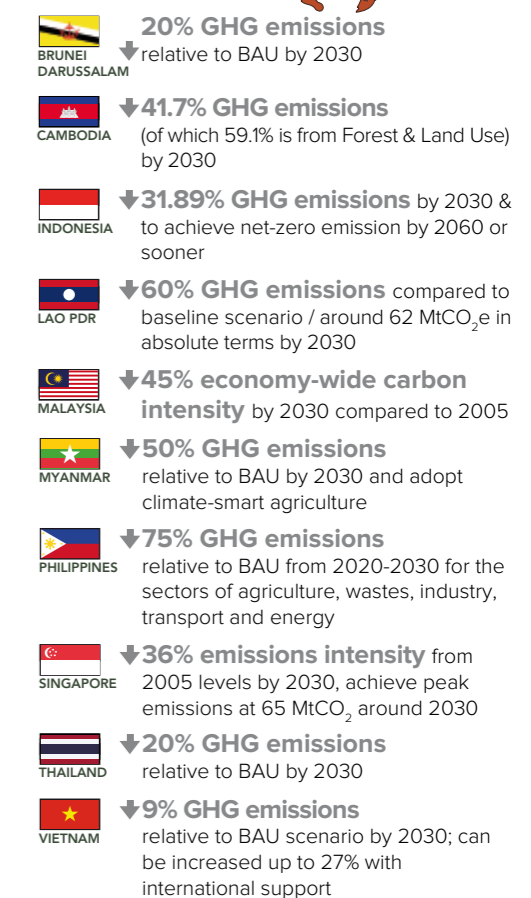
Transboundary haze challenges in ASEAN can be better addressed by a **higher level of commitments and investment from all stakeholders.**

**H.E. Ekkaphab Phanthavong**  
ASEAN Socio-Cultural Community, ASEAN Secretariat  
January 2022.





## National Emission Reduction Targets by ASEAN Member States



Source: NDC Registry, UNFCCC

### Objectives/Pillars

### Outcomes by 2030

**1** To improve adoption of sustainable and haze-free practices in the agriculture and commodity sectors in ASEAN to prevent transboundary haze.

Agriculture and commodity sector in ASEAN managed in a more sustainable manner, without contributing to transboundary haze.

**2** To empower and support indigenous peoples and local communities (IPLCs) to transition to haze-free land management.

Equitable and just transition for IPLCs to uplift the livelihoods through haze-free sustainable agriculture and land management.

**3** To enhance sustainable forest and peatland management to prevent haze.

Large-scale degradation of forests and peatland by fire halted in ASEAN by 2030.

**4** To mainstream/integrate fire and haze prevention into sustainable finance frameworks.

Increased the availability of financing for haze-free sustainable land management in ASEAN.

**5** To enhance policy and governance and strengthen institutional capacity for HFSLM in ASEAN.

Sufficient policy and institutional framework and capacity at all levels and sectors to implement haze-free sustainable land management in ASEAN.

### Strategies

- 1.1 Establish or further strengthen haze-free commodity supply chains and implement sustainable practices.
- 1.2 Invest in cross-sectoral and business adoption of circular economy in the agriculture and commodity sectors to avoid use of fire.

- 2.1 Empower and incentivise indigenous peoples and local communities (IPLC) to act as stewards of, and sustainably manage, land and natural resources to prevent haze.

- 3.1 Prevent and reverse forest degradation by fire to restore biodiversity and ecosystem services.
- 3.2 Protect, sustainably manage and restore peatland ecosystems to minimise emissions and maintain ecological services.

- 4.1 Facilitate climate finance funding and investment flows to reduce net GHG emissions related to fires/land degradation and support adaptation to climate change.
- 4.2 Scale-up sustainable financing options for haze-free sustainable land management.

- 5.1 Strengthen regional, national and local capacity for fire prevention, prediction, monitoring, control and recovery, as well as sustainable land management.

### Key Stakeholders

- ASEAN Working Group on Agriculture
- Ministries of Agriculture and Commodities
- Commodity roundtables (RSPO, Roundtable on Sustainable Rubber etc)

- Private sector commodity producers and traders
- UN and Civil society processes and organisations related to agriculture and commodities (e.g. IFAD, FAO etc)
- UN Global Compact

- Ministries of Agriculture and Rural Development
- Local Governments
- Civil society Organisations – Community Development

- Indigenous and Local Community organisations
- Asian Indigenous Peoples Pact
- Private Sector

- Ministries of Environment and Forestry
- UN REDD
- Conservation agencies
- Civil Society Conservation Organisations

- IPLCs
- International and regional initiatives on forest and wetland conservation (e.g. LEAF, GCFTF)

- Ministries of Finance
- Central Banks
- Private sector finance
- Sovereign Wealth funds

- Investors
- ASEAN Working Groups on Finance
- International Finance Institutions (ADB, World Bank, IFAD)

- Related ASEAN Institutions and mechanisms
- Related AMS institutions

- ASEAN Development Partners
- Civil Society and Private sector partners

**This section is still under review and finalisation by ASEAN Member States.**

### Northern ASEAN Subregion

The fires and haze is mainly linked to land clearing and burning of agriculture residuals dominated by crops such as maize, rice and sugarcane driven by demand for feedstocks.

### Southern ASEAN Subregion

The majority of transboundary smoke haze used to come from burning of forests and peatlands for large-scale development for oil palm and pulp and paper; but in recent years has more relationship with medium and small-scale developments across degraded landscapes.