Building productive and sustainable landscapes and livelihoods

The role of landscape-approaches in the agri-business sector
The Global Agri-business Alliance (GAA) is a CEO-led coalition of supply-side companies who have come together to build sustainable landscapes and livelihoods and make a measurable and additional contribution to the Sustainable Development Goals (SDGs) in particular SDG 2, No Poverty. The GAA does this by providing a platform for engagement and facilitates collaborative action that 1) scales best practice through peer learning 2) contributes to thought-leadership and 3) informs and influences emerging policies. Current membership includes 18 companies from growers to processors and traders.
Executive summary

The Global Agri-business Alliance – a multi-commodity, multi-geography, CEO-led and supply-side only engagement platform – has come together to strengthen and align its contribution to building productive and sustainable landscapes and livelihoods. Fauna & Flora International were commissioned to draft this independent think-piece to stimulate and inform discussion on the role of landscape-type approaches in navigating the complex challenges of protecting fragile ecosystems, enhancing sustainable rural livelihoods and enabling productivity.

It is increasingly being recognised that whilst achieving ‘no harm’ and mitigating adverse impacts of sector activities is essential, it is not enough to achieve sustainability targets. As a major land user, agri-business in its many forms – from large multinationals to small-holder producers – has a critical role to play in the delivery of sustainability goals through sustainable land management (i.e. managing land in a way that enhances and preserves biodiversity, the productivity of land and the resilience of livelihoods and ecosystems) both within and beyond the farm. In doing so, agri-business can make long-lasting, positive contributions for society and the environment, whilst securing a robust and sustainable supply chain and maintaining its social ‘license to operate’.

Overview

Agricultural lands occupy almost half the world’s land surface with further expansion anticipated in the coming decades. Societal concerns about the social and environmental impacts of agri-business are also growing and increasingly reflected in national regulation, conditions of lending, investment decisions, and civil society expectations. This underscores the operational and reputational challenges facing the global agri-business community: Mitigating the adverse impacts of sector activities is essential, yet it is increasingly being recognised that ‘doing no harm’ is not enough and there is a growing focus on the role of business in making a positive contribution to society and the environment. This is being driven in part by the ambitious agendas of the Global Sustainable Development Goals (SDGs), as well as a growing sense of urgency that the deadline for sustainability targets, including the 2020 zero deforestation targets, are rapidly approaching and unlikely to be met. The need to move from policy and pledges to action and demonstrable outcomes has never been more pressing, with calls for more integrated, coordinated and cross-sectoral action at the landscape level.

As a significant land user agri-business has a critical role to play in holistic sustainable land management that protects and maintains essential ecosystem services and builds rural community resilience. To realise this, it is essential that agri-business looks beyond the fence line. Landscape approaches are being applied in agricultural landscapes in a range of geographies and socioeconomic contexts, involving different commodities, issues and objectives, and applied through a wide range of implementation models. This experience is contributing to an important and growing evidence base that can inform and inspire landscape level thinking and action by agri-business moving forward.

Case studies demonstrate what is happening on the ground and what is possible. Collectively they highlight the diverse and critical role of agri-business as a catalyst and active stakeholder in landscape approaches designed to achieve multiple objectives on the ground (including zero deforestation, security of water supply, biodiversity conservation, and sustainable rural livelihoods). They further illustrate how targets and commitments set at international, national or corporate level (e.g. zero deforestation, net positive etc.) can provide incentives for more coordinated landscape-level action. The potential for restoration of forests and resilient landscapes is identified as a crucial yet underutilised opportunity for agri-business to contribute towards ending deforestation, climate mitigation and adaptation, sustainable livelihoods and biodiversity conservation.

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Introduction

Lands are multifunctional, with land and natural resources supporting diverse uses and valued in myriad ways by different people. Yet growing demands – for energy, land, water and natural resources – are rapidly outpacing the capacity of landscapes to meet competing needs. This is creating conflict over land allocations and rights and resulting in rapid ecosystem degradation, poverty and food insecurity, and water crises. Global agriculture is expected to produce enough food to feed over 9 billion people by 2050 and with agricultural lands currently occupying 40–50 per cent of the world’s land surface and projected to expand by 10 per cent by 2050, the challenge of maintaining food production whilst supporting healthy, functioning ecosystems that protect biodiversity, provide essential goods and services for people and support multiple land uses is intensifying.

Numerous sustainability goals seek to maintain these multiple values, with targets and timeframes set at global, regional, national and sub-national level. Bringing an end to deforestation, mitigating climate change, halting biodiversity loss, and combating land degradation are among the goals set through the ambitious agendas of the Paris climate agreement, Global Sustainable Development Goals (SDGs), the New York Declaration on Forests (NYDF), the Bonn Challenge, and the Convention on Biological Diversity (CBD) Aichi Biodiversity Targets.

Global goals are driving regional targets such as the African Union’s mandate to bring 100 million hectares of degraded land into restoration by 2030, whilst the European Commission is exploring policy options for an EU-wide No Net Loss (NNL) Initiative for biodiversity. They are also being translated into national targets and mainstreamed into policy and legislation to provide clearer, more enforceable and measurable objectives for directing action on the ground. For example, over 115 countries have committed to setting Land Degradation Neutrality targets (Box 1).

Box 1

Land Degradation Neutrality

Global land degradation is a global concern with estimates reported to be somewhere between 25 per cent and 30 per cent of all land. Land Degradation refers to the reduction or loss of the biological or economic productivity and complexity of land, reducing carbon storage in soil and vegetation, driving the loss of biodiversity, and accelerating climate change. The Sustainable Development Goals include a target for Land Degradation Neutrality (LDN); a target adopted by the UNCCD in October 2015 where it is defined as a ‘state whereby the amount and quality of land resources necessary to support ecosystem functions and services and enhance food security remain stable or increase within specified temporal and spatial scales and ecosystems’.

The LDN target complements and reinforces other existing goals including those of the UNFCCC, CBD, NYDF and Bonn Challenge and as of May 2018, over 115 countries have committed to set LDN targets. Countries will be required to define and map the extent and location of land degradation and develop strategies to ensure neutral, or net positive, outcomes through a combination of activities that actively avoid, reduce and potentially reverse land degradation through restoration and sustainable land management interventions.

For more information see: www.unccd.int/actions/achieving-land-degradation-neutrality

With commercial agriculture driving at least two-thirds of tropical deforestation globally, the agriculture sector is a major land user and subject to growing societal pressure to address its social and environmental impacts. This is reflected in investment decisions, conditions of lending and consumer choices. For example, investors are increasingly interested in how companies are addressing material risks related to land; according to Ceres, of the 130 sustainability-focused resolutions filed with food and beverage companies since 2011, over a third are related to deforestation concerns. Demand for standard-compliant produce is also reported to be outpacing demand for conventional products across eight agricultural sectors and on track to account for 10 per cent of global production by 2020. This underscores the operational and reputational challenges facing the global agri-business community.

Agri-business has responded to these risks through certification schemes, commodity roundtables and farmer training and with a focus on supply chains. Public commitments abound: by September 2017, more than 470 companies in the food and agriculture sector had pledged to eliminate deforestation from their supply chains. Yet progress in fulfilling zero deforestation (Box 2) commitments varies considerably: from no action at all to those making tangible steps forward. As the gap between commitments and implementation continues to widen there are widespread concerns that global and regional sustainability targets, including the 2020 zero deforestation targets, look set to be missed. The UN has further stressed the urgent need for “faster and more inclusive progress” across all 17 SDGs to achieve the ambitious vision of the 2030 Agenda.

‘Investors are increasingly interested in how companies are addressing material risks related to land; according to Ceres, of the 130 sustainability-focused resolutions filed with food and beverage companies since 2011, over a third are related to deforestation concerns.’

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8 Haupt, F. et al. (2017) Zero-deforestation commodity supply chains by 2020: are we on track?, Background paper prepared for the Prince of Wales’ International Sustainability Unit, the Tropical Forest Alliance 2020, and the Climate and Land Use Alliance.


Deforestation-free and zero deforestation targets are time-bound commitments adopted by various governments, institutions and companies to reduce and transparently measure their contribution to reduced deforestation. Deforestation-free and zero net deforestation supply chain commitments by the private sector and governments have increased since the 2014 New York Declaration on Forests. Many institutional partnerships, conventions and NGO groups have established umbrella commitments to a wide group of stakeholders, of which many agri-businesses ascribe to. These commitments have emerged out of a growing recognition of the multiple values of forests, the key role they play in regulating environmental (as well as social) conditions and the urgent need to restore and conserve them.

Commitments to zero deforestation are largely either a ‘net’ or ‘gross’ target. ‘Net’ deforestation is a yearly measure of the forest extent at time different time periods, accounting for the losses from deforestation balanced against the gains in forest area through regeneration and tree planting. A net deforestation approach facilitates the compensation of forest loss through the replanting of forest elsewhere in the landscape; as opposed to a ‘gross’ deforestation approach which is a measurement of the yearly loss of extant forest through land conversion practices as an absolute measure and excluding any forest regeneration or tree planting.

Whilst each approach has merits which will suit different country and landscape contexts, zero gross deforestation commitments can promote a more integrated approach to the delivery of positive contributions, generating benefits for biodiversity, ecosystem services and community stakeholders by retaining forest habitat.

Despite this, there is concern that zero deforestation targets will not be met. Challenges in implementation include ‘leakage’ effects, where experience has shown that halting deforestation in one location has shifted deforestation drivers to another location, often outside the landscape or in other habitats. For example, the focus on reduced deforestation rates in tropical Amazon forest has realised indirect habitat losses in other non-forested habitats due to land use practices being shifted in the landscape. In Indonesia, new standards in the oil palm sector have seen smallholders excluded from consideration or pushed out of the market chain by compliant larger producers taking a greater market share. Any activity under a zero deforestation commitment needs to be linked to a permanent and sustainable outcome, which can be challenging in countries with weak governance in landscapes, illegal deforestation activities or natural causes of intensive forest loss.

The ongoing discourse around the definition of forest and deforestation and varied understanding of zero deforestation in different contexts has created uncertainty. Yet despite this, stakeholders including agri-business companies need to find credible, robust and impactful ways to move forward with zero deforestation targets that are focussed on delivering positive outcomes on the ground. In addition to a focus on halting the rate of forest conversion to achieve zero deforestation objectives, there is an important and complementary imperative for restoration to improve the quality of degraded forest and increase forest extent.

'Stakeholders including agri-business companies need to find credible, robust and impactful ways to move forward with zero deforestation targets that are focussed on delivering positive outcomes on the ground.'
From no harm to making a positive contribution: an opportunity for agri-business

With societal expectations and government demand for business to make a positive contribution to society and the environment on the rise, there has been renewed momentum around the concept of net positive (i.e. doing more good than harm or putting more back into society and the environment than you take out). The concept of net positive is not new. Between 2001 and 2013, 32 companies made commitments to no net loss or net positive impact for environment, many specifically for biodiversity and the majority in the mining and energy sectors.

Net positive impact requirements for biodiversity have also been embedded into the lending requirements for international finance institutions, notably the IFC’s Performance Standard (PS) 6 which is widely considered international best practice and has extensive reach. The Equator Principles, for example, are based on the IFC’s PS and have been widely adopted: 92 Equator Principles Financial Institutions in 37 countries have officially adopted the Equator Principles (as of May 2018), covering over 70 per cent of international project finance debt in emerging markets.

In recent years, momentum behind net positive (or net gain) has been building with uptake by a broadening range of sectors (e.g. communications, data management and IT, property, retail, beverage packaging and marketing), and in reference to an array of environmental and social targets (e.g. elements of biodiversity, forest cover, fisheries, water quality and supply, land productive capacity, carbon, etc.). An active discourse around what net positive means for different sectors, targets and contexts is ongoing, whilst leading experts urge caution and consistency in the interpretation and application of net positive, emphasising the need for clear reference scenarios: i.e. net positive compared to what?

The feasibility of achieving net positive outcomes for biodiversity by commercial agriculture has received some limited research attention. Box 3 introduces what this might mean for agri-business.

Whilst uptake of net positive by agri-business has been limited to date, there is a growing recognition that long-term business success is tied to healthy communities and ecosystems and some leading agri-business companies have stated their aspiration to achieve net positive in future. For example, Fetzer Vineyards in California made a public commitment in 2016 to become net positive by 2030 in reference to priority ecosystem services on which they depend (e.g. water) whilst Olam’s Living Landscapes Policy articulates the company’s ambition to achieve net positive outcomes for farmers, communities and ecosystems and sets out time-bound actions and commitments to achieve this.

As aspirations meet application, ensuring the longevity of positive contributions will be crucial through, for example, secure protection of habitats, inclusive participatory processes, strong community stakeholder involvement, public-private-people partnerships, and active monitoring.

For more information on net positive and the application of the mitigation hierarchy see, for example, the Business and Biodiversity Offsets Programme (BBOP) and the Net Positive Project.

22 Aiama, D. et al., (2015) No Net Loss and Net Positive Impact Approaches for Biodiversity: exploring the potential application of these approaches in the commercial agriculture and forestry sectors, Gland, Switzerland.
A Net Positive Approach is essentially about managing operational risk and delivering best practice performance to result in positive environmental and/or social outcomes. Identifying and understanding material risks for the business (e.g., water security, deforestation, livelihoods etc.), how they are linked and prioritising those issues or risks for which a net positive contribution is the objective is an important first step in taking a net positive approach. It is also necessary to establish a baseline – what are things like now? – and assess how agri-business activities will influence that baseline, taking into account other land users and activities beyond the fence line.

What can be done to mitigate anticipated impacts? A framework known as the mitigation hierarchy offers one systematic way to account for and mitigate adverse impacts. The mitigation hierarchy has been widely adopted in mining, energy, and manufacturing industries to support activities aimed at achieving no net loss or net positive outcomes, particularly for biodiversity. Whilst uptake and application of the mitigation hierarchy by agri-business has been limited, it is applicable across sectors and many impact mitigation activities carried out by agri-business – as good practice and in fulfilment of other existing certification schemes and sustainability standards – could be considered under the four categories of the mitigation hierarchy. For example, the Roundtable on Sustainable Palm Oil (RSPO) certification principles require a range of actions to mitigate negative impacts from the cultivation of oil palm and to promote positive outcomes whilst the more recently launched RSPO Remediation and Compensation Procedure requires onsite or offsite remediation.

The mitigation hierarchy comprises a set of four steps that are implemented sequentially:

1. Avoid adverse impacts, e.g. through zero deforestation and prioritisation of degraded lands for agricultural production; avoiding planting on steep slopes, in riverine buffer zones or in High Conservation Value (HCV) areas, Key Biodiversity Areas or Critical Habitat, avoiding impacts on rare or threatened species, etc.

2. Minimise adverse impacts through measures to reduce the duration, intensity and/or extent of impacts that cannot be completely avoided through, for example, adoption of sustainable land management practices, innovation in waste reduction and regeneration, water conservation, management of illegal hunting and human-wildlife conflict, Integrated Pest Management etc.

3. Rehabilitate or restore ecosystems following exposure to impacts that cannot be avoided or minimised: e.g. through invasive alien species removal, sustainable land management practices, reseeding, forest restoration etc.

4. Offset or compensate for residual significant, adverse impacts that cannot be avoided, minimised and/or rehabilitated or restored, through actions designed to achieve net positive outcomes for target features. This final step is considered a last resort and there are limits (e.g. the loss of certain cultural services, ecosystems or species cannot be compensated for). Measures might include the restoration of degraded lands away from the impact site, contribution to the maintenance of biodiversity and/or priority ecosystem services in the wider landscape, enhancement of sustainable livelihoods and land management practices.

The potential for a global mitigation hierarchy framework for achieving no net loss or net positive outcomes for biodiversity, to be applied across all forms of human impact has been proposed with intended application at multiple scales – from global to site – and across all sectors.
A proliferation of mechanisms have emerged to help manage operational supply chains, improve business sustainability and contribute towards global sustainability goals. Many are supply chain focussed and offer segmented approaches (e.g. targeting specific commodities or focussing on water or deforestation). Whilst these have value in contributing to sustainability they are proving insufficient in delivering the scale and pace of change that is needed to address systemic sustainability issues (e.g. accelerated rates of forest loss, species extinctions, irreversible ecosystem degradation, water crises, food shortages, insecurity of energy supply etc). This is coupled with calls for national and corporate commitments (e.g. to zero deforestation) to be translated into action: policies and pledges are no longer accepted as a proxy for outcomes on the ground.

With growing understanding of the complex, interconnected drivers of environmental and societal issues (e.g. biodiversity loss, water crises, climate regulation and adaptation, livelihoods, spread of disease and health, food security etc.) the need for more integrated, coordinated and cross-sectoral action at the landscape level has been highlighted. This is reflected in a growing focus on deforestation free and net positive landscapes whilst commodity focussed certification schemes, such as RSPO, are evolving to jurisdictional certification: a transition intended to complement existing approaches.

In the case of zero deforestation, this shift in focus reflects growing concern over ongoing and accelerated rates of forest loss, recognition of the complex and inter-related drivers of deforestation involving multiple actors, and realisation that coordinated action across sectors can mutually reinforce one another to deliver large-scale and long-lasting benefits on the ground.

An integrated, multi-sectoral, landscape scale approach to the delivery of Land Degradation Neutrality targets has also been emphasised to ensure sustainability at all levels, to optimize synergies (e.g. between biodiversity conservation and sustainable development, among different sectors, and across targets set out in other multilateral agreements), and to avoid unforeseen or unwanted trade-offs (e.g. between targets set nationally versus those appropriate to sub-national scale such as individual ecosystem level).32

Landscape delivery of net positive objectives is also starting to be integrated into policy: the state of Sabah, Malaysia, for example, is exploring the potential for a net positive landscape to help designate and protect forests through an integrated approach involving all land use sectors (Box 4).

‘With growing understanding of the complex, interconnected drivers of environmental and societal issues the need for more integrated, coordinated and cross-sectoral action at the landscape level has been highlighted.’
**The role of landscape approaches in delivering positive outcomes in production landscapes**

Landscape approaches have been applied in one form or another in environmental conservation and natural resource management (e.g. forestry, watershed management) for decades. Momentum has also been building around the need for landscape-level thinking, planning and management that fully incorporates agricultural production and food security alongside other land uses and objectives. This is reflected through work of the Landscapes for People, Food and Nature – an international and multidisciplinary collaborative initiative of knowledge sharing across over 60 partner organisations – and the evolution of the Global Landscapes Forum, amongst others.

Agriculture has a direct stake in sourcing and processing landscapes (e.g. through land ownership, reliance on a supply of raw materials, water for processing factories, etc.) and may be active in a landscape for longer time frames than other commodity industries. Consequently, sustainability risks for agri-business can be more significant (e.g. through exposure to environmental and social change including climate change, water scarcity, reduction in ecosystem services such as pollination and soil erosion, rising competition for land). Landscape approaches offer one practical and progressive way to navigate sustainability risks whilst enabling progress towards zero deforestation and other targets, generating positive outcomes on the ground for communities and the environment, and promoting sustainable agricultural production.

What is a landscape approach?

Addressing sustainability challenges through a landscape approach involves understanding and reconciling conflicting or competing land use interests within a geographical boundary or landscape (e.g. watershed, supply region, jurisdiction) and working towards an integrated landscape management approach that seeks to optimise the way that land is used and managed, taking into account both social and ecological systems (i.e. the natural environment and human societies) and the ways in which they interact.

A landscape approach involves multi-stakeholder and cross-sectoral processes through which multiple objectives are identified and prioritised (e.g. enhancing agricultural production, water security, biodiversity conservation, halting deforestation, climate mitigation and adaptation, maintaining pollination services, local livelihoods and well-being, etc.). The approach aims to enable sectors and stakeholders – individually or collectively – to resolve shared problems and/or achieve their goals in ways that reduce trade-offs and maximise synergies. For example, a landscape approach can support collective actions to address the drivers of deforestation and promote forest restoration whilst supporting sustainable livelihoods and food production.

Ten guiding principles of a landscape approach have been identified that emphasise adaptive management, broad stakeholder participation, multiple objectives, and system-level resilience.

Landscape approaches take many different forms and operate at different spatial and temporal scales. They involve diverse stakeholders, entry points, objectives, institutional arrangements and activities, as highlighted in the case studies presented in the next section.

There is no one size fits all and no single method, tool or framework to follow. A variety of factors will influence the way in which landscape approaches are implemented and the objectives set: context is critical. For example, whilst in some landscapes zero deforestation may be an appropriate objective, elsewhere stakeholders may converge around other social and environmental issues and define objectives that seek to optimise benefits for people and environment.

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34 Landscapes for People, Food and Nature
http://peoplefoodandnature.org

35 The Global Landscapes Forum
www.globallandscapesforum.org. Formed through the uniting of day-long events of the agriculture and forestry communities during the annual conference of parties of the UN Framework Convention on Climate Change Conference of Parties (COP19) in 2013. It is now the world’s largest science-led platform on sustainable land use.


There is no single business case for engaging in a landscape approach. Motivations for agri-business and other actors are influenced by region, commodity, business risks and supply chain role or position. Landscape approaches can, for example, help agri-business:

- anticipate, mitigate and manage multiple risks that cannot be adequately addressed by working in isolation at farm, sector or supply chain level e.g. ecosystem service dependencies such as water supply or pollination, climate change vulnerability, leakage, land or resource competition and conflicts.
- fulfil compliance requirements (e.g. with conditions of financing, regulation, commodity standards etc.).
- identify synergies between the different commitments and legal frameworks agri-business works within (e.g. zero deforestation targets, SDGs, national policy and legislation, commodity standards, emerging land neutrality targets etc.).
- create opportunities to meet commitments e.g. to reduce deforestation, contribute towards restoration of degraded lands, conserve biodiversity, support sustainable livelihoods, maintain ecosystem services.
- sharing or saving costs
- maximise positive and long-lasting outcomes for society and environment whilst securing benefits for the business (i.e. sustainability of supply chain, license to operate, improved transparency and traceability, future access to land, reputation).
- through the generation of secondary or cumulative benefits for agri-business and sustainable livelihoods (e.g. reduced deforestation contributing to pollination, and soil quality and stability; management of water resources maintaining water availability for agri-business and other users etc).

For more information on the business case for taking a landscape approach see:
- Scherr et al. (2017) Business for sustainable landscapes: an action agenda for sustainable development
- WBCSD (2017) Sustainability beyond fence-lines. Why landscape approaches make business sense

A landscape approach can be complex, challenging and long-term yet may be necessary for addressing complex sustainability challenges at appropriate scales. Business must therefore first consider whether the sustainability challenges the business faces are best addressed through action at the landscape level (Box 5).

For more information on landscape approaches and the many tools and resources available to support implementation see for example:

Delivering and scaling positive outcomes on the ground: implementing landscape approaches and the role of agri-business

Landscape approaches are being applied in agricultural landscapes in varied geographies and socioeconomic contexts, involving different commodities and with stakeholders converging on a range of issues from water security and competition for land, to biodiversity conservation and zero deforestation. Experience in application is contributing to an important and growing evidence base, as highlighted through syntheses of integrated landscape approaches across Africa, Asia, Europe and Latin America and the Caribbean. Together these studies documented 428 multi-sector landscape initiatives with agriculture sector involvement in over half but more limited engagement from national or international companies.

'Communicating and demonstrating benefits of engagement in landscape approaches to stakeholders, particularly where these involve changing practices, can help gain interest and traction and sustain motivation over time.'
Here, select case studies are presented to illustrate what is happening on the ground and some of the opportunities being harnessed by agri-business to engage in landscape approaches to deliver positive outcomes on the ground for communities, environment and production. Collectively these and other case studies highlight:

- The varied and critical role of agri-business – in all its forms and across all parts of the supply chain – in the development and application of landscape approaches: from small holder producers to large multinational corporations, from landowners to retailers. Some may take a catalytic or leadership role (Case study 1) whilst others have important roles to play as active participants in landscape approaches through their involvement in multi-stakeholder processes (Case study 2) or in a more passive way by ensuring alignment of activities with identified landscape objectives.

- Diverse entry points for agri-business involvement in landscape approaches including, for example, the need to secure water quality and supply, manage climate-related risks (e.g. flood, drought, extremes in temperature etc.), avoid deforestation, reduce ecosystem degradation, protect biodiversity, mitigate social conflict, and support rural livelihoods and resilience.43,44

- Improved understanding of the impacts and dependencies of agri-business on biodiversity and ecosystem services has stimulated agri-business companies to look beyond the fence and collaborate with others to maintain the supply of priority ecosystem services (e.g. water flow regulation and security of supply) through sustainable land management in order to support sustainable production (e.g. of coffee, tobacco) and maintain water supply for other land users (Case study 1 and 2).

**Case study 1**

Agri-business leadership in the implementation of a landscape approach in Brazil

The productivity of coffee crops relies on biodiversity and environmental conditions (e.g. pollination, soil conditions, water availability and climatic conditions) to yield high value products. Changes to water quality and flows, pests and diseases, habitat loss, soil erosion an changing climatic conditions can adversely affect production. These ecosystem services flow in and out of a farm or plantation area and throughout the wider landscape. They are also subject to a range of threats both within and beyond the fence line.

IUCN assisted Nespresso in undertaking an Ecosystem Services Review in Brazil to assess the company’s dependencies on ecosystem services throughout their supply chain, their potential impacts to such services and how other users in the landscape also depend on and impact ecosystem services. The Brazilian Cerrado was identified as being of critical importance to Nespresso’s sustainable coffee production and to dependable ecosystem services, for both the company and other stakeholders in the landscape. This identified a need for a coordinated approach to the management of ecosystem services in the Cerrado landscape and stimulated the formation of a collaborative platform involving other business and community users of these ecosystem services.

A management plan has since been initiated to identify priority areas for restoration and ecosystem conservation, and to coordinate activities of different stakeholders with the aim of protecting the future supply of ecosystem services.

**For more information:**


British American Tobacco (BAT) has operated through a local subsidiary in Lombok for over 30 years partnering with almost 3,000 smallholder farmers every year. The local operation (PT Export Leaf Indonesia (PT ELI) until 2015 and currently PT. Bentoel Internasional Investama Tbk) adheres to the BAT Group sustainability policies. Watershed degradation and deforestation of native forest areas have contributed to water resource crises in Lombok resulting in water shortages and flood events, and threatening food security through impacts on agricultural production. A major driver of watershed degradation and deforestation has been the increased extraction and use of woodfuel (not primarily by the tobacco sector), exacerbated by weaknesses in forest protection and management.

The BAT Group has been instrumental in catalysing and actively supporting a landscape approach to watershed management in Lombok; a process that began with the company’s corporate commitment to assess and address its impacts and dependencies on biodiversity and ecosystem services globally. Through this process two high risks were identified in Lombok: unsustainable wood fuel sourced from neighbouring islands as well as Lombok used for drying tobacco (impact) and water catchment degradation reducing the water supply for agriculture (dependency). Corporate vision and Group performance targets, including the removal of native forest use for curing, coupled with financial and technical support stimulated local action by PT ELI and partners towards an integrated approach to watershed management, rehabilitation of headwater degraded forests and innovation in the development of alternatives to unsustainable woodfuel use. The aim was to improve the functionality of Lombok’s watersheds through sustainable land management practises at three stages along the watershed that enhance biodiversity and ecosystem services, support agriculture and improve livelihoods and resilience. A long-term Biodiversity Partnership between BAT and three international NGOs technically supported the vision and its delivery through local implementing partners.

Through a landscape-level, multi-stakeholder process, in which PT ELI was an active stakeholder at local and provincial level, a 15-year Integrated Watershed Management Plan (IWMP) for the water catchment was developed and subsequently integrated into local regulations governing spatial planning as well as District development plans, thereby enabling and enforcing implementation. A watershed forest management unit was also established, formally recognised and eligible for national government funding to improve forest management for the benefit of biodiversity and watershed services. Scaling up of sustainable land management practises has further been advanced through the establishment of community agroforestry demonstration sites. Sustainability has been a central tenet of planning processes with a strong emphasis on building capacity, promoting partnership and networks, embedding watershed management into policy and regulation, and securing sustainable financing (e.g. through a payment for ecosystem services scheme called Plan Vivo).

• Targets and commitments set at international, national, sub-national or corporate level (e.g. zero deforestation, land degradation neutrality, net positive, RSPO certification etc.) can provide incentives for more coordinated landscape-level action, for justifying financial flows for investments into sustainable land management (e.g. Payments for Ecosystem Services, carbon finance), and for better monitoring and assessments45 (Case study 2).

• Landscape approaches are increasingly being enabled through jurisdictional models of implementation whereby "integrated landscape planning activities are aligned with sub-national or national political jurisdictions to facilitate government leadership in advancing green economic development"46 (Case study 3). Certification schemes, such as the Roundtable on Sustainable Palm Oil (RSPO), have also been working to upscale conventional certification approaches to a jurisdictional level with uptake underway in a number of pilot countries. Ecuador, for example, is piloting the jurisdictional approach to RSPO certification with multi-stakeholder engagement and a collaborative approach are reported to be critical for long-term success.47,48 RSPO have further announced that Liberia will be the next pilot site for jurisdictional certification.

• The importance of multi-stakeholder, cross-sectoral processes, stakeholder defined objectives and long-term collaboration among different groups of land managers and stakeholders to achieve multiple objectives from the landscape (Case study 4).

• Finding and building on synergies with other existing targets, programs, initiatives and processes gives the best chance of success, traction, replication and longevity (Case study 2).

West Kalimantan has made a commitment to environmentally and socially sustainable development in the region. This is a major production area for agricultural commodities including palm oil and coconuts, in addition to a large pulp and paper industry, which combined represents approximately 45 per cent of land area in the province.39 With large tracts of extant forest, peatland and mangrove under threat of continued deforestation, the province has realised that an integrated approach amongst all land uses and stakeholders is required in order to reach their sustainable development goals.

A public-private partnership between IDH Sustainable Trade Initiative and PT CUS (part of Pasifik Agro Sentosa group, the biggest land user in the region) was convened by the Governor in May 2016.50 PT CUS and other businesses are meeting commitments to a production-protection-inclusion model of forests on their concessions which has to date seen 30 per cent (circa 10,000 ha) of plantation area set aside for conservation. This integrated approach considers and integrates community groups in the protection and management of forests, whilst also sharing benefits with businesses through regulation compliance, improved monitoring frameworks, new sustainable ventures (such as renewable energy projects), commodity security (including fire prevention measures) and improved productivity.

The West Kalimantan green growth strategy aims for the protection of 120,000 ha of high conservation value forest, in addition to the rehabilitation of 10,000 ha, in which the PT CUS commitments are contributing greatly to this. Moreover, PT CUS is further developing their ecosystem-based approach to land management and is looking to scale-up the approaches developed in this region across their wider operating landscape.


Stakeholder driven platforms enable implementation of landscape approaches

The Land Use Dialogue (LUD) initiative, developed by The Forests Dialogue (TFD), aims to support stakeholder driven platforms that enable implementation of landscape approaches through collaborative, adaptive land management. The initiative supports a multi-stakeholder dialogue process in establishing or bolstering an existing landscape platform. The platform fosters a common landscape vision of how various priorities and challenges across sectors and land uses connect and identifies locally prioritised actions for change to address barriers and harness opportunities.

Stakeholders of the Brazil LUD, launched in April 2016 in Atalanta, Santa Catarina, identified the need to focus on planning and implementing sustainable landscapes to reconcile agricultural production, economic development and biodiversity conservation in the Upper Itajai Valley. The LUD process resulted in the first Map of Priority Areas for different land uses (e.g. tourism, sustainable agricultural production, restoration, biodiversity conservation, and ecological corridors), recommendations for the prevention and mitigation of environmental risks, and a list of priority actions to guide public policy, investment in conservation, and private sector initiatives.

The Tanzania LUD, on the other hand, focuses on stakeholders’ roles and challenges in fostering inclusive and green growth in the Southern Agricultural Growth Corridor of Tanzania.

Whilst the LUD model is in its infancy, experience in piloting the approach in landscapes in Brazil and elsewhere points to certain enabling conditions and challenges including:

• The need for locally driven processes in which a landscape vision and objectives are stakeholder-defined.
• Engaging actors across the supply chain – from production to consumption, producer to multinational corporation is valuable to leverage outcomes, though is also a barrier.
• Building networks and partnerships has proven critical for enabling the application of landscape approaches: enhancing capacity and facilitating the transfer of skills and knowledge among stakeholders.
• Understanding and engaging with policy and local-level government is essential and can be a strong entry point for dialogue processes. Where policy issues present barriers to achieving objectives (e.g. through misalignment of sectoral policies) it is important that pathways forward are identified.
• Maintaining momentum over time can be a challenge: identifying opportunities to generate benefits in the short and long-term can help to sustain engagement and motivation among stakeholders: in Brazil, small holder producers were actively engaged in the LUD process and benefitted from opportunities for farm exchange visits and farmer-to-farmer learning.

For more information see: https://theforestsdialogue.org/initiative/land-use-dialogue-lud

TFD guidance including a toolkit of the LUD process will also be available in October 2018 on the TFD website. Contact info@theforestsdialogue.org for further information.
• Communicating and demonstrating benefits of engagement in landscape approaches to stakeholders, particularly where these involve changing practises, can help gain interest and traction and sustain motivation over time. In Ghana, for example, the active engagement of small holder producers will be critical for achieving landscape objectives with guidance for climate-smart production practises aimed at increasing yields and incomes and promoting adaptation and resilience, thereby generating direct benefits for producers (Case study 5). Identifying solutions that meet multiple needs has also proven an important strategy: for example, in Lombok agroforestry that used mostly multi-purpose tree species on critical degraded lands helped meet community needs, government targets and improve watershed function (Case study 2).

• Net positive contributions at a landscape level can complement national commitments to zero deforestation by prioritising the protection of high value forest, encouraging forest restoration, sustainably managing ecosystem services that underpin the multiple uses of forests, and by promoting the management of natural ecosystems through stakeholder engagement (Case study 5).

• Heterogeneous landscapes comprising a matrix of natural habitat and alternative land uses can sustain and promote sustainable agricultural production without compromising biodiversity and ecosystem function. To find that balance between ecosystem conservation and agricultural production it is necessary to assess the composition, configuration and management of land uses and natural habitat at a landscape scale.

• Short and medium-term metrics are required to monitor and track progress against long-term goals. To date, evidence of outcomes of the long-term engagement of agri-business in landscape level approaches has been lacking. Yet simple, pragmatic approaches to measuring benefits on the ground can complement more conventional impact metrics; for example, theories of change may help agri-business to define the link between their impact mitigation activities, targets and outcomes and the way that these can contribute to achieving landscape-level goals. At a global level the new Landscape Standard has been developed to help companies, governments, financiers and donors to measure environmental, social and economic sustainability outcomes in productive landscapes.

In Ghana’s Cocoa Forest REDD+ Programme (GCFRP), the Forestry Commission and Ghana Cocoa Board are working with private cocoa buyers to leverage international climate finance and advance a national development and conservation vision that seeks to halt deforestation and further forest degradation whilst realising the positive contributions of the cocoa sector towards national social and economic development. The national Joint Framework for Action further recognises a significant role for the cocoa sector in the restoration of forests and resilient landscapes.

The GCFRP landscape has been defined according to the ecological boundaries of the high forest zone and aligns with the country’s main cocoa production landscape. The initial focus for implementation will be on identified ‘Climate-Smart Cocoa Hotspot Intervention Areas’ within the production landscape. The GCFRP aims to reduce deforestation and forest degradation through a landscape level, climate-smart cocoa production approach, that is reliant on multi-stakeholder collaboration and landscape management plans that include identification of areas to be avoided by cocoa production activities and other land uses (i.e. no further deforestation or degradation).

To work it depends on the engagement of hundreds of small holder producers. Thus, the benefits of their participation have to be clear and demonstrable. Guidelines for on-farm and off-farm practices and activities are aimed at increasing yields and incomes, contributing to climate mitigation, and enabling adaptation and resilience.

52 http://verra.org/project/landscape-standard
• Significant opportunity exists for landscape restoration that delivers multiple benefits: e.g. forest landscape restoration continues to be an underutilised opportunity yet can contribute towards zero net deforestation, climate mitigation and adaptation, local livelihoods and sustainable development, and biodiversity conservation 57 (Box 6).

• The need to identify sustainable financing opportunities to support long-term landscape management processes and actions. Certifications, payment for ecosystem services schemes and carbon finance (including REDD+) have been recognised for their potential contribution to financing landscape level interventions 58,59 (Case study 5). Carbon finance can further help agri-business to deliver on zero-deforestation commitments, improve livelihoods and resilience for supply base communities, and support biodiversity conservation. The Climate, Community and Biodiversity (CCB) Standards 60, for example, are voluntary standards that foster the development and marketing of land-based carbon projects, including smallholder-led projects, that adopt best practices to deliver net positive benefits for climate change mitigation, local communities and biodiversity. Precise and verified measurement of results supports transparent demonstration of outcomes on the ground.

Box 6

Landscape restoration: an opportunity to reverse negative trends and enhance positive outcomes

Whilst often overshadowed amidst the zero deforestation discourse, commitments to forest landscape restoration offer an important opportunity for agri-business companies striving to meet zero net deforestation commitments and make a positive contribution. However, restoration is also pertinent to non-forest ecosystems in which many agri-businesses operate and is an important consideration common to all sectors and land users.

Ecological restoration is the process of assisting the recovery of an ecosystem that has been degraded, damaged, or destroyed. It has been defined as "an intentional activity that initiates or accelerates the recovery of an ecosystem with respect to its health, integrity and sustainability" 61. Ecological restoration includes improving, to the extent possible, biodiversity and indigenous species to support ecosystem functionality 62.

A joint paper by IUCN and the International Food Policy Research Institute 63 explores the opportunity of upscaling restoration post-agriculture land uses to provide multiple benefits to food production levels, commodity prices, food security, and the environment at landscape and global scales. The Forest Landscape Restoration Approach aims to regain ecological integrity and enhance human well-being in deforested or degraded forest landscapes, supported by evidence for the integration of agricultural land uses into restoration planning at a landscape level. Evidence for restoration of cropland not only supports the environmental benefits of soil stability and fertility and a decrease in rates of land conversion for agriculture; it is linked to community livelihoods, health, and increased yield and productivity of crops.

The forest landscape restoration approach is a key principle underlying the Bonn Challenge and it is recommended that the approach be adopted and transferred across all agri-business sectors.

60 For more information on the CCB Standards see: www.climate-standards.org/ccb-standards and http://verra.org/project/ccb-program.
63 De Pinto, A. et al. (2017) Cropland Restoration as an Essential Component to the Forest Landscape Restoration Approach – Global Effects of Wide-Scale Adoption, IUCN and IFPRI discussion paper.
'Restoration of cropland not only supports the environmental benefits of soil stability and fertility and a decrease in rates of land conversion for agriculture; it is linked to community livelihoods, health, and increased yield and productivity of crops.'
Opportunities for GAA and GAA members

Understanding the role and responsibility that agri-business companies have as landscape-level actors will help them manage risks as well as secure their ‘social license to operate’.

Landscape approaches have been receiving increasing support as a framework for integrated land management, extending across many land use sectors including agri-business. Given the urgent need to deliver on commitments to zero deforestation and other targets, secure lasting positive social and environmental outcomes, and to enhance the sustainability of production landscapes, there is a recognized need for action.

To advance this agenda opportunities exist for GAA and GAA members to:

1. Stimulate discussion and build understanding of how to capture the positive contribution to landscapes and livelihoods and in time, how evolving accounting practices will enable this to move towards a ‘net positive’ approach.

2. Publish case-studies from the broader forestry/agriculture industries on successful models and use this Brief and further outreach to catalyse strategic partnerships with existing platforms e.g. Global Landscapes Forum and proactively share a pragmatic industry perspective.

3. Undertake a desktop analysis of existing landscape-level tools including guidance on stakeholder engagements, metrics/indicators, resources/partners to guide company’s in their practical implementation of landscape-type approaches.

4. Take stock of what is currently happening across the GAA membership considering, for example:

a) where landscape approaches are already being applied, integrated or engaged with.

b) identified opportunities to catalyse or engage in multi-stakeholder, landscape level action in production landscapes.

c) current and emerging GAA member commitments (e.g. to zero deforestation, net positive etc.) and whether these and the sustainability challenges the business faces are best addressed through action at the landscape level.
Explore where new and emerging innovative finance might support agri-business’s looking towards mainstreaming inclusive business models that deliver social, environmental and as well as financial value. Explore other opportunities that scale the transition towards more integrated, landscape approaches where these have potential to support delivery of existing commitments (e.g. to zero deforestation) and contribute long-lasting positive outcomes for people and ecosystems within existing or planned GAA member sites and operating landscapes.

Within this context:

a) The integration of ecosystem services dependencies and impacts into impact assessments and mitigation activities constitutes a critical entry point for landscape approaches, as the scale of ecosystem services assessment typically extends beyond the fence line and involves consideration of biodiversity, environment and stakeholder variables. A plethora of tools and frameworks have been developed to help businesses better understand their ecosystem service impacts and dependencies. Alongside existing communities of best practice, GAA could play a valuable role in supporting members in this process and promoting shared learning.

b) The inclusion of credible, measurable indicators and variables to evaluate the progress and success of landscape approaches needs to be embedded within monitoring programmes at both the site and business level. This will be key for supporting adaptive management, demonstrating positive contributions and communicating outcomes with internal and external stakeholders.

c) Develop Guiding Principles for Agri-business based on the ‘Ten principles for a landscape approach to reconciling agriculture, conservation, and other competing land uses’

www.ncbi.nlm.nih.gov/pmc/articles/PMC3666687

Catalyse, facilitate, support and engage in cross sectoral collaborations with other industries (e.g. mining, forestry, energy), government, and civil society.

Support pilot projects to demonstrate the application of a landscape approach for achieving positive outcomes in priority production landscapes e.g. support for and participation in The Forest Dialogue’s Land-Use Dialogue.
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