



LAND DEGRADATION NEUTRALITY

Issue Brief for Business

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INTRODUCTION

A number of international initiatives that aim to address land degradation have emerged over the past years, such as the Bonn Challenge and the New York Declaration on Forests that aim to restore degraded and deforested land, and the Aichi Biodiversity Targets that, among other things, call for conservation and restoration of degraded ecosystems. They thereby contribute to **land degradation neutrality**, i.e. a world where the amount of healthy and productive land resources necessary to support ecosystem services remains stable or increases.

In 2015, land degradation neutrality is likely to become a global target through the United Nations Convention to Combat Desertification and the Sustainable Development Goals. While the role of business in helping

achieve this target is recognized, there is still a need to articulate why and how business can contribute.

This publication aims to provide a first answer to these questions by increasing companies' awareness and understanding of land degradation and more specifically of the land degradation neutrality target. The publication also introduces simple and pragmatic indicators supporting restoration, rehabilitation and management to build land-based resilience. It is the first output of the WBCSD Restoring Degraded Land business solution, a private sector-led initiative that aims to mobilize the business community around the issue of land degradation so as to contribute to the achievement of land degradation neutrality.

THE CHALLENGE

According to the United Nations Convention to Combat Desertification (UNCCD), 25% of usable land globally is degraded at an estimated economic loss of US\$ 40 billion per year. In many regions, soil quality constraints affect more than half of the cultivated land base, such as in sub-Saharan Africa, southern America, Southeast Asia and northern Europe.¹

Every year, 12 million additional hectares of land—an area half the size of the UK—are being degraded by human activities.² The most common causes of land degradation are water and wind erosion, followed by chemical and physical degradation.³

Land degradation has significant impacts on societies and economies, as it leads to food insecurity, carbon emissions, biodiversity loss, increased pests, reduced availability of clean water, and increased vulnerability of affected areas and their populations to climate change.⁴

Today, the pressure on land has reached such a critical point that serious doubts have been raised as to the capacity of land to meet the demands of a growing human population. Land is often seen as an underperforming asset and the costs of land degradation and the benefits of restoring land are not well understood and often not fully accounted for in public or private decision-making processes.

WHAT IS LAND DEGRADATION?

“Land degradation refers to any reduction or loss in the biological or economic productive capacity of the land caused by human activities, exacerbated by natural processes, and often magnified by the impacts of climate change and biodiversity loss.”

(UNCCD, 2013)

WHY DOES LAND DEGRADATION MATTER TO BUSINESS?

RISKS

Land degradation-induced changes have a direct impact on the cost structure and profitability of a company by affecting, for example, the cost and availability of resources, thus representing a substantial risk to business. This is not only the case for the sectors directly extracting or harvesting from the land such as agriculture, food or forestry, but also for those that have indirect links to land via supply or value chains, for example the chemicals, apparel, tourism and even insurance and finance sectors.

LAND AND CARBON SEQUESTRATION

Land management activities, such as the management of residues, tillage and fertilizers, modify soil carbon stocks by influencing the carbon fluxes of the soil system. Depending on the management practice, land could become a carbon source or sink.

In this context, the following areas require special attention:

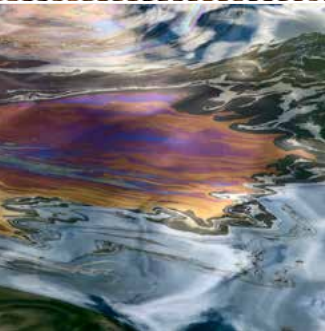
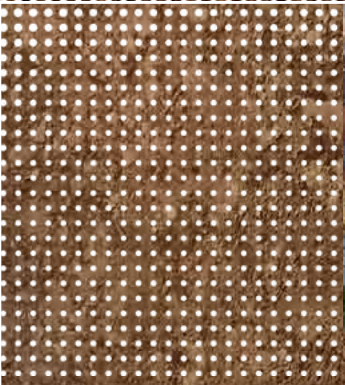
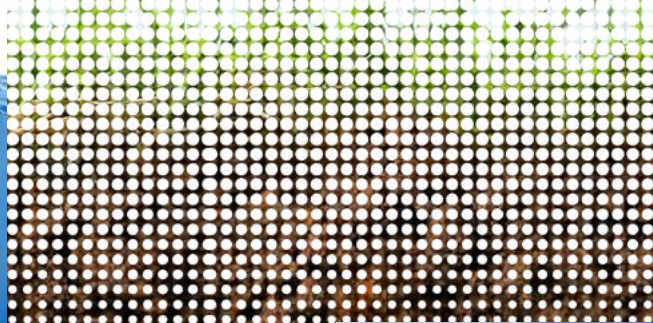
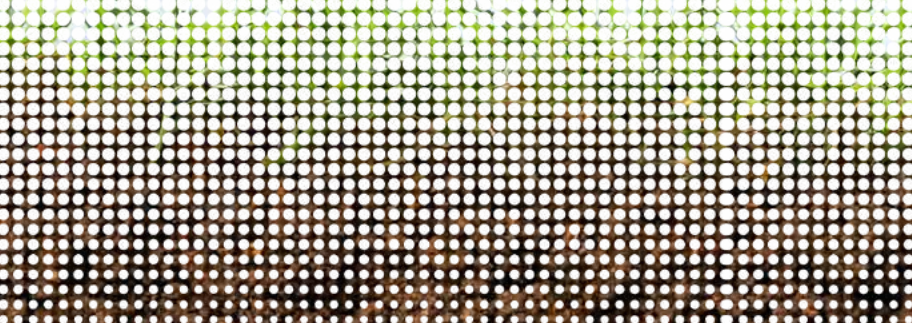
- 1 Productivity**—Offering innovative solutions to grow more from less;
- 2 Adaptation**—Encouraging the adoption of practices that help growers make land and rural communities more resilient to climate change;
- 3 Restoration**—Rehabilitating land for productive purposes and restoring degraded ecosystems;
- 4 Sustainable land management**—Promoting land management practices that avoid greenhouse gas (GHG) emissions, e.g. conservation tillage.

¹ FAO (2011). *The State of the World's Land and Water Resources for Food and Agriculture*. www.fao.org

² UNCCD. *Desertification, Land Degradation and Drought (DLDD): Some Global Facts & Figures*. www.unccd.int

³ ELD Initiative (2013). *ELD Business Brief - Opportunity lost: Mitigating risk and making the most of your land assets*. www.eld-initiative.org

⁴ ELD Initiative (2013). *The rewards of investing in sustainable land management. Interim Report for the Economics of Land Degradation Initiative: A global strategy for sustainable land management*. www.eld-initiative.org



CAUSES OF LAND DEGRADATION

Examples include: deforestation, over-grazing, monoculture, salinization, pollution of land and water sources by agriculture or industries, misuse of fertilizers and/or chemicals, poor farming practices, and soil erosion. (ELD, 2014)



Risks may include, for example:

- **Reduced productivity**, which may have a direct impact on the business bottom line, starting from the value chain actors closest to the land (agriculture, forestry) and spreading onwards in the chain through prices and availability;
- **Decreased availability and quality of raw materials**, which may also have a direct impact on the business bottom line along the value chain, affecting the price level;
- **Degradation of ecosystem services**, which can impact the operating environment of the business, for example by reducing access to water and water quality or by increasing exposure to hazards, such as floods or landslides;
- **Political instability and related social problems** such as degraded public health, poverty, abandonment of fields and migration leading to, for example, loss of labor force, as well as the risk of turmoil and disruptive actions and of losing licenses to operate;
- **Regulatory and legal measures**, such as taxation and quotas induced by governments in response to threats to ecosystems and land degradation, which can have negative effects on the bottom line of a business.⁵

⁵ ELD Initiative (2013). *ELD Business Brief - Opportunity lost: Mitigating risk and making the most of your land assets.* www.eld-initiative.org





SECTORS AND THEIR LEVEL OF RISK

HIGH RISK

- Agriculture, forestry, mining
- Construction and materials
- Food and beverage
- Industrial goods and services
- Leisure and travel (airlines, hotels, restaurants, etc.)
- Personal and household goods (consumer electronics, tobacco, clothing, etc.)
- Utilities (water, electricity)

MEDIUM RISK

- Chemicals
- Health care (e.g. equipment and services)
- Insurance
- Oil and gas
- Real estate
- Retail

Source: ELD Initiative, 2013

OPPORTUNITIES

Sustaining, restoring or rehabilitating the health and productivity of land resources represents opportunities for a broad range of companies and sectors that have understood the materiality of land to their business and are taking action. Managing the land sustainably can minimize the risks land degradation causes to business and may achieve better and more productive solutions.

Significant land restoration opportunities exist around the world. Of the estimated 2 billion hectares of total degraded land worldwide, at least 1 billion hectares are suitable for restoration.⁶ Openness to change and adopting improved land management techniques or operational improvements and practices along the value chain can enable business and other actors reach the full potential productivity of land assets.

Given the combined global trends of increasing population and decreasing land availability and quality, there is great incentive to increase productivity on land already in use through sustainable land management (SLM), and to rehabilitate or restore land that has been degraded. The adoption of SLM is estimated to have the potential to deliver up to US\$ 1.4 trillion in increased global crop production.⁷ At the same time, restoring the 12 million hectares being degraded each year could secure cost-efficient sequestration of 20% of global CO₂ emissions over two decades.⁸

SUSTAINABLE LAND MANAGEMENT (SLM)

SLM is a response to land degradation and contributes to restoration and rehabilitation. Different groups define it in different ways. According to the UNCCD, “SLM constitutes land-use practices that ensure that land, water, and vegetation adequately support land-based production systems for both current and future generations. SLM aims to enhance the economic and social well-being of affected communities, sustain ecosystem services and strengthen adaptive capacity to manage climate change.”

Source: UNCCD, 2011

LAND RESTORATION AND REHABILITATION

Restoration is a process that initiates or accelerates the recovery of a degraded terrestrial ecosystem with respect to its health, integrity and sustainability. Land restoration aims to return an area of land to a close approximation of its condition prior to disturbance.

Rehabilitation is a process aiming to regenerate the capacity of the land to provide a certain range of ecosystem goods and services. Land rehabilitation does not necessarily return the land to its pre-disturbance conditions.

Source: Global Mechanism, 2015

⁶ WRI. “Global Map of Forest Landscape Restoration Opportunities”. <http://www.wri.org/resources/maps/global-map-forest-landscape-restoration-opportunities>

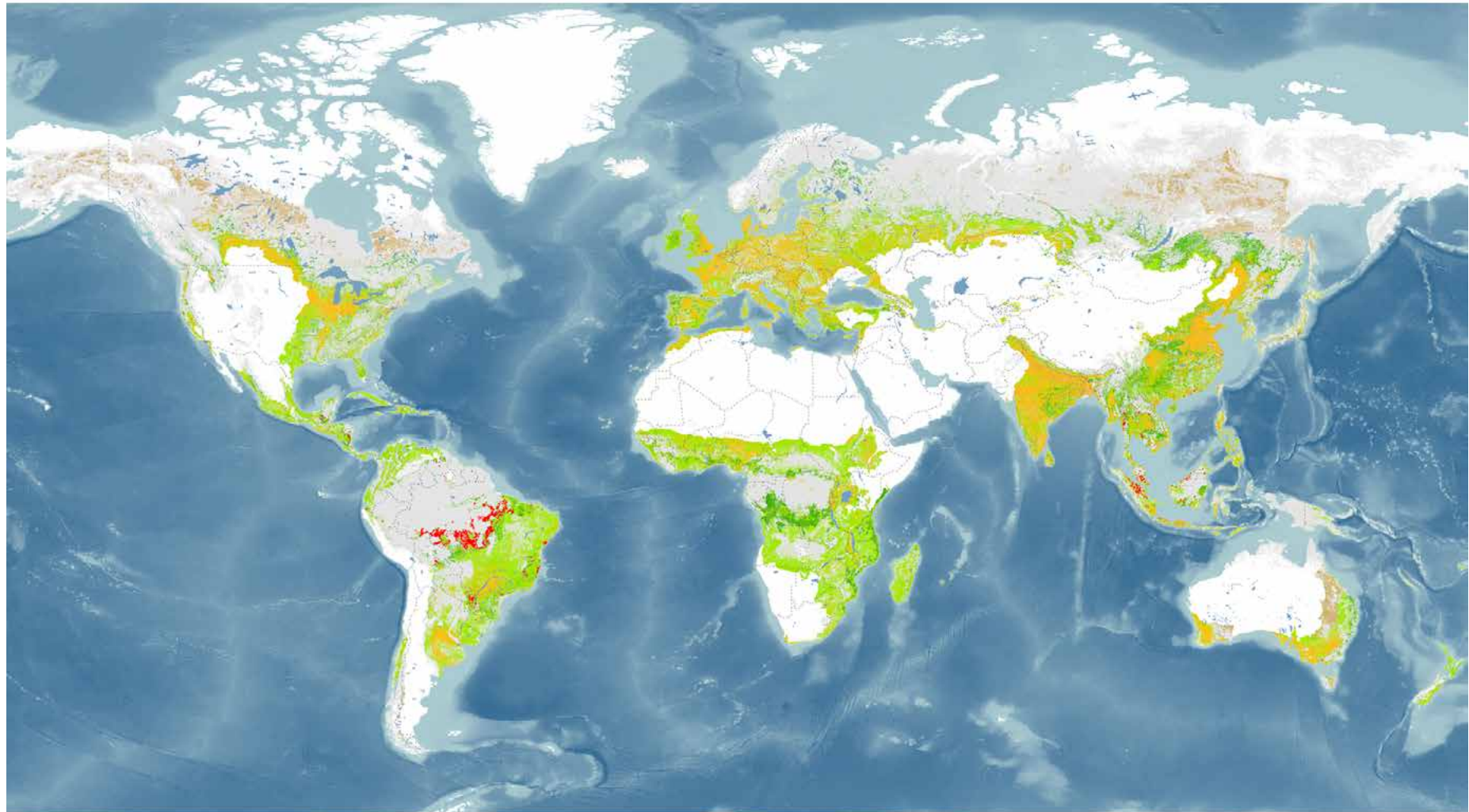
⁷ ELD Initiative (2013). *The rewards of investing in sustainable land management. Interim Report for the Economics of Land Degradation Initiative: A global strategy for sustainable land management.* www.eld-initiative.org

⁸ Global Mechanism (2015). *Land Degradation Neutrality Fund.* Fact sheet.



Credit: Till Niemann

GLOBAL MAP OF FOREST LANDSCAPE RESTORATION OPPORTUNITIES



FOREST AND LANDSCAPE RESTORATION OPPORTUNITIES

- Wide-scale restoration
- Mosaic restoration
- Remote restoration

OTHER AREAS

- Agricultural lands
- Recent tropical deforestation
- Urban areas
- Forest without restoration needs



THE GLOBAL PARTNERSHIP ON FOREST LANDSCAPE RESTORATION



WORLD RESOURCES INSTITUTE



South Dakota State University



IUCN



Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit



PROFOR



Forestry Commission



BONN CHALLENGE
on forests, climate change and biodiversity 2011

LAND DEGRADATION NEUTRALITY: A SOLUTION?

THE ORIGIN OF LAND DEGRADATION NEUTRALITY

Established in 1994, the United Nations Convention to Combat Desertification (UNCCD) is a legally binding international agreement linking environment and development to sustainable land management. It aims *“to forge a global partnership to reverse and prevent desertification/land degradation and to mitigate the effects of drought in affected areas in order to support poverty reduction and environmental sustainability.”*⁹

In 2012, the UNCCD introduced the concept of **a land degradation neutrality target** at the Rio+20 conference. This proposal was accepted by the international community and featured in the Rio+20 outcome document “The Future We Want”.

Land degradation neutrality (LDN) is now reflected in the Sustainable Development Goals (SDG) proposal, which is likely to be adopted at the UN General Assembly in September 2015. The proposed SDG 15 is to *“Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.”*

The corresponding target on land degradation states the following: *“15.3 By 2020, combat desertification, **restore degraded land and soil**, including land affected by desertification, drought and floods, and **strive to achieve a land-degradation-neutral world.**”*¹⁰

⁹ UNCCD. The 10-year strategic plan and framework to enhance the implementation of the Convention. Decision 3/COP.8. <http://www.unccd.int/Lists/SiteDocumentLibrary/10YearStrategy/Decision%203COP8%20adoption%20of%20The%20Strategy.pdf>

¹⁰ UN General Assembly resolutions on sustainable development (2014).

¹¹ Source: *The Times of India*, 18 June 2014. “Govt aims at making India land degradation neutral by 2030”. <http://timesofindia.indiatimes.com/india/Govt-aims-at-making-India-land-degradation-neutral-by-2030/articleshow/36735872.cms>

¹² Source: China Daily, 16 July 2014. “UN Official calls for land degradation to be stopped”. <http://www.ecns.cn/2014/07-16/124466.shtml>

HOW WILL THE LDN TARGET BE IMPLEMENTED AND SCALED UP?

Each UN Member State that is also a party to the UNCCD, with the exception of Canada, will be responsible for setting its own national target, taking into account the national context and guided by the global level of ambition set forward in the SDGs. Some countries have already adopted the LDN target; for example, India committed in June 2014 to becoming land degradation neutral by 2030,¹¹ while China believes that *“the LDN target is achievable.”*¹²

More precisely, the UNCCD is facilitating the implementation of the LDN target through:

- The **Intergovernmental Working Group (IWG)**, which is in charge of precisely defining the target, developing concrete options for its implementation and monitoring, as well as strategies for resource mobilization;
- An **LDN Project** that aims to pilot the LDN target in 14 countries, with technical assistance and guidance on mainstreaming LDN in public and private sector activities;
- The creation of an **LDN Fund**: an investment platform established as a public-private partnership to support the transition to LDN; it will focus on direct investments in large-scale land rehabilitation as well as targeted allocations for small and medium-scale projects that produce local benefits;
- The **Soil Leadership Academy** project, which aims to provide a platform for knowledge exchange and training for decision-makers to build the necessary capacity for LDN implementation.



LAND DEGRADATION NEUTRALITY

LAND DEGRADATION NEUTRALITY

Land Degradation Neutrality is defined as *“a state whereby the amount of healthy and productive land resources, necessary to support ecosystem services, remains stable or increases within specified temporal and spatial scales.”*

Current LDN Intergovernmental Working Group definition

THE FUTURE WE WANT – RIO +20

“We recognize the need for urgent action to reverse land degradation. In view of this, we will strive to achieve a land degradation-neutral world in the context of sustainable development. This should act to catalyse financial resources from a range of public and private sources.”

Source: United Nations, 2013

TOWARDS NATIONAL TARGETS AND INDICATORS

Parties to the UNCCD will establish country-level targets through a variety of policies and mechanisms that will ultimately impact companies and the way they operate locally.

It is likely that governments will first assess the status of their land resources, strengthen land-use planning, and then transform their legislative and regulatory frameworks to promote avoided land degradation and provide incentives for sustainable land management and land restoration on the ground. This could also translate into more effective policies and legislation fostering better land stewardship.

In practical terms, LDN aims to maintain or even improve the amount of healthy and productive land resources (e.g. soil, water and biodiversity) over time at local, national and even regional scales.¹³ It encompasses two complementary pathways of action:

- Sustainable land management (SLM) and rehabilitation;
- Ecosystem restoration.

According to the UNCCD, LDN is not an offset or compensation scheme that could result in a license to degrade; the focus and aim of LDN is rather to prevent further land degradation and maintain and improve the productivity of land resources.

To support countries and business as they measure progress towards LDN, the UNCCD and its partners have started developing indicators. The main indicator tracked will be **trends in land degradation** (hectares/km² or proportion of total land area). These trends could be negative or positive depending on whether degradation is continuing or being reversed. Measurement and validation of the trends in land degradation would be done through five indicators.

A tiered system is proposed where each tier gives a more in-depth analysis and explanation of the data in the previous tier:

- Tier 1: Trends in land cover and land-use change
- Tier 2a: Trends in land productivity
- Tier 2b: Trends in soil organic carbon stocks
- Tier 3a: Trends in biodiversity and ecosystem services
- Tier 3b: Trends in social and economic conditions.

Data on these indicators will be compiled by the UNCCD secretariat for each participating country at the national level, with the assistance of the Joint Research Centre of the European Commission. The methodology used to compile these indicators will comply with internationally recognized methodologies and standards, notably those used in the climate change process and recommended by the Intergovernmental Panel on Climate Change (IPCC).

The UNCCD is working with its partners and through various consultation processes to establish scientifically defensible, even if imperfect, baselines for the construction of a functional monitoring and evaluation framework for an LDN target.

¹³ UNCCD (2014). *Land Degradation Neutrality: Resilience at local, national and regional levels*.



TIER 1

Trends in land cover and land-use change



TIER 2A

Trends in land productivity



TIER 2B

Trends in soil organic carbon stocks



TIER 3A

Trends in biodiversity and ecosystem services



TIER 3B

Trends in social and economic conditions.

MEASURING THE FIVE INDICATORS

Tier 1: Trends in land cover/land-use change

Trends in land cover/land-use change give a first indication of the loss or degradation and restoration of land and soil quality. The indicator focuses on interventions on the land that directly affect its status and impact on goods and services and can be used as a proxy for land use. It can be measured by identifying the proportions of different land cover/land classes according to a globally accepted legend (e.g. the Food and Agriculture Organization of the United Nations (FAO) Land Cover Classification System). The indicator requires geo-spatial mapping of land cover/land-use classes using comparable methodologies at regular time intervals.



Tier 2a: Trends in land productivity

Land productivity is the net primary production per unit of area and time. It reflects the overall quality of land and soils and is the basis of food production, the regulation of water, energy and nutrient flows in terrestrial ecosystems, carbon sequestration and the provision of habitat for diverse species. Changes in productivity, interpreted together with additional data, may give an indication of loss or degradation, as well as of the restoration of land and soil quality. The indicator requires a long-term time series for land productivity measures in high spatial resolution. Methodologies for this exist and global data for reference years are readily available.

Tier 2b: Trends in soil organic carbon stocks

These trends are relevant in estimating carbon fluxes and can be an important indicator of overall soil quality. Soil organic carbon affects plant, soil fertility maintenance and water flow regulation and positive trends in soil organic carbon reflect SLM practices. Maintaining soil organic carbon generates benefits for climate change mitigation and biodiversity conservation. Soil organic carbon can be estimated as a stock or as content for a reference depth. The indicator requires geospatial mapping of soil organic carbon over a reference depth using comparable methodologies at regular time intervals. Methodologies to model soil organic carbon are established and global modelling outputs for soil organic carbon are available for reference years.¹⁴



Tier 3b: Trends in social and economic conditions

This could be measured by comparing metrics such as rural poverty rates, population with access to (safe) drinking water, proportion of chronically undernourished children under the age of five in rural areas,¹⁵ or income inequality in affected areas at regular time intervals.

¹⁴ Global Land Indicators Initiative (GLII) expert meeting (2015). "Proposal for land and soil indicators to monitor the achievement of the Sustainable Development Goals (SDGs)".

¹⁵ UNCCD (2013). *UNCCD impact indicator refinement: issues at stake*. Document UNCCD COP11.

Tier 3a: Trends in biodiversity and ecosystem services

How to measure these trends is still a work in progress. The international community has yet to come to agreement on biodiversity indicators and measurements.



THE BUSINESS POTENTIAL BEHIND SUPPORTING LAND DEGRADATION NEUTRALITY

WHY CONTRIBUTE?

Business has a critical role to play in helping achieve the global target as well as national targets as it uses land either directly or indirectly for its activities, whether to source raw materials or to establish a production site. Business can decide to support national or global targets and it can decide to adopt LDN targets for its own operations as well as its entire value chain.

There are a number of direct benefits for companies that support the LDN target. Working towards LDN is a way of ensuring an operating environment, building resilience in supply chains and securing access to raw materials. It is also a way for business to better monitor and communicate its impact on land and ecosystem services and can contribute to an improved reputation. Adopting or contributing to LDN can also provide new business opportunities and improve business models.

The adoption of LDN may also support forward-looking companies as they expand sustainability throughout their value chain. Companies that are not in direct contact with land often do not see it as part of their “core business” and land is therefore just an extraneous factor included through raw material cost and availability. On the other hand, awareness of and investments in SLM are often higher among companies dealing directly with land.¹⁶ By introducing LDN targets throughout a company’s entire value chain, the positive changes can be scaled up and the effectiveness of efforts strengthened.

¹⁶ ELD (2013). *ELD Business Brief - Opportunity lost: Mitigating risk and making the most of your land assets*.

¹⁷ UNCCD (2014). *Land Degradation Neutrality: Resilience at local, national and regional levels*.

POTENTIAL BUSINESS RESPONSES TO LDN TARGETS

The pathways of action to achieve LDN by minimizing land degradation start with progressively adopting SLM practices and avoiding further ecosystem conversion. For many businesses, achieving LDN may require a paradigm shift in land stewardship from “degrade-abandon-migrate” to “restore-sustain-protect”. This means embracing complementary management options:

- **Adopting SLM practices** in order to minimize current, and avoid future, land degradation. This could, for example, include agroforestry and conservation agriculture, sustainable forest management, waste management and recycling, renewable energy reducing pressure on biomass resources, water/wastewater management, sustainable tourism, biodiversity conservation and management of diseases and pests.
- **Rehabilitating** degraded and abandoned production lands and **restoring** degraded natural and semi-natural ecosystems that provide vital, albeit indirect, benefits to business, people and working landscapes.¹⁷

For companies using land directly in their operations, these measures can be implemented as part of their core activities. The indirect users of land, such as companies sourcing raw materials from direct land users, may need to engage through their value chain by, for example, setting requirements from their suppliers or supporting the scale-up or continuation of proven sustainable land management practices by these actors. This would allow the involvement of actors, such as small-scale farmers and other small and medium-sized operators in various sectors, that otherwise may have difficulties engaging in LDN.

LDN-related business targets could reflect these pathways, for instance by measuring the increase in area under conservation agriculture or agroforestry within their holdings or concessions, or how much area has been set aside as buffer zones or conservation areas and thus what has been the increase in ecosystem service delivery.



LAND
DEGRADATION
NEUTRALITY

RELATED TARGETS AND INITIATIVES

Targets and initiatives that are similar to the LDN target exist and can be built on when scaling up LDN. **The New York Declaration on Forests** (2014), for example, aims to place 350 million hectares into restoration by 2030, including by incorporating the Bonn Challenge initiative's goal to restore 150 million hectares of deforested and degraded land by 2020.

The **Bonn Challenge** initiative has so far received commitments for 60 million hectares of land to be restored—39% of its target—in 11 countries in Africa and North, Central and South America. The combined efforts of these countries are estimated to contribute to 4.73 gigatonnes of CO₂ sequestered and economic activities worth US\$ 15.826 billion.

Examples of regional targets include **Initiative 20x20**, which aims to bring 20 million hectares of degraded land in Latin America and the Caribbean into restoration by 2020.

LDN also resonates with business sustainability targets such as the **Net Positive Impact (NPI)** target for biodiversity adopted by Rio Tinto,¹⁸ the target of Syngenta to improve the fertility of 10 million hectares of degraded farmland, or the Unilever target of zero net deforestation.

Better understanding how a target such as NPI has been implemented by Rio Tinto or companies from non-extractive sectors could help identify how LDN can be applied in companies' direct operations and supply chains. There are no globally accepted NPI definitions yet; however, the International Union for Conservation of Nature (IUCN) recently released a report that explores how the approach can apply beyond the extractives sector to the commercial agriculture and forestry sector and that could help in clarifying commonalities and differences in the two approaches.¹⁹ A major point of difference between NPI and LDN will be how compensation is considered as a way to reach the target, as the UNCCD states that *"LDN does not advocate for market-based offset or compensation schemes which have been proven to be complex, problematic and generally ineffective"*²⁰

NET POSITIVE IMPACT (NPI)

NPI goals call for negative biodiversity impacts caused by projects to be outweighed by biodiversity gains through compensation measures implemented in the project region. The biodiversity gains are evaluated against a baseline of the relevant biodiversity values being impacted by the project.

From a conservation perspective, achieving NPI for a given project ultimately means no net reduction in the:

- Diversity within and among species and vegetation types;
- Long-term viability of species and vegetation types; and,
- Functioning of species assemblages and ecosystems, including ecological and evolutionary processes.

Source: IUCN, 2015

DEFORESTATION FREE

For a company to become deforestation free, it would remove the commodity-linked deforestation embedded within its global supply chain.

Acting to achieve corporate deforestation targets is an iterative process and can differ depending on the company concerned. Typically, companies use a combination of certification, supply chain engagement and traceability to achieve corporate deforestation free targets.

Source: Carbon Disclosure Project, 2014

For companies that directly depend upon land productivity, such as agribusiness, LDN will also be closely linked to **deforestation free targets**.²¹ Exploring similarities, differences and complementarities between those two approaches will be critical when implementing LDN. Some work is also needed on how deforestation free targets are being measured and monitored by companies.

The page that follows is an initial overview of some of the company targets and initiatives existing today.

¹⁸ See Rio Tinto commitment: Rio Tinto and biodiversity - working towards Net Positive Impact.

http://www.riotinto.com/ourcommitment/features-2932_8529.aspx

¹⁹ IUCN (2015). *No Net Loss and Net Positive Impact Approaches for Biodiversity*.

²⁰ UNCCD. Land Degradation Neutrality – Frequently Asked Questions. www.unccd.int/Lists/SiteDocumentLibrary/FAQ/LDN.pdf

²¹ See for example the work of The Forests Dialogue at <http://theforestdialogue.org/initiative/understanding-deforestation-free-udf>



Rio Tinto

Achieve a Net Positive Impact (NPI) on biodiversity at sites where there are high biodiversity values (the company has had a biodiversity strategy that includes this goal since 2004)

Measurement and indicators

The target is being developed jointly with IUCN and other NGOs. Identified sites must have developed and implemented a biodiversity action plan (BAP) by the end of 2015. The BAP requires an operation to work with biodiversity stakeholders to identify the important biological features—both on and off site—in the area in which it operates. A site must understand the impacts and risks that its activities might have on those features and develop and implement a plan to avoid, mitigate, restore and offset those impacts.

Source: [Rio Tinto \(2013\). Understanding Biodiversity Impacts](#)



Syngenta

Rescue more farmland by improving the fertility of 10 million hectares of farmland on the brink of degradation

Measurement and indicators

Syngenta will collect data through on-farm surveys and censuses supported by third parties and monitor the number of hectares of farmland with:

- Field margins
- Minimum tillage
- Crop rotation
- Sustainable practices
- Buffer strips
- Overall number of species protection programs.

Source: [Syngenta \(2014\). One planet. Six commitments. Good Growth Plan.](#)



Unilever

Source 100% of agricultural raw materials sustainably by 2020, with a strong focus on biodiversity and zero net deforestation

Measurement and indicators

Unilever co-chaired the team charged with delivering the deforestation and refrigeration pledges of the Consumer Goods Forum in 2010. Participating companies agreed to mobilize their resources to help achieve zero net deforestation by 2020. The target aims to create funding streams that provide incentives for forested countries to protect their natural environment, while enabling them to reach zero net deforestation and meet their own economic development goals. Measurement of progress against the target is still to be defined.

Source: [Unilever \(2014\). Combating deforestation.](#)

ENABLERS OF SCALE

Transitioning to a land degradation neutral economy requires significant investments and an enabling regulatory framework. With the right incentives in place, a critical mass of private sector initiatives will rapidly emerge, grow to scale and become self-sustaining. The reputations of businesses that engage in neutralizing land degradation will improve and pioneers will enjoy early mover advantages. Under the right conditions, the returns from these investments will be huge. This, in turn, will stimulate replication, favorable policies and more investment opportunities.

When businesses, public and private investors and policy-makers join forces, it is possible to reach a situation where the necessary investments and actions take place to achieve LDN. This will enable the scaling up of viable business models that generate suitable financial returns while contributing to broader food, water and energy security goals.²²

The LDN Fund is an example of an enabling mechanism for the scaling up of LDN. The Fund is being established under the auspices of the UNCCD with a view to providing a structured portfolio through which private and public sector actors can engage, with a specific focus on encouraging LDN at scale. Twelve million hectares of degraded land upgraded to profitable assets will be made available for business every year, supported by pooled funds, large-scale investments, regional partnerships, coordination platforms and integration with national LDN targets and processes.

ENABLING FACTORS OF SCALE COULD INCLUDE:

- Government regulations in place and enforced;
- Economic incentives supporting sustainable supply and uptake of sustainable products;
- Sufficient investments and finance available;
- Customer demand for certified sustainable products;
- Effective cross-sector and industry collaboration.



²² The Global Mechanism, 2015. *Land Degradation Neutrality Fund. Scoping paper.*



CONCLUSION AND NEXT STEPS

By adopting LDN targets and contributing to national and global LDN targets, business leaders have an opportunity to play a role in resolving some of the key challenges the world is facing today while building sustainable business models and resilient supply chains.

There are, however, a number of issues that need to be clarified so that companies can engage in LDN. There is a need to better understand how LDN can be implemented by various sectors and to identify the typology of actions that can be implemented by these sectors. It is also crucial to have clear definitions, related indicators and a timeline so that businesses are able to engage.

Business must engage in the on-going debate and the shaping of the LDN target and framework. The WBCSD has brought together a core group of companies to work on a Restoring Degraded Land Business Solution and has established the Land Degradation Neutrality for Business initiative with the objectives of:

- Representing and facilitating the engagement of the private sector in the UNCCD process of translating the LDN target into concrete actions;
- Clarifying the business contribution to the UNCCD, and more specifically the LDN target.

The UNCCD recognizes that private sector engagement will be critical in scaling up sustainable land management practices and land restoration. It is actively seeking to connect with business for its Conference of the Parties (COP) in Ankara on 12-23 October 2015.

In response to the expectation, and with support from Syngenta, the WBCSD started working in December 2014 on a road map, The Road to Ankara, in the run up to the COP. The process is structured around key discussions and milestones. The WBCSD welcomes additional business to join the efforts that will bring us, in Ankara and beyond, closer to achieving a land degradation neutral world.

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