



RETHINKING SUPPLY CHAINS

TRANSFORMING BUSINESS PRACTICES TO ENABLE ECOSYSTEM RESTORATION

FRONTIERS
OF CHANGE

5-7
NOVEMBER
2021



Prevent, halt and reverse

There has never been a more urgent need to prevent, halt and reverse the degradation of ecosystems worldwide than now in light of the twin crises of climate change and biodiversity loss. In order to create a global movement of **#GenerationRestoration**, stakeholders from diverse backgrounds and motivations, including businesses, have to get engaged. At the same time, developing do-no-harm business models and deforestation-free and climate-neutral supply chains is no longer sufficient. We need nature-positive business practices that reverse ecological damage as well as political action that enables the necessary transformation to a nature-positive future.

We need to stop giving the wrong incentives because...

worldwide activities that degrade ecosystems are currently subsidised at an estimated USD 4–6 trillion per year.

(“The Economics of Biodiversity: The Dasgupta Review”, 2021)

Why look at food and forests?

Today, businesses are under increasing pressure to avoid or reduce their carbon emissions and their negative impacts on landscapes and biodiversity. Food producing businesses alone account for roughly one fourth of global supply chain emissions. When it comes to deforestation, according to a current World Resource Institute analysis (2021), just seven agricultural commodities — cattle, oil palm, soy, cocoa, rubber, coffee and plantation wood fibre — accounted for 26% of global tree cover loss from 2001 to 2015. This analysis also claims that agricultural commodities replaced 71.9 million hectares of forest during that period.

The good news: many companies have realised that nature loss directly affects their business, and pro-environment consumer preferences and new regulations force them to look beyond short-term profits. As a consequence, many have started to rethink or even change their business practices and supply chains and are investing in land and forest conservation. Yet only few have taken the necessary next step: the restoration of degraded land and forests in order to reverse the damage that has already been done. These pioneers are taking restoration action because they understand that restoration holds opportunities to reduce risks, improve business resilience, increase profitability and growth, and provide value-based leadership.



Forests matter because...

they absorb around 7.6 billion metric tons of CO₂ per year (net absorption), 1.5 times more CO₂ than the United States emits annually.

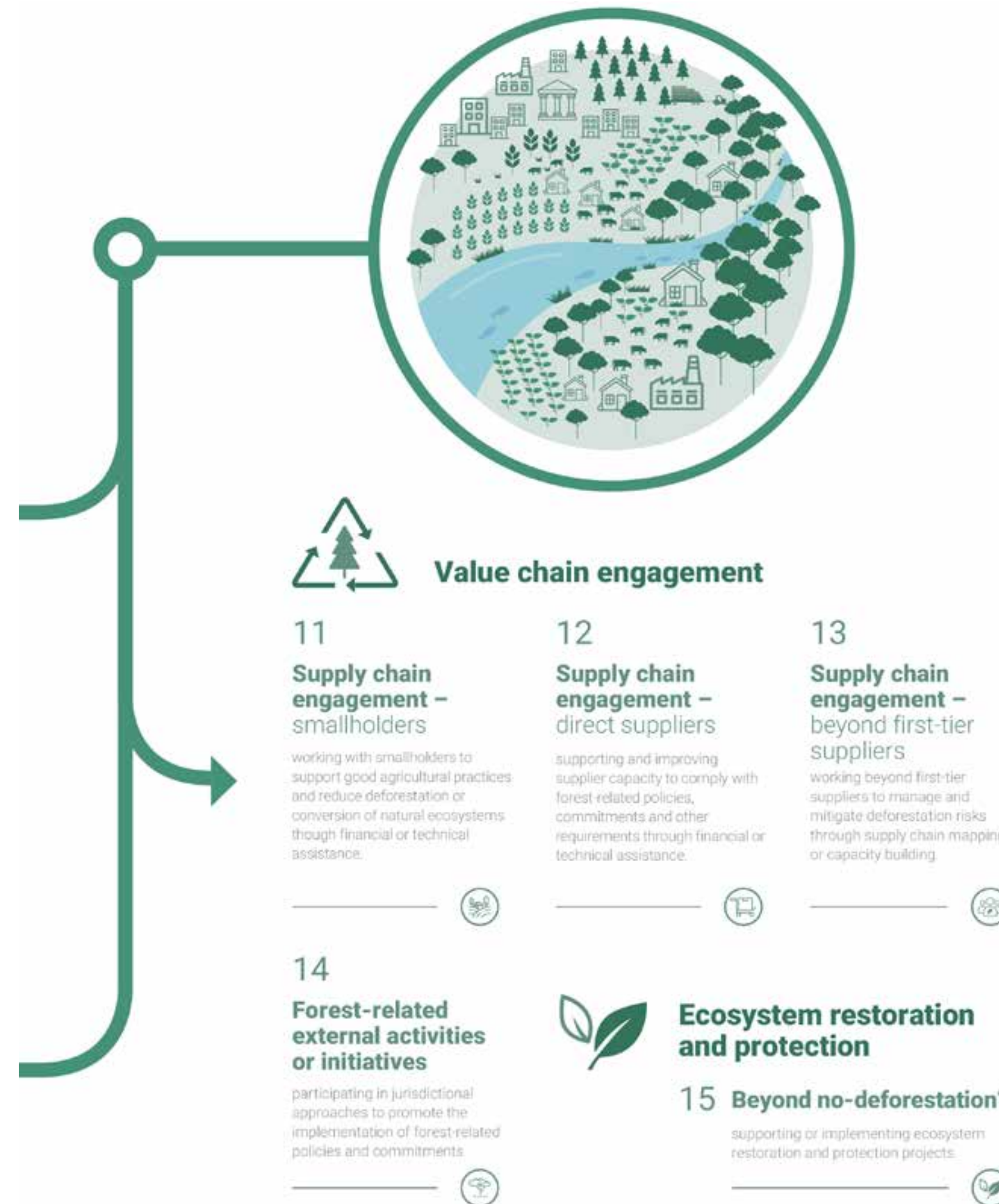
("Global maps of twenty-first century forest carbon fluxes", 2021)

In other words: Responsible forest conservation and restoration is a cost-effective solution to remove atmospheric carbon and build climate resilience.

The return on investment in restoration is high because...

every dollar invested in restoration creates up to 30 dollars in economic benefits.

("Roots of Prosperity: The economics and finance of restoring land", 2018)



Source: "Global Forest Report", CDP, 2020"

Providing the breeding ground

With the right **environmental policies and economic incentives** more businesses would be willing to engage in restoration and establish nature-positive supply chains. The private sector could even become a major driver of restoration. Such policies and incentives should:

- increase revenues, e.g. by reducing competition from illegal deforestation, which improves market conditions for products from nature-positive supply chains;
- reduce costs, e.g. by improving tax structures;
- mitigate risks, e.g. by improving legal frameworks that foster private investment in restoration.

Innovative **financial instruments** that support restoration are already available, including those that:

- supply capital, (e.g. equity and debt instruments including green bonds;
- mitigate risks, e.g. insurance mechanisms;

- bring together private financing with public or philanthropic resources and intermediary organizations (so-called blended instruments).

However, establishing these new financial instruments will require significant modifications to private sector operations. For instance, the low-risk appetite of institutional actors, the time scales at which corporations operate and bureaucratic procedures often run counter to the needs of local restoration actors.

The cost of inaction is greater than the cost of restoration because....

half of the world's GDP is dependent on nature, and around USD 10 trillion in global GDP could be lost by 2050 if ecosystem services continue to decline.

(World Economic Forum 2020 and "Global Futures: Modelling the global economic impacts of environmental change to support policy-making", 2020)



Rethinking supply chains

This session presents leading actors in the transition to nature-positive supply chains that safeguard both the environment and business interests. These restoration pioneers will share experiences and talk about the challenges and difficulties in rethinking current business practices.

The key questions to be raised and answered are:

- How can supply chains be transformed from “deforestation-free” and “climate-neutral” to “nature-positive”, and why is this transformation vital for sustainable long-term business development?
- How can nature-positive supply chains best incorporate the nexus between climate change and biodiversity?
- How can nature-positive supply chains enable forest landscape restoration, and which approaches already exist to integrate forest landscape restoration in supply chains?
- Which “industries” provide positive examples for forest landscape restoration (e.g. coffee, cocoa), and is there any action in critical supply chains like meat or soy that provide viable alternatives to forest landscape degradation?
- What are the barriers to scaling up these approaches beyond pilot-project level, and which underlying systemic factors hamper businesses from stepping up their efforts?
- How can these pioneer approaches be supported by current and upcoming legal frameworks and innovative investment incentives?
- Which aspects of a transformative change are specifically important to enable large-scale change in supply chains and must therefore be taken into consideration by political decision makers?
- How can the United Nations Decade on Ecosystem Restoration assist in this process?



Are you a business or organization interested to learn more about the UN Decade on Ecosystem Restoration?
Click [here to join the global movement!](#)

Do you want to share your pioneering practice? [Get in touch!](#)

Further reading:

- [Investing in Forests: The Business Case](#). World Economic Forum, 2021.
- [Science-based ecosystem restoration for the 2020s and beyond](#). IUCN, 2021.
- Becoming [#GenerationRestoration: Ecosystem restoration for people, nature and climate](#). United Nations Environment Program, 2021.





#GLFClimate

GLOBAL LANDSCAPES FORUM

The Global Landscapes Forum (GLF) is the world's largest knowledge-led platform on integrated land use, dedicated to achieving the Sustainable Development Goals and Paris Climate Agreement. The Forum takes a holistic approach to create sustainable landscapes that are productive, prosperous, equitable and resilient and considers five cohesive themes of food and livelihoods, landscape restoration, rights, finance and measuring progress. It is led by the Center for International Forestry Research (CIFOR), in collaboration with its co-founders UNEP and the World Bank and Charter Members.

Charter Members: CIAT, CIFOR, CIRAD, Climate Focus, Conservation International, Crop Trust, Ecoagriculture Partners, The European Forest Institute, Evergreen Agriculture, FSC, GEF, GIZ, ICIMOD, IFOAM - Organics International, The International Livestock Research Institute, INBAR, IPMG, IUFRO, Rainforest Alliance, Rare, Rights and Resources Initiative, SAN, TMG-Think Tank for Sustainability, UNEP, Wageningen Centre for Development Innovation part of Wageningen Research, World Farmer Organization, World Agroforestry, World Bank Group, World Resources Institute, WWF International, Youth in Landscapes Initiative (YIL)

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