# The Landscape Standard

A global framework to enable the streamlined assessment of the environmental and social sustainability of productive landscapes

## **Concept Note**

#### Need

The agricultural sector is positioned to play a leading role in reducing greenhouse gas (GHG) emissions, reducing water consumption and reversing ecosystem and biodiversity loss. At the same time, the sector is facing unprecedented challenges related to climate change, land degradation and water scarcity. To secure the delivery of food, fuel and fiber while maintaining or increasing the ecosystem services on which the agricultural sector and humanity rely, and supporting green development in some of the poorest countries, a shift must be made towards production systems that are sustainable from the smallest to the largest scales.

While a plethora of standards exist for certifying various dimensions of sustainability practices at the farm or producer levels, there are currently no global standards that assess sustainable production outcomes at a broader landscape (or jurisdictional/regional) scale that could facilitate the needed shift. Specifically, the key dimensions of sustainability at the landscape scale are not well defined and understood, and there are a lack of tools and monitoring frameworks that could support and incentivize the transformation towards landscape sustainable production models.

## **Objective**

Develop and implement a global standard that focuses on the key sustainable production metrics to enable the streamlined assessment of sustainability outcomes at the landscape scale<sup>1</sup>. Developed by VCS in partnership with IUCN, Rainforest Alliance, Solidaridad, and other international and local partners, the Landscape Standard will be based on the clearly identified needs of producers, governments, consumer goods companies, investors, lenders and donors.

Specifically, the Landscape Standard will drive sustainability within production landscapes by:

- Defining the key landscape-scale dimensions of sustainable development and how they relate to one another (eg, how soil health and deforestation affect long-term productivity and livelihoods), including potential synergies and tradeoffs for governments and producers to consider;
- 2) Providing a means to align stakeholder interests and share production best practices and assessment tools, and facilitate exchange and learning among regions;
- 3) Allowing governments and producers to monitor their ongoing sustainability performance at the landscape scale to identify emerging risks and opportunities for improvement; and
- 4) Leveraging the VCS Program to provide a credible, workable and globally established framework for the independent assessment of landscape sustainability performance, linking to finance and incentives from consumer goods companies, investors, development banks and donors.

<sup>&</sup>lt;sup>1</sup> A large area defined by common productive characteristics or administrative management (eg, production region, supply-shed, eco-region, biome, state, municipality)

## **Theory of Change**

The graphic below illustrates the theory of change behind the Landscape Standard initiative:



## **Proposed Standard**

The Landscape Standard will focus on the key landscape-level environmental, social and economic outcomes of sustainable production policies, activities and measures. Based on common high-level principles and criteria, the standard will feature performance metrics that link to diverse incentives and finance. The Landscape Standard will be designed to cover the full range of land-based production sectors (eg, agriculture, livestock, timber and aquaculture). The framework could also be applied to landscapes that are advancing restoration or the extractive sector (eg, mining) to support sustainability efforts that generate broad landscape-level social and environmental benefits.

In landscapes where a variety of stakeholder groups and standards (eg, SAN, UTZ, Fair Trade and the commodity roundtables) are operating, the Landscape Standard can leverage farm-based sustainability practices and help align broad, high-level objectives, measure landscape-scale outcomes (eg, zero-net deforestation, watershed health) and link performance to meaningful incentives.

The following is a list of potential metrics that the Landscape Standard could cover:

- Environmental: Deforestation, restoration, biodiversity, watershed health, soil health, GHG emissions
- **Social**: Climate change adaptation, forced and child labor, smallholder and worker livelihoods, labor stability/migration, gender equality
- Economic: Agricultural productivity, family income and employment, land tenure

In order to establish the core framework, demonstrate early progress and create positive momentum, the Landscape Standard will likely start with a small number of simple, low-cost, high-value metrics and build up to include others over time. To meet the needs of different agronomic, land-use, socio-economic and governance contexts, producer regions will have flexibility in choosing the most relevant metrics to apply and in defining locally appropriate indicators. Furthermore, to facilitate consistent, efficient and cost-effective data collection, the Landscape Standard will leverage existing and readily available global and regional datasets and tools to support assessments (eg, the remote sensing currently being used to monitor Reduced Emissions from Deforestation and Degradation – REDD), and incorporate innovative, simplified methods for streamlined GHG accounting. Finally, the Landscape Standard will seek to align with, and provide useful inputs for assessing progress towards related global initiatives, including the Sustainable Development Goals (SDGs), UNFCCC GHG mitigation goals and the Bonn Challenge for land restoration.

## **Value Proposition**

The successful development and adoption of the Landscape Standard could:

- Channel enabling conditions, market access, and potentially other incentives to producers who contribute to landscape-level performance, including smallholders, who typically don't have the capacity or scale to utilize current farm-level certification schemes.
- ✓ Provide a streamlined framework for countries to rationalize their land use and planning and optimize synergies and potential trade-offs between productivity, livelihoods and environmental outcomes, while scaling up the volumes of commodities sustainably produced.
- Drive transformation across an entire landscape, regardless of whether only a portion of its commodities flow into markets valuing sustainability – thereby leveraging limited demand/investment to generate large-scale benefits.
- ✓ Support establishment and alignment of new public-private partnerships to tackle deforestation and unsustainable land use, through a common set of target outcomes and performance metrics, to provide credible, comparable and transparent results across a variety of landscapes.
- ✓ Motivate sustainability leadership by providing producer regions with a clearly defined pathway for green economic growth combined with attractive incentives, potentially including access to: environmentally sensitive markets; long-term sourcing commitments; low-interest-rate loans and credit lines; favorable insurance terms; donor funding and technical assistance to overcome implementation barriers; and concessional/large-scale finance<sup>2</sup> to support capital investment and enable the transformation of production systems.

<sup>&</sup>lt;sup>2</sup> Pension funds may be willing to invest in such landscapes assuming adequate capital guarantees could be provided by development banks to support sustainable production regions.

## **Key Users and Beneficiaries**

**Producers and governments** seeking to maintain/improve and monitor the quality of their land, soil and production environment to sustainably increase yields, while conserving natural capital and improving livelihoods, and attracting investment and other incentives.

**Consumer goods companies** seeking to minimize reputational risks, meet Tropical Forest Alliance (TFA) 2020 commitments, maintain/increase the quality and sustainability of their supplies, enhance their license to operate, meet (and communicate) broad corporate social responsibility goals (eg, related to climate, deforestation, water and livelihoods), effectively engage in public-private partnerships, and reduce the transaction cost of identifying "green" supply regions and sourcing sustainable commodities.

**Institutional and impact investors** seeking to identify attractive investment regions and opportunities, secure sustainable assets, screen projects for macro (landscape) risks and avoid stranded assets.

**Green bond issuers and investors** seeking to assess large-scale social and environmental impacts of bond finance with a credible, global standards framework.

**Low-carbon agricultural credit facilities** seeking to reduce transaction and monitoring costs by making concessionary loans available to all farmers within high-performing landscapes.

**Development banks and donors** seeking to assess performance of funded regions/programs around zero-net deforestation, green development, poverty alleviation, food security and biodiversity conservation.

## **Implementation Regions**

There is interest from governments, producer groups and civil society to work with VCS and implementing partners (including Solidaridad, Rainforest Alliance, Forever Sabah, ICV and Nature Conservation Research Center) to support the development and piloting of the Landscape Standard to support and scale-up sustainable production models in a number of countries, including Ghana, Peru, Colombia, Brazil, Argentina, Chile, Costa Rica, Guatemala, Indonesia, Malaysia, DRC, and Ethiopia.

Based upon funding, the Landscape Standard will be developed through on-the-ground partnerships covering the range of key commodities (eg, beef, dairy, soy, palm oil, coffee, cacao, timber, pulp/paper and aquaculture), and will include the following activities:

- ✓ Collaborate with governments, producers and civil society to establish desirable and achievable landscape-scale social and environmental objectives and align strategies
- ✓ Coordinate with in-country landscape-related initiatives (eg, REDD+, LEDS, NAMAs, adaptation plans, commodity roundtable forums) to harmonize goals and efforts
- ✓ Identify and apply data sources and tools for measuring, monitoring and assessing sustainability metrics
- Link to new VCS initiatives that will enable the streamlined assessment of climate change mitigation and adaptation benefits generated through landscape-scale agriculture, livestock and forestry activities
- Work with governments and producers (including small-holders) to advance policies and measures that improve livelihoods, drive sustainability transformation throughout the agricultural sector and generate compelling large-scale benefits
- ✓ Assess social, environmental and productive outcomes and link to outside incentives, private finance and investment to support and scale-up sustainable production models