## Business guidance for deeper regeneration

 $\rightarrow$  Water Chapter

### Regenerative Agriculture Metrics - guidance for business

To accelerate the transition to regenerative agriculture and agricultural models that operate within planetary boundaries, it is essential to converge on an integrated measurement architecture. Business must address and overcome the key challenges to alignment: fragmented and siloed data collection and reporting, a lack of alignment on definition and outcomes, a need to translate global frameworks into local action plans and a lack of inclusivity of farmers and Indigenous peoples and local communities (IPLCs) in the process.

The World Business Council for Sustainable Development (WBCSD) has prioritized strengthening corporate performance accountability systems for climate, nature and equity. To this end, WBCSD has launched the Regenerative Agriculture Metrics (RAM) joint working group with the One Planet Business for Biodiversity (OP2B) coalition. This collaborative effort involves more than 52 members and 32 business-focused partners, representing more than 1,100 businesses. The group's goal is to drive widespread value chain convergence and align farm-, landscape- and global-level metrics with corporate reporting.

RAM members and partners recognize the need to measure environmental, social and economic outcomes for a holistic approach to regenerative agriculture. It is critical for industry to align at a metric level to measure these holistic outcomes for a consistent approach to regenerative agriculture.



World Business Council for Sustainable Development



# Water-related metrics for regenerative agriculture

Consistent with the growing consensus across current and emerging regenerative agriculture tools and frameworks, environmental outcomes should have an impact on four areas: soil, biodiversity, water and climate. RAM members and partners have aligned on two water outcomes for regenerative agriculture and the key indicators and metrics to support implementation. This includes core metrics which are recommended for adoption and complementary optional metrics.<sup>1</sup>

These outcomes align with the objective of reducing agriculture-driven pressures on nature from water use and water pollution. These highly interconnected topics are reflected in the leading frameworks and standards.<sup>2</sup>

### OP2B's working definition of regenerative agriculture

Related to agroecological evidence and principles, regenerative agriculture is a holistic, outcome-based farming approach that generates agricultural products while measurably having net-positive impacts on soil health, biodiversity, climate, water resources and farming livelihoods at the farm and landscape levels. It aims to simultaneously promote above- and below-ground carbon sequestration, reduce greenhouse gas (GHG) emissions, protect and enhance biodiversity in and around farms, improve water retention in soil, reduce pesticide risk, improve nutrient-use efficiency and improve farming livelihoods.

#### Table 1: Considering connections between risks

Outcome	Indicator	Core Metrics
Improved environmental flows	Blue water	<b>Blue water withdrawal</b> (m³/ha) – split by level of water stress risk
Minimized water pollution	Nutrient loss	Nutrient use efficiency (%)

#### Implementing water-related metrics

RAM members and partners have highlighted key needs to enable the adoption of water related metrics for regenerative agriculture. These include: improved basin-level data and shared access to data, improved modelling of farm-level pressures and evidence base of impacts of regenerative practices, key guardrails and context specific considerations for implementation, improved interoperability of standards and frameworks, and more. Our guidance provides further detail on these needs as well as suggestions for how to address them collectively.

#### How to bridge the data disconnect from farm level to supply shed to global level

Working to align farm-,landscape- and global-level metrics with corporate reporting is vital to streamlining data across the value chain. We are doing this by establishing global-level metrics built on alignment with leading and emerging farm and landscape level tools and frameworks. In this way, the metrics developed through this group incorporate key farm- and landscape-level assessment while connecting to accounting, reporting and disclosure bodies to develop specific guidance for regenerative agriculture.

<sup>1</sup> Corresponding metrics can be found in the *full report*.

<sup>2</sup> This includes corporate sustainability frameworks (ie, Taskforce on Nature-related Financial Disclosures (TNFD), EU Corporate Sustainability Reporting Directive (CSRD), Science Based Targets Network (SBTN), CDP, Global Reporting Initiative (GRI), International Sustainability Standards Board (ISSB), amongst others), regenerative agriculture frameworks (i.e., OP2B, Regen10, SAI Platform, Field to Market, Cool Farm Tool, Sustainable Markets Initiative, Textile Exchange, and more) and various water stewardship frameworks as outlined in the <u>Freshwater Accountability Navigator</u> from WBCSD.

#### Policy asks

### Support the move from practice-based policy to outcome-based approaches

Regenerative Agriculture at scale requires a shift to a less prescriptive approaches. A holistic, science-driven, outcome-based approach to regenerative agriculture can bridge the gap between stakeholders and empower farmers by being cost-effective, context-specific, transparent and measurable.

In regards to water-related outcomes, it is especially important that policies reflect the unique local contexts of different watersheds and the fundamental interconnections between water availability and water quality. Rigorous and consistent enforcement of regulations for monitoring and controls is critical.

#### Support the alignment of data collection and reporting guidelines across the different stakeholders (private and public sector, farmers and IPLCs)

Standardized data collection and reporting of on-farm activities related to water requires multistakeholder support. To accelerate the transition to regenerative agriculture it is essential that farmers are acknowledged as central to collection, processing and management of agricultural data.

Governments can play a role by:

- Holding businesses accountable for their commitments by strengthening reporting and disclosure regulations and incorporating on-farm activities into corporate transparency measures and implementing incentives to support improved environmental flows and minimized water pollution.
- 2. Encouraging farmers to actively collect and report data on water-related outcomes in their on-farm activities by offering financial incentives, technical support and simplified data collection methods.
- 3. Supporting research that fills the existing gaps around measurement and quantification of basin-level water flows and pollution and modelling linking these back to farm-level practices and aggregating the available data to make it publicly available in a readily usable form for businesses.

#### Moving forward - Call to action

This working group representing over 1,100 businesses is working on the remaining environmental outcomes – biodiversity and soil – before diving into the economic and social dimensions.

This collective effort aims to foster alignment beyond the private sector, with the wider stakeholder space through the Regen10 initiative. **Regen10** is developing a draft farmer-centric guiding framework that it will finalize in December 2024.

It is time to converge all efforts on how we measure, report and disclose on regenerative agriculture to allow for deeper regeneration. The private sector must align with other stakeholders to safeguard supply chain resilience and transition to agricultural models that operate within planetary boundaries. Join us!

Read the <u>full report</u> and contact Dana Rakha-Michalon at <u>rakha@wbcsd.org</u> to engage in this work.



#### DISCLAIMER

This publication has been released in the name of WBCSD. It is the result of collaborative efforts by representatives from member companies and external experts. It does not reflect all viewpoints of each company or partner, nor does their engagement in the process necessarily constitute an endorsement of the work.

Contact Dana Rakha-Michalon at **rakha@wbcsd.org** to engage in this work.

#### About One Planet Business for Biodiversity (OP2B)

One Planet Business for Biodiversity (OP2B) is an international, cross-sectoral and action-oriented business coalition on biodiversity with a specific focus on regenerative agriculture. We are determined to drive transformational system change and catalyze action to protect and restore cultivated and natural biodiversity within agricultural value chains. The coalition focuses on scaling up regenerative agriculture, developing transparent outcomebased reporting for regenerative agriculture, advocating for positive policy for de-risking the transition for farmers and promoting crop and food ingredient diversification.

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#### About WBCSD

The World Business Council for Sustainable Development (WBCSD) is a global community of over 220 of the world's leading businesses, representing combined revenue of more than USD \$8.5 trillion and 19 million employees. Together, we transform the systems we work in to limit the impact of the climate crisis, restore nature and tackle inequality.

We accelerate value chain transformation across key sectors and reshape the financial system to reward sustainable leadership and action through a lower cost of capital. Through the exchange of best practices, improving performance, accessing education, forming partnerships and shaping the policy agenda, we drive progress in businesses and sharpen the accountability of their performance.

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