

IPCC Climate Change and Land report

Summary brief for business

Sustainable land management plays an important part in combating climate change. 23% of global emissions come from agriculture, forestry and other land use systems. At the same time, we are seeing that land is under huge pressure, with a quarter of soil severely degraded. Land must stay productive, not only for food security, but to mitigate climate change. Our future depends on our ability to create a food and land use system that supports healthy people and a healthy planet as well as our ability to promote sustainable and healthy diets for all. The IPCC Report "Climate Change and Land" is part of IPCC's Special Reports series coming out as part of its Sixth Assessment Cycle. This publication follows on from other major scientific reports (i.e. EAT Lancet, WRI, IPBES) that are sounding a clear alarm on the urgency to act now. The report finds that better land management will be crucial to tackling climate change and deliver the objectives of the Paris Agreement as well as the wider SDG Agenda, but for this to happen, the world must transform how we currently manage land and how we produce and consume food.

WANT TO LEARN MORE?

WBCSD is hosting the Business Action Day at the UNCCD COP 14 to be held in Delhi, India, on 7 September 2019. The summit will strongly carry forward the themes of the IPCC report, which was timed to coincide. We will provide a summary of the UNCCD following its conclusion.

Headlines you need to know from the IPCC report

- Land is critical for human life and well-being, providing food, water and nature – humans affect 70% of global land.
- Agriculture, forestry and other land uses (AFOLU) contribute to 23% of greenhouse gas (GHG) emissions but also absorb 29% of emissions.
- Climate change causes great stress on land (and therefore limits its ability to sequester carbon), exacerbating risks to livelihoods, nature and health.
- We cannot meet the 1.5-degree target under the Paris Agreement without rapid, major changes in land-based mitigation and landuse change that includes different combinations of responses.
- The report highlights the mitigation potential of four areas all by 2050.
 - Food loss & Waste 3.8-5.7 GtCO2e/yr
 - Crop, livestock and agroforestry
 - activities 2.3-9.6 GtCO2e/yr
 - Dietary changes 0.7-8.0 GtCO2e/yr
 - Deforestation 0.4-5.8 GtCO2e/yr

- This potential for mitigation points to the need for a wholesale and urgent food and land use system wide response from policy makers and the business community across the value chain.
- These changes are feasible and deliver major co-benefits to achieving the SDGs, including resilience to climate change, and rural and farmer livelihood opportunities.

Creating the enabling environment for change

These changes are complex and require multiple actors, including business, to build knowledge, share innovations and manage risks and gaps to achieving scale and more resources for measuring and monitoring. We need new policies, governance and financing mechanisms to deliver this change, including measures to incentivize investors to move away from investments that would undermine the direction signaled by the IPCC. The IPCC report includes various broad policy interventions. The table below provides a selection of measures that may be of interest to the business community, designed to create the enabling environment for change.

Overarching policy interventions	Examples of specific interventions
Increasing agricultural efficiency and yields	 Invest in agriculture R&D Support sustainable intensification projects Support precision agriculture Improving farmer training and knowledge sharing
Support sustainable land use planning approaches	 Land use planning for ecosystem services (remote sensing, indigenous and local knowledge) Conservation agriculture programs Payment for ecosystem services Promote sustainable forest management to prevent land degradation and maintain land productivity.
Support innovative market approaches	 Mandated carbon cost reporting in supply chains; public/private incentivized insurance products
Support and increase an inclusive trade system	Liberalizing trade flowsGreen trade
Stimulating markets for premium goods	Sustainable farming standards, agroecology projects, local food movements
Reducing food loss and waste	 Regulations and taxes Awareness campaigns and education Funding for reducing food waste Circular economy using waste as inputs
Reducing consumption of carbon-intensive food	 Carbon pricing for selected food commodities Changing food choice through education, shift food environments, money transfers
Combining carbon and health objectives	 Changing subsidies, standards, regulations to healthier and more sustainably produced foods Preventative vs curative public health care incentives Education and awareness campaigns Investment in disruptive technologies (e.g., cultured meat) Public procurement

What can business do?

The IPCC Report calls for a drastic shift in land use management to stay below 1.5-2-degrees warming. Business has a role to play to deliver this transformation. WBCSD mobilizes the business community and helps scale appropriate business solutions.

While business responses will be context specific, there are barriers and limits to the full contribution, with some actions that are immediate (for example, addressing degraded soils and reforestation conservation of high-carbon ecosystems such as peatlands, wetlands and rangelands, and measures to protect existing forests and reduce forest degradation / destruction).

There are a number of areas where business can lead the way:

Sustainable land management through value chains engagement

- Adopting improved soil health practices for all scales and types of farming
- Addressing deforestationrisk commodities and supply chains
- Taking landscape-based approaches to managing, conserving and restoring natural resources, including working forests and watersheds

Improved Livelihoods, food security and healthy communities

- Ensuring prosperity through livelihood opportunities in rural and urban communities, and the linkages between them
- Addressing the importance of healthy communities who have access to safe, sustainable, nutritious food

Climate change mitigation and adaptation

 Adopting climate-smart forms of agriculture that increase agricultural productivity, build resilience to the adverse effects of climate change and extreme weather, while mitigating agricultural GHG emissions.

Biodiversity and ecosystem conservation and restoration

- Adopting forms of agriculture that restore and conserve global biodiversity and ecosystems through Nature-Based Solutions
- Landscape connectivity conservation - Landscape connectivity can help rehabilitate degraded land and nurture the biological flows and structures needed to increase our resilience in the face of drought and other climate impacts e.g. circular nitrogen management
- Mainstream agrobiodiversity in the food system.
- Food diversification to diversify crops we produce and consume for healthy and sustainable diets.
- Restoring degraded and abandoned production lands, and degraded natural and semi-natural ecosystems that provide vital, albeit indirect, benefits to business, people and working landscapes

The evolving need for business leadership

Agricultural transformation, reducing food loss and waste, addressing deforestation and dietary shifts will continue to drive societal demands on how business responds to climate change. These challenges will gather ever-greater prominence in upcoming milestone events and business leadership is required at these moments including UNCCD COP 14, UNFCCC COP25 and into 2020. The risks of climate change are significant in agriculture and land use sectors; physical and transitional risks should be incorporated into Enterprise Risk Management (ERM) models based on current trajectory predictions exceeding 2-degrees.

Adopting science-based abatement targets is imperative to help assure collective license to operate for the agriculture and land use sectors. However, despite their massive potential, most estimates suggest Natural Climate Solutions (NCS) only attract 2% to 3% of public climate finance globally. NCS are not just for land sector companies. NCS can offset hard-to-abate and unavoidable emissions, supporting the transition to sustainable land use at the same time as accelerating near-term progress towards net-zero emissions across all business sectors.

Internally, corporate targets and actions must operate within the wider framework for food systems transformation, natural climate solutions and the bioeconomy, while recognizing the need for just livelihoods and rural transitions, nature and food security. Externally, scaling impact requires the creation of an enabling environment where companies form partnerships along the value chain, and with governments and civil society, while managing risks more effectively and internalizing system externalities.

Working together to deliver solutions

WBCSD is working with members on solutions areas to deliver against these challenges through the <u>Food</u> <u>& Nature</u> Program and the <u>Climate &</u> <u>Energy</u> Program.

The projects include <u>Climate Smart</u> Agriculture, FReSH, Natural Climate Solutions, the <u>Soft Commodities</u> Forum, <u>Water Smart Agriculture</u> and the sector projects <u>Forest Solutions</u> <u>Group</u> and <u>Global Agri business</u> <u>Alliance</u>. Participate in multi-stakeholder initiatives and business coalition like the <u>Business for Nature coalitions</u>, <u>Food and Land Use Coalition (FOLU)</u> and the <u>Food System Dialogues</u> that foster greater interaction to unlock new models of sustainable nutrition within planetary boundaries.

Additional resources

Download the full or summary IPCC 'Climate and Land' report here

Download the WBCSD report 'The business case for investing in soil health' <u>here</u>

About the World Business Council for Sustainable Development (WBCSD)

WBCSD is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world. We help make our member companies more successful and sustainable by focusing on the maximum positive impact for shareholders, the environment and societies. Our member companies come from all business sectors and all major economies, representing a combined revenue of more than \$8.5 trillion and 19 million employees. Our Global Network of almost 70 national business councils gives our members unparalleled reach across the globe. WBCSD is uniquely positioned to work with member companies along and across value chains to deliver impactful business solutions to the most challenging sustainability issues. Together, we are the leading voice of business for sustainability: united by our vision of a world where more than nine billion people are all living well and within the boundaries of our planet, by 2050.

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