



The G7's Deforestation Footprint and Potential for Mitigation



The
Food and Land Use
Coalition

CURRENT FOOD PRODUCTION SYSTEMS ARE UNSUSTAINABLE AND HAVE CONTRIBUTED TO CROSSING 4/9 PLANETARY BOUNDARIES

Stockholm Resilience Centre

Biodiversity loss driven largely by agriculture and risks undermining future production

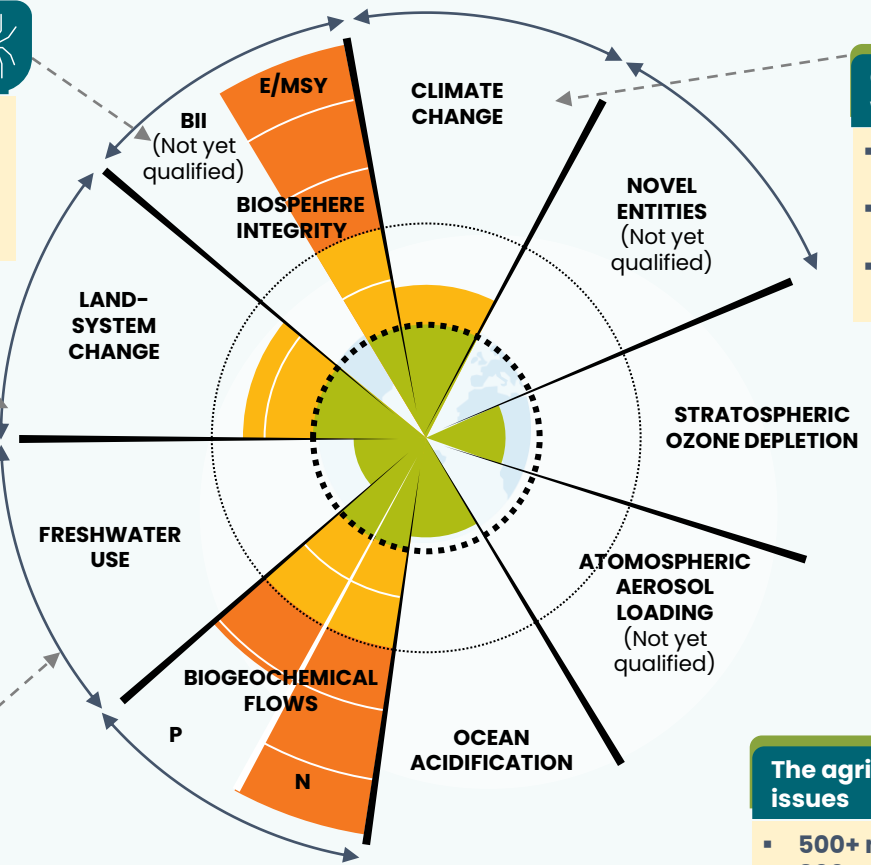
- 62% of IUCN globally **threatened species** are adversely affected by agriculture – primarily due to **land use change** and use of **chemical pesticides**
- Demonstrated links between **biodiversity loss and spread of zoonotic diseases**

Agriculture is primary cause of land use change globally

- 50% of the world's habitable **land is used for agriculture**, of which 77% for livestock
- 90% of **tropical deforestation** is linked to **agricultural expansion**
- Deforestation** causes CO2 emissions and the degradation of carbon sinks, **accelerating climate change**

Agriculture is the primary global consumer of freshwater

- 70% of the world's **freshwater is withdrawn for agriculture**
- Planetary boundary hasn't been crossed, but the problem is a regional one: **90%** of available freshwater is used for agriculture in **low-income countries**; **40%** in **high income countries** (DE & NL less than 1%)



Current agriculture practices accelerate climate change, which in turn will reduce crop yields

- Food and land use system accounts for **30%** of **GHG emissions**
- Accelerated** by land use change, deforestation, food loss & waste etc.
- Global farming productivity** is 21% lower than it could have been without climate change.

The agriculture sector is also highly linked to social and health issues

- 500+ million** farmers & fishers live in **poverty**
- 800 million** people are **hungry** every day, while **2 bn** people are **overweight** or obese

■ Below boundary (safe)
■ In zone of uncertainty (increasing risk)
■ Beyond zone of uncertainty (high risk)

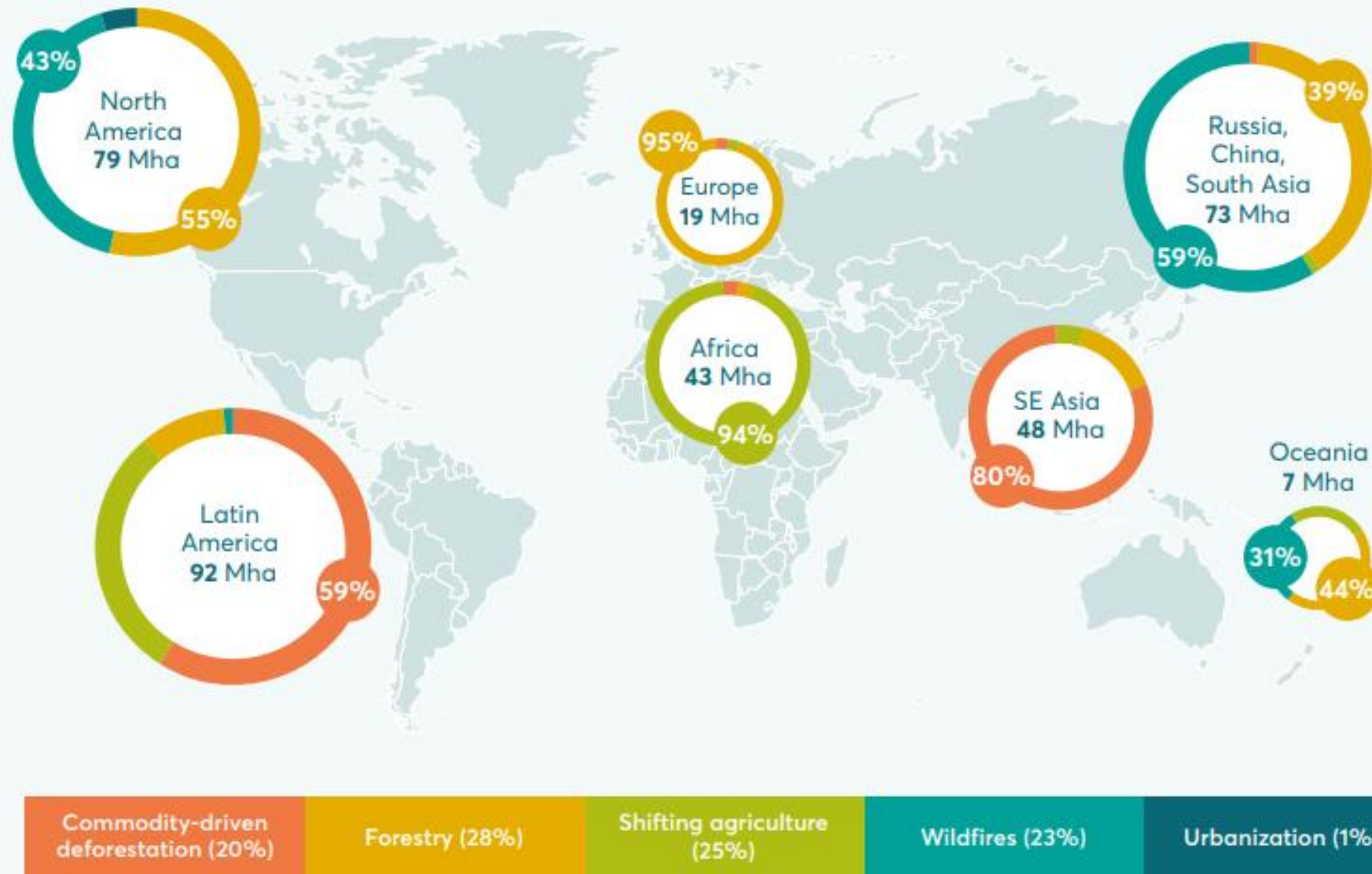
PRODUCTION OF THE WORLD'S MAJOR FOOD STAPLES IS HIGHLY CONCENTRATED IN A FEW MAJOR 'BREADBASKET' REGIONS – LEADING TO INCREASED POTENTIAL FOR INSTABILITY AND SUPPLY CHAIN SHOCKS

Global agricultural production

○ Major grain production areas ● Corn ● Rice ● Soy ● Wheat

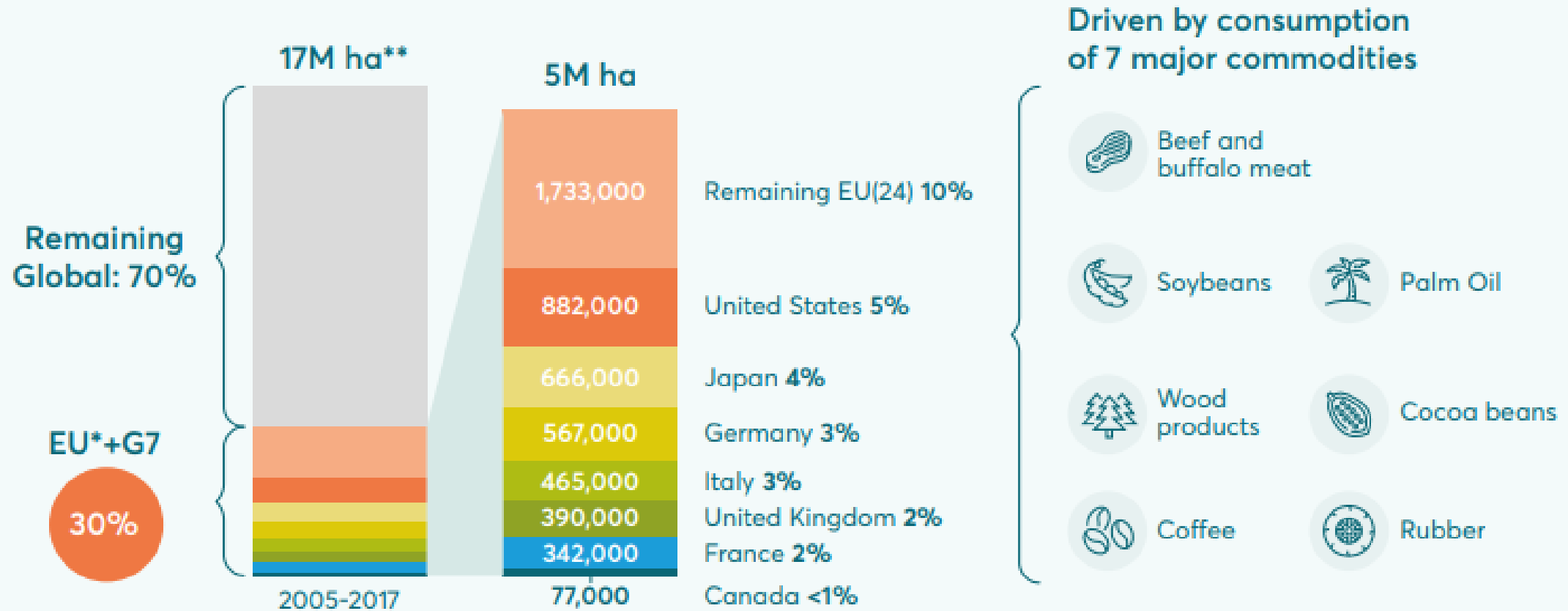


THE MAJORITY OF PERMANENT TREE COVER LOSS OCCURS IN THE TROPICS – OF WHICH 89% OCCURRED DUE TO AGRICULTURAL EXPANSION*



*Agricultural expansion includes both large scale commodity-driven deforestation and shifting agriculture

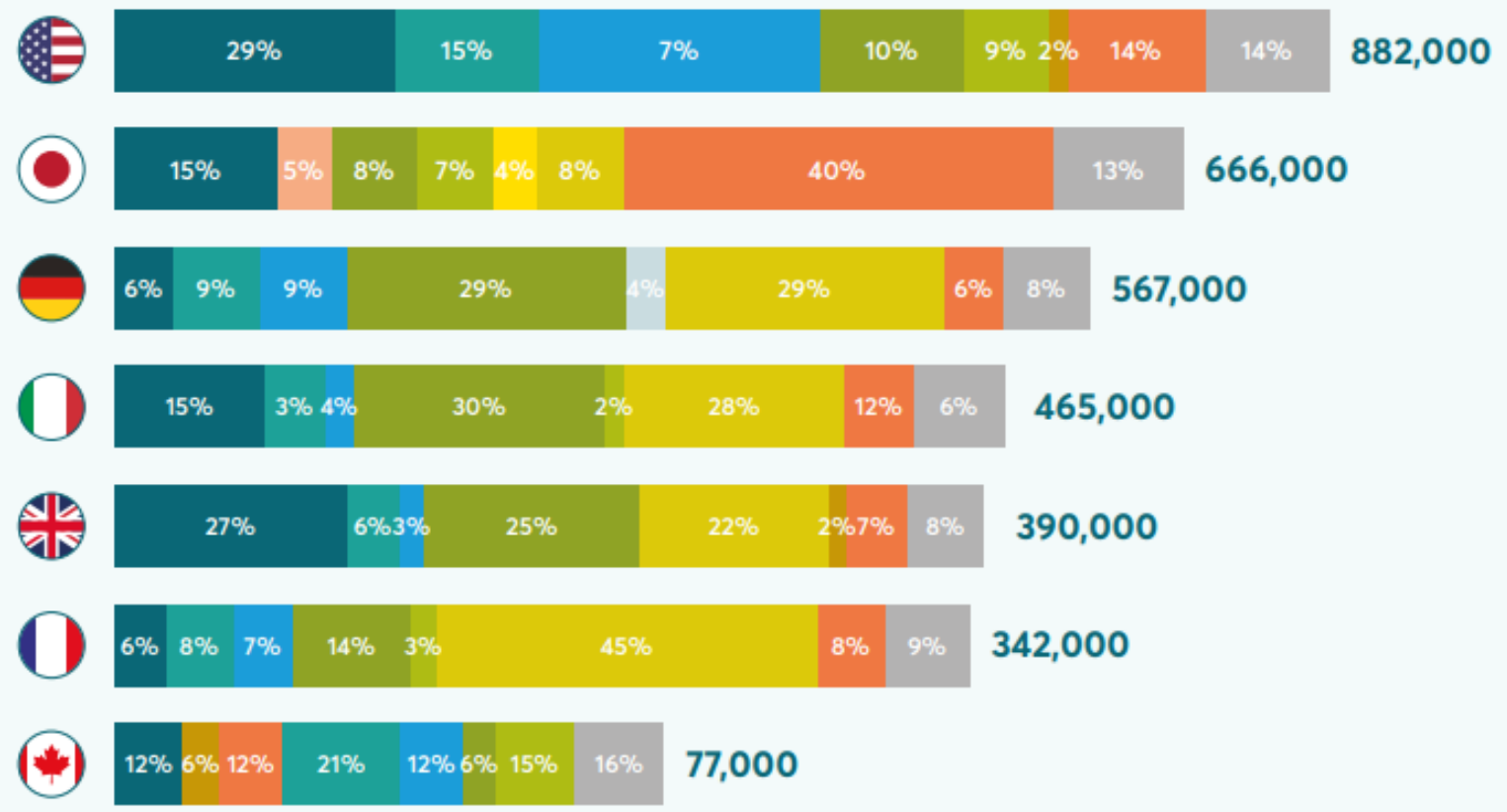
G7 MEMBERS, INCLUDING THE EU, ARE RESPONSIBLE FOR 30% OF TROPICAL DEFORESTATION LINKED TO INTERNATIONAL TRADE OF AGRICULTURAL COMMODITIES



*EU27

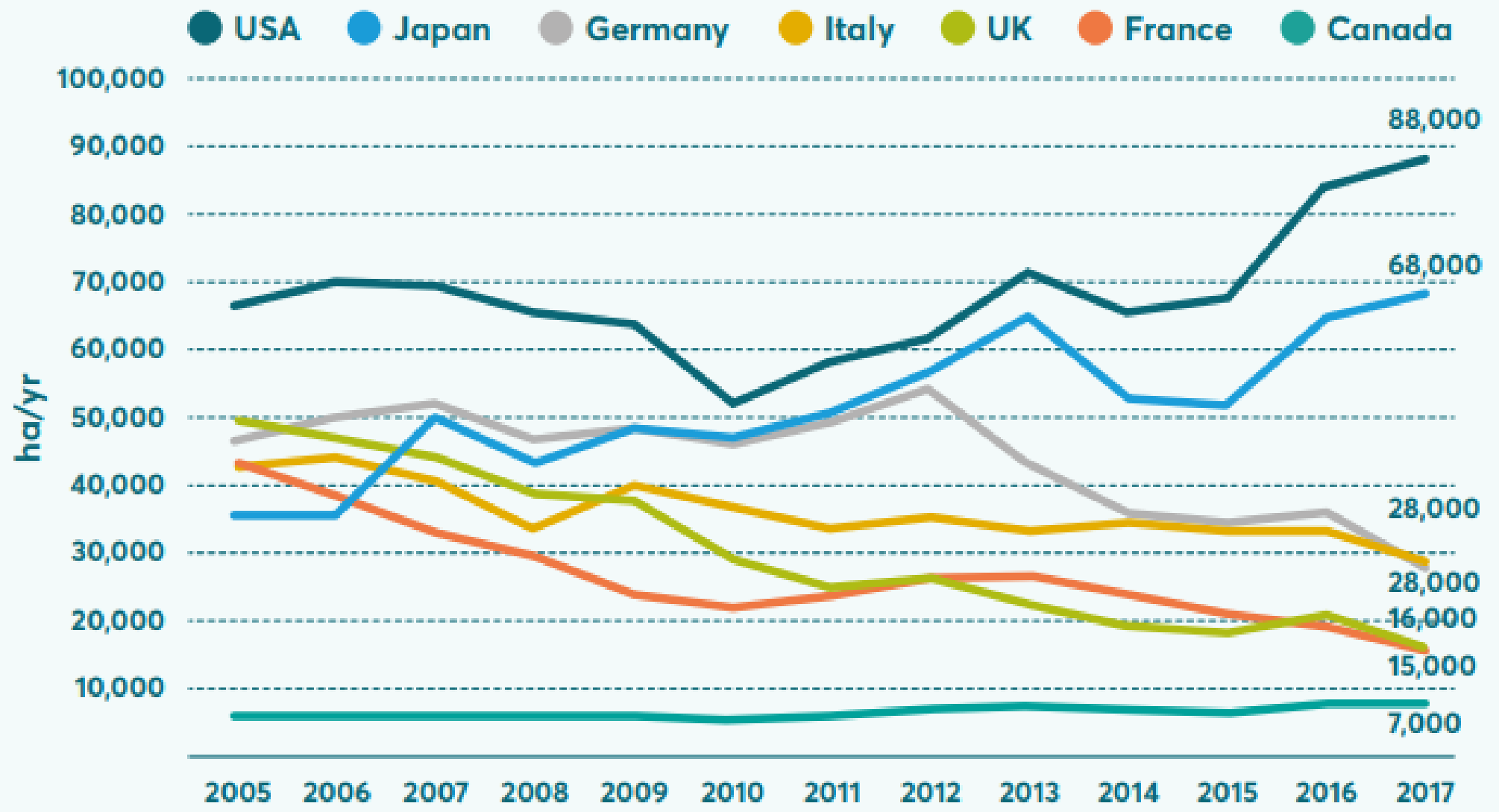
**Total global hectares of tropical forest loss linked to production of agricultural commodities from 2005–2017.

G7 MEMBERS DEFORESTATION FOOTPRINT ACROSS KEY AGRICULTURAL COMMODITIES VARIES BASED ON CONSUMPTION, CULTURE, AND TRADE PATTERNS



Source: Pendrill (2020), Analysis by the Food and Land Use Coalition

US AND JAPAN SHOW AN INCREASING TREND OF IMPORTED COMMODITIES LINKED TO DEFORESTATION, WHILE EU AND UK MEMBERS' SHARE DECLINES



Source: Pendrill (2020), Analysis by the Food and Land Use Coalition

A RANGE OF VOLUNTARY AND LEGISLATIVE INITIATIVES ACROSS G7 MEMBERS ARE UNDER DEVELOPMENT OR IMPLEMENTATION

Voluntary

- Industry-led roundtables (Round Table on Responsible Soy Association) or commitments to legal/ sustainable/ ZD sourcing
- Consumer labelling and certification schemes (RSPO, ISPO, FSC)
- Non-binding political commitments (e.g. New York Declaration on Forest, Glasgow Leaders' Declaration on Forests and Land Use)
- International assistance (e.g. ODA budgets, climate finance)

Tool box of approaches



Regulation of market access

- Due diligence obligations fulfilled before market access is permitted (e.g. EU Proposal for a regulation on deforestation-free products)
- Licensing Systems (e.g. FLEGT VPAs)
- Public sector procurement (e.g. proposed New York and California Deforestation Free Procurement Act/s)
- Trade related measures: FTA provisions, import duties, multilateral environmental agreements (e.g. CITES, Montreal Protocol), sanctions, subsidies, embargoes, quotas.

Corporate obligations

- General obligation to exercise due diligence across company operations and supply chains including criteria, e.g. human rights or environment (e.g. French Corporate Duty of Vigilance)
- Disclosure (e.g. climate risk)



Highest ranking countries (and share of global total, %) of tropical forest loss associated with deforestation-linked agricultural commodities, consumed domestically and traded internationally (2017).



1.) Aim for policy harmonization over uniformity

- Most important that there is **legislative coverage across G7 members** that as a minimum includes (i) **broad coverage of key deforestation-risk commodities (to achieve market share)** and (ii) **is implemented on an accelerated timeline.**
- Focus attention on **complimentary legislation** that covers the financial sector as well as product-side

2) Expand coverage to include financers of deforestation

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3.) Form genuine partnerships with producer countries

- Demand-side measures have an important role to play but are likely to be more effective when combined with action on the ground.**
- Members should consider pairing with measures to improve enabling environments in tropical forest countries – **recognising smallholders who produce a third of our food globally.**

3.) Engage beyond G7 members to achieve scale and impact

- China and India account for 17% and 6%** respectively of deforestation risk commodities 2005-2017 and this is projected to grow with demographic and dietary shifts.
- Also work with producers where deforestation is embedded in products that are also consumed domestically, such as **Brazil and Indonesia.**
- Emerging regulatory approaches in the G7 could be **foundation to build upon in other markets.**

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