













IMPACT BRIEFS OVERVIEW

IMPACT OF THE GOOD GROWTH PARTNERSHIP

Working simultaneously on production, demand, and finance, in Brazil, Paraguay, Indonesia, and Liberia, the <u>Good Growth Partnership</u> (GGP) enables sustainable development in three global commodity supply chains: soy, beef, and palm oil. After five years, it is time to take stock of the impacts achieved so far, in this series of five GGP Impact Briefs. The GGP promotes a holistic approach to sustainability, looking at how different elements of commodity supply chains integrate and overlap, and working with the entire systems – in all their complexity – to achieve positive, sustainable transformation.

System mapping underpins the Integrated Approach, analyzing supply chains and identifying effective interventions. The GGP Impact Brief on system mapping is a detailed account of this fundamental element of the GGP Integrated Approach. Following the system mapping, specific Impact Interventions are implemented to encourage the change required. Those related to policy, and to producer support system for sustainable production and land use, are described in the Impact Briefs on these topics.

Over the past five years, the GGP Integrated Approach Pilot (IAP) has fostered system change in its target countries and commodities, addressing production, demand, and investment not as separate issues, but as symbiotic and interdependent layers of the supply chain. In this time, we have made a good start, helping to bring over 28 million hectares of land under improved natural resource management and practices, avoiding over 140 million metric tonnes of CO2 emissions (lifetime direct and indirect). The partnership has also built the financial backbone of sustainable production and land restoration, by training finance institutions (including the Central Bank of Brazil) in how to look for, identify, and manage forest risks in investment decisions, and supporting the development of financial tools, products, and regulations. The GGP has also worked hard to raise awareness of, and demand for sustainable products, and engaging the private sector at every point in the supply chain, to increase knowledge and commitment to reducing deforestation. But much more remains to be done.

The Good Growth Partnership: the Numbers



141,387,137
metric tonnes of CO₂
emissions (lifetime direct and indirect) avoided*



38

policies and/or action plans supported to foster and enable reduced deforestation supply chains, including 35 adopted or proposed and 3 under development



5

new partnerships facilitated between producers, buyers and finance providers fostering sustainable commodity supply chains



23

commodity platforms and forums established, strengthened and/or supported to facilitate multi-stakeholder dialogue and collective action



10,556

farmers, producers and community members directly benefiting from agriculture training and community conservation agreements



49

financial tools, products and regulations identified or developed that support investments in sustainable production and land restoration





28,366,363

hectares of land benefiting from improved natural resources management and practices



207

financial institutions and insurance companies with increased capacities on Environmental, Social and Governance (ESG), including forest risks, and better equipped to make responsible investment decisions



88

companies engaged in project activities making new or stronger commitments to source reduced deforestation palm oil, soy and/or beef



171

countries with improved land use monitoring systems, transparency and/or traceability for reduced deforestation supply chains



315

organizations connected via the Partnership on multi-stakeholder dialogue and collective action



126

publications, briefs and knowledge products developed to enhance knowledge and support sustainable commodity supply chains



\$16,376,000

in new investments supporting sustainable production fostered by Partnership interventions.



The Impact of GGP

Over five years, GGP has delivered proof of concept for its integrated approach, across Brazil, Indonesia, Paraguay, and Liberia, as detailed in The Good Growth Partnership: The Numbers, above. In addition to improving natural resource management, training in sustainable agriculture has been rolled out to nearly 8,000 farmers, producers, and Indigenous community members, who are permanently adopting sustainable practices, as per monitoring conducted. Significantly, although the pilot programme targeted just four countries, the GGP's integrated approach has resulted in a much wider impact, with improved land use monitoring systems, and transparent data and/or traceability measures adopted for reduced deforestation supply chains in 171 countries. GGP knowledge sharing and advocacy events have been rolled out globally, engaging widely with the private and public sector to increase and disseminate understanding about how decision making in policy, finance, and agricultural practices influences sustainability. Key channels for these activities have been the <u>Green Commodities Community</u> and <u>Evidensia</u>, a global space targeting the needs of business leaders, policy makers and researchers on the impact of sustainability initiatives.

See the GGP's visual guide for more detail. The following paragraphs will reflect on the experience at the country-level.

In **Indonesia**, the GGP has helped to reform sustainable production and land use policies, supporting district and provincial governments in identifying and protecting environmental and social values ahead of land use change, while increasing farmers' capacities to shift to sustainable and climate smart agricultural practices. Nationally, 824,424 hectares of High Conservation Value (HCV) and/or High Conservation Stock (HCS) areas have been protected (for more on HCV and/or HCS see here). The pilot has also increased supply chain transparency and consumer demand for sustainable palm oil, with 10% more Indonesian consumers aware of the negative impacts of unsustainable palm oil in 2021 than in 2019. The GGP's multi-scale, multi-sector approach facilitates this awareness beyond the local, and beyond the end-use, right to the heart of finance, building awareness among financial institutions about screening out deforesters in their portfolio, and about how – and why – to invest sustainably. This is creating a space for transformative change that will unfold over time, enhanced by the connections between these integrated interventions, however, much more needs to be done to consolidate and extend these early improvements, for which the GGP hopes to secure funding.

GGP Impact Briefs Overview

Indonesia Palm Oil

Multi-stakeholder dialogue and action for sustainable palm oil at subnational level supported

through 6 subnational multi-stakeholder platforms and 6 subnational action plans, under implementation

Action for sustainable palm oil at national level supported

thanks to **1 action plan** legalized through presidential instruction and under implementation

824,424 ha of HCV and/or HCS areas protected and 37 million tonnes of CO, direct emissions

through protection work in commodity-producing landscapes

Sustainable commodity production and land use allocation policy reform supported

at national and subnational levels through

13 policies, including 9 legalized

* Different tools have been used to calculate data on CO₂ emissions avoided in the Brazil and Production projects. Please contact us if you need further clarifications.

Photo: © Shutterstock

Increased capacity to source reduced deforestation palm oil

of 9 Indonesian companies

Supply chain transparency increased

thanks to the mapping of **3 palm oil supply chains** from key districts to retailers in major Indonesian cities

> Increased capacity to engage companies on reduced deforestation sourcing and disclosure

of **80+ Asia-based** investors and asset managers

Consumer awareness increased

by 10% in major Indonesian cities over the last two years around negative impact of unsustainable palm oil

Provided support to identify and quantify economic and financial risks

resulting from unsustainable land use to companies and investors through a new tool

\$376,000 catalyzed in new financing

for certified palm oil farmers

Guidance to investors on financial decision-making provided

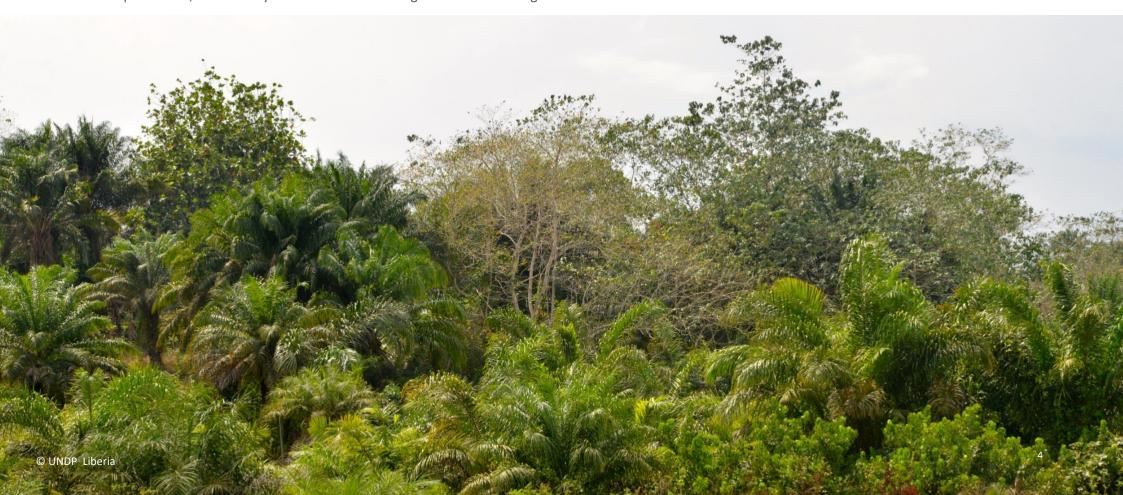
thanks to **1 report** on the scope of corporate reporting on commitments made on deforestation linked to palm oil production by **100+ companies**







In Liberia, a national strategy and action plan for sustainable palm oil was adopted through a collaborative, multi-stakeholder process, while the GGP worked on improving land use planning and partnering with communities, to protect important conservation areas. As a result, 5,000 hectares of High Conservation Value Forest have been protected, through a 2019 Conservation Agreement, with three communities of the Zodua clan. This reduced unsustainable practices like pit-sawing, charcoal production, bushmeat hunting, and cultivation in HCV and/or HCS areas. As a result, almost 6 million tonnes of CO2 emissions have been avoided. Building relationships and trust over time with these communities has helped to identify areas of collaboration and mutual understanding which, with careful work, can act as levers for change. To date, alternative, sustainable livelihoods have been created for over 2,800 people. Entry into the international Roundtable for Sustainable Palm Oil (RSPO) certified market, with a National Interpretation (a framework intended to guide investment, participation, and growth), has placed Liberia on a trajectory towards sustainable production, with a five-year sustainable financing mechanism envisaged for the sector.



Liberia Palm Oil

Multi-stakeholder dialogue on sustainable palm oil supported

through 1 national multi-stakeholder
platform and 1 forum at landscape
level and 1 national action plan
developed and adopted by
stakeholders

5,000 ha of HCVF protected

through a Conservation Agreement with Zodua communities

5,695,070 tonnes of direct CO₂ emissions avoided

thanks to land use planning work

Improved land use planning and protection of important conservation areas

supported through 3 national proposed policies

Access to certified market

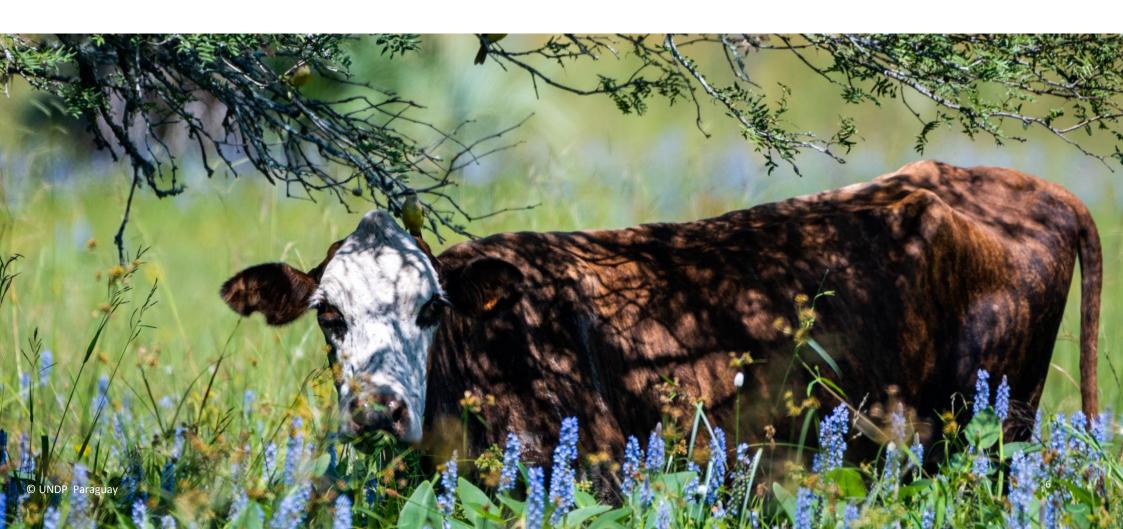
supported thanks to the development of a National Interpretation of the Roundtable for Sustainable Palm Oil

Alternative livelihoods facilitated for 2,800+ people

through a Conservation Agreement to avoid forest degradation



In Paraguay, the GGP has increased awareness and capacity among cattle ranchers about improved land-use planning, social and environmental safeguards, and how to secure the ability of wildlife to move across fragmented landscapes. Over 4,900 small, medium, and large producers have improved their production practices. In addition, nearly 7 million hectares of HCV and/or HCS and biodiversity corridors have been mapped, which is now supporting decision making for land use change at national and subnational levels. Working nationally in Paraguay and globally, the GGP has also fostered the development of a national definition and regulatory framework for sustainable beef, while at the same supporting stakeholders in building knowledge on trends of the sustainable beef international market. Financial institutions, through specialised trainings, have been equipped with tools to inform decision-making on sustainable production. Combined with fiscal incentives, these interventions create multiple, connected enablers for transforming the beef sector in ways that minimise carbon emissions and ecosystem degradation.



Paraguay Beef

Multi-stakeholder dialogue and action for sustainable beef supported

> through 1 national and 1 subnational multi-stakeholder platforms and 1 regional action plan adopted and under implementation

Farmer extension services strengthened

thanks to 1 subnational strategy adopted and based on the learnings from training 4,915+ large, medium and small producers

Improved land use planning including identification of important conservation areas in the Chaco

thanks to 1 criteria developed, defining 7,025,844+ hectares of HCV and/or HCS areas in the Chaco

Sustainable beef production and improved land use planning policy reform supported

through **12 policy** recommendations including **3 adopted**

Photo: © Dalma Gonzalez/UNDP Paraguay

National definition of sustainable beef facilitated

Positioning of Paraguayan beef in the international market supported

thanks to **2 studies conducted** to analyse the market and 1 market strategy developed

Paraguayan beef and soy supply chains analyzed

by Trase through **2 news briefs** to highlight new data of the supply chains and understand their links to tropical deforestation

Guidance for sustainable investments decisions provided

through development of a tool for financial institutions

\$16 million in new investments catalyzed

for sustainable Paraguayan beef

Adoption of Environmental, Social and Governance criteria by financial institutions supported

through **1 adopted policy** requiring ESG criteria integration and followed by capacity-building to facilitate implementation



In **Brazil**, the GGP has helped local governments and municipalities strengthen important ecosystem protection and implement the national Forest Code, validating producers' claims to have set aside forest on over 300,000 hectares. As a result, 12 million metric tonnes of CO2 emissions have been avoided. Market demand has supported sustainable soy production that reduces deforestation and forest conversion, with an increasing number of companies committing to sustainable sourcing. The GGP has enhanced buyer traceability while at the same time helping producers move towards low carbon and climate smart agricultural practices. In addition, the GGP has shown that it makes good business sense to produce on degraded land instead of converting natural ecosystems, advising on finance mechanisms which support these practices. To increase Brazilian finance's capacity to mitigate deforestation risks and leverage green finance opportunities, the GGP has conducted training at the Central Bank of Brazil and more than 30 other national financial institutions.

Please consider supporting the GGP's continued work in sustainable commodity supply chain transformation.



Brazil Soy

Multi-stakeholder dialogue and sustainable action for soy production supported

through 1 multi-stakeholder
platform and collaboration between
Matopiba States facilitated thanks
to 1 public platform

Low-carbon agriculture practices disseminated over more than 60,000 hectares

> in Bahia and Tocantins States through training to **60 farmers**

Environmental regularization and access to rural credit for farmers supported

by analyzing **385 rural properties** as part of the National Environment Registry, representing a total of **333,000+ hectares**

12 .

million tonnes of CO₂ emissions avoided

thanks to improved land use planning, capacity building for farmers and protection work with local governments in Bahia and Tocantins States

Photo: © Henrique Paula

New commitments to source reduced deforestation Brazilian soy

DEMAND

made by **77 companies** as a result of the project

Increased capacity of companies to make and implement commitments to source reduced deforestation Brazilian soy

achieved by **7 companies** thanks to the Soy Toolkit

Transparency of Brazilian soy increased

by Trase through mapping of supply chains from **5.570 Brazilian municialities**

Increased soy traceability

through a socio-environmental screening system for a large buyer, already including **350 soy suppliers** in the Matopiba region

Expansion over degraded
land instead of clearingnative vegetation fostered

through the development of **2 business** cases

Increased capacity to mitigate deforestation risks and leverage green finance opportunities

of **30+ Brazilian financial institutions** and **30+ supervisors** from the Central Bank of Brazil through training

Blended finance products supporting zero deforestation commodity production

offered by banks **analyzed** through a study on financial products



Good Growth Partnership Impact Briefs - Read on for more detail

- Sustainable Production Policy Reform
- Producer Support for Forest Positive Agricultural Commodities
- Collaborative Action Mechanisms for Forest Positive Agricultural Commodities
- Integrated Approach Using System Mapping for Forest Positive Agricultural Commodities
- Land Use Policy Reform for Forest Positive Agricultural Commodities

