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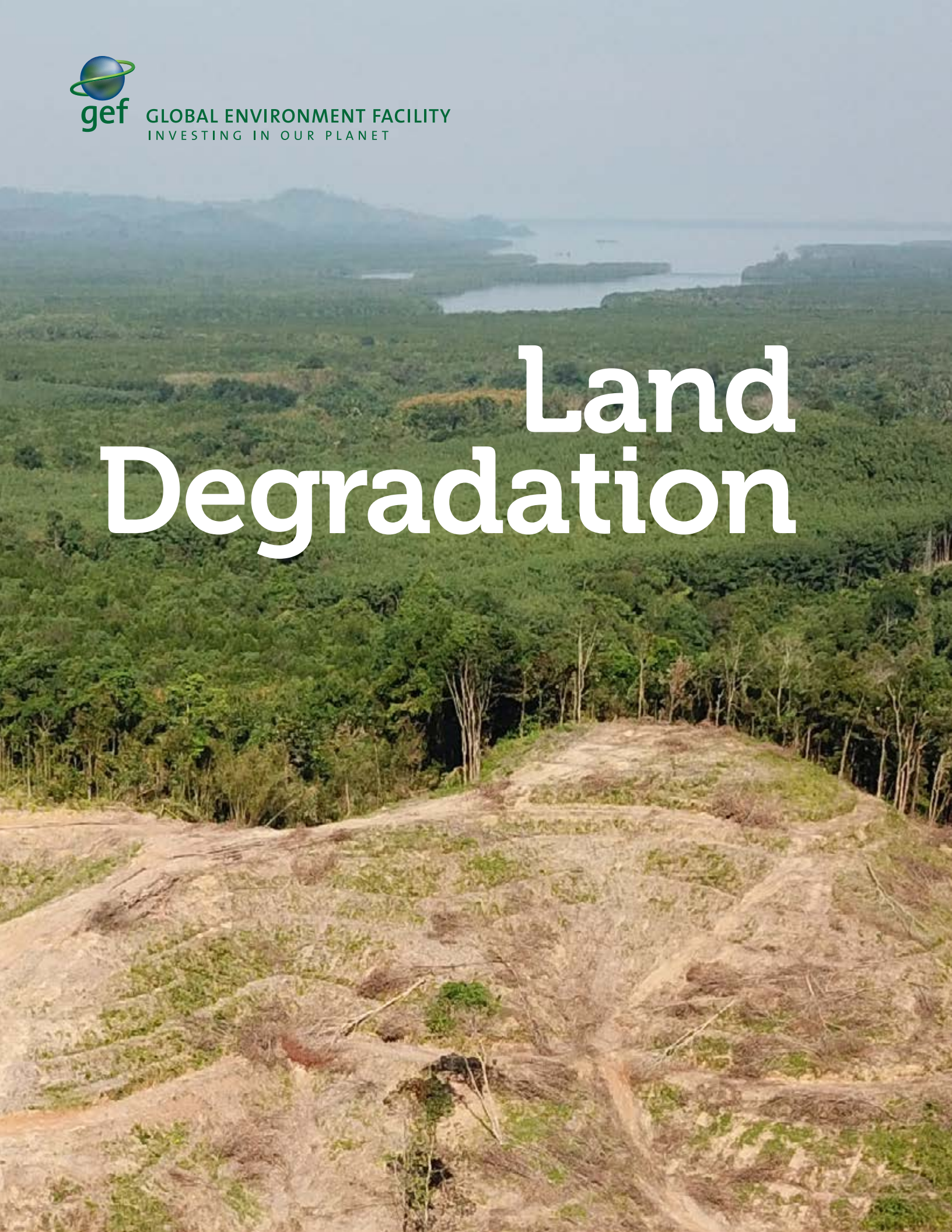
Land Degradation



THE ISSUE

Land is a vital resource to humankind, like air and water. Land degradation—the deterioration or loss of the productive capacity of the soils for present and future—is a global challenge that is intimately linked to key aspects of human security and well-being: food, jobs, and livelihoods. Land degradation affects everyone through food insecurity, higher food prices, climate change, environmental hazards, and the loss of biodiversity and ecosystem services.

Land degradation is one of the world's most pressing environmental problems, happening at an alarming pace, and it will worsen without rapid remedial action. Globally, about 25 percent of the total land area has been degraded. When land is degraded, soil carbon and nitrous oxide are released into the atmosphere, making land degradation one of the most important contributors to climate change. It is estimated that 24 billion tons of fertile soil were being lost per year, largely due to unsustainable agriculture practices. According to the report of the Intergovernmental Panel on Biodiversity and Ecosystem Services (IPBES) if this trend continues, 95 percent of the Earth's land areas could become degraded by 2050.

Globally, 3.2 billion people are affected by land degradation, especially rural communities, smallholder farmers, and the very poor. The world population is projected to increase by about 35 percent to 9.7 billion in 2050, with rising demands for agricultural products including food, feed, fiber, and fuel. However, pressure on the global land resource is increasing due to other factors as well, such as agricultural production systems made less resilient by the loss of biodiversity, and natural factors such as climate variability and extreme weather events. Climate change exacerbates variations in yields and income from agriculture, threatening the resilience of agro-ecosystems and the stability of food production systems.

Moreover, gender roles have impacts on both farming and livelihood systems, but the contribution of women smallholder farmers often goes unrecognized. Women farmers often have less access to land, decision-making processes, labor, credit, information, technology, and extension services.

THE APPROACH

Comprehensive landscape approaches are the best way to address the broad, multi-faceted nature of land degradation across the range of agro-ecological and climatic zones. GEF's investments seek to address drivers of degradation through a holistic approach aimed at delivering multiple benefits in reducing and reverting land degradation, conserving biodiversity, and mitigating and adapting to climate change. Therefore, GEF-funded projects and programs emphasize innovative and integrated approaches to sustainable land management that can be scaled up to maximize global benefits for the environment and similarly address the issues of biodiversity, climate change, and improve local livelihoods.

The GEF's mandate to invest in global environmental benefits relates directly to its role as a financial mechanism of the United Nations Convention to Combat Desertification (UNCCD). The GEF Land Degradation Focal Area provides the opportunity for eligible countries to utilize resources for implementing the Convention and its Strategic Framework 2018-2030 with a focus on production landscapes where agricultural and rangeland management practices underpin the livelihoods of poor rural farmers and pastoralists. The GEF emphasizes sustainable management of drylands in arid and semiarid zones, addressing, among other issues, drought-prone ecosystems and populations.

Sustainable Development Goal (SDG) target 15.3 on achieving a land degradation neutral world by 2030 creates opportunities for transformative action. Land Degradation Neutrality (LDN) is defined as: "a state whereby the amount and quality of land resources necessary to support ecosystem function and services and enhance food security remain stable or increase within specified temporal and spatial scales and ecosystems." GEF has been an early supporter of the UNCCD's LDN target setting project helping countries to define their voluntary targets. At the thirteenth Conference of the Parties (COP13) in 2017, UNCCD parties invited the GEF, during the current funding cycle of the GEF (GEF-7), to continue providing technical and financial support for capacity building, reporting, and voluntary national

land degradation neutrality target setting and implementation.

Access to finance and technical assistance for smallholders and small businesses in most land sectors is a significant challenge. Small and medium-sized enterprises (SMEs) are critical contributors in the agricultural sector, positioned at the leading edge of both environmental impacts and their potential solutions. The GEF pursues strategies with the private sector to target SMEs that are promoting innovative agriculture and livestock production systems.

The private sector is playing a growing role in efforts to reduce land degradation and bring about landscape restoration. The GEF's Non-Grant Instruments (NGI) window has been applying innovative finance models that help mobilize private investments to combat global environmental degradation. As the GEF-6 NGI portfolio shows, these resources can be used for projects that deliver global environmental benefits in the land degradation focal area, for example through the Risk Mitigation Instrument for Land Restoration project, which deploys innovative risk mitigation instruments to support public and private sector investment to restore degraded lands in Latin America. Proposals under this competitive window are especially encouraged if they demonstrate innovative application of financial mechanisms, business models, partnerships and approaches that may be broadly adopted and can be scaled up.

Several new private sector funds have emerged recently, such as the LDN Fund. The fund invests in profit-generating sustainable land management and restoration projects worldwide, and GEF is supporting the LDN fund's technical assistance facility (TAF) to help countries with project preparedness. There is further potential for GEF to cooperate with such type of funds by providing technical assistance and by facilitating de-risking to make projects bankable.

GEF-7 Impact Programs are a centerpiece of the strategy to reduce land degradation and deforestation during the period 2018-2022. Specifically, the *Food Systems, Land Use and Restoration Impact Program* provides the opportunity for an integrated approach to implementing Sustainable Land Management (SLM) and deliver on voluntary LDN targets that countries have set.

It targets countries seeking to meet growing demand for increased crop and livestock production, without the risk of further expansion of farmland, erosion of genetic diversity, overexploitation of land and water resources, overuse of chemical fertilizers and pesticides, and inefficient practices that lead to greenhouse gas emissions and food loss and waste. Private sector involvement is important to link smallholder producers and pastoralists to markets, introduce sustainable supply chains, and create stable revenues from agricultural commodities.

Restoration of productive landscapes features as an important element of this program, especially in degraded agro-forestry systems. Countries have pledged to restore more than 200 million hectares of land through various landscape restoration initiatives such as the Bonn Challenge, Africa 100, and Initiative 20 x 20 in Latin America. The GEF enables countries to deliver on these commitments through investments that will shift degraded lands into production systems for food and commodities. A sustainable supply chain including production, processing, and demand for key agricultural commodities is vital for achieving LDN.

The *Sustainable Forest Management Impact Program* focuses on globally important biomes such as the Amazon and the Congo Basin, and selected dryland ecoregions. In the latter, the Impact Program seeks to avoid further degradation and deforestation in drylands through the sustainable management of production landscapes, addressing the complex nexus of land degradation, climate change, livelihoods, and environmental security. The objective of the Dryland Sustainable Landscapes Program is to avoid, reduce, and reverse degradation, desertification, and deforestation of land and ecosystems in drylands, through the sustainable management of production landscapes. The program will transform the management of drylands in selected regions and countries to establish the basis for sustainable dryland management globally. The program will focus on three dryland regions: the Miombo and Mopane ecosystems of southern Africa; the savannas of west Africa; and the temperate grasslands, riparian forests, and shrublands of Central Asia.

In summary, GEF's Land Degradation Focal Area strategy in GEF-7 has the overarching goals of aligning GEF support to promote UNCCD's LDN concept through an appropriate mix of investments, to seek effective integration within the Impact Programs for generation of multiple benefits, and to harness private capital and expertise to finance investments in sustainable land management in cooperation with innovative financing mechanisms.

To further support countries in the implementation of their voluntary LDN targets, the GEF has developed two key strategic objectives to help combating land degradation in the current replenishment cycle: (1) Supporting on the ground implementation of SLM to achieve LDN; and (2) Creating an enabling environment to support voluntary LDN target implementation.

On the ground support to LDN is provided in: i) agriculture and rangeland systems through promoting SLM; ii) forest landscapes through promoting sustainable forest management (SFM); and iii) integrated landscapes where pressures on natural resources from competing land uses need to be reduced and resilience increased.

Enabling environments are created through scaling-up and mainstreaming of SLM and LDN and through supporting the revision of existing and development of new national frameworks to implement, monitor, and evaluate LDN targets for countries wishing to set and achieve them. GEF also supports countries in reporting to UNCCD and related capacity building through global set-aside resources.

EXPECTED RESULTS

The Land Degradation Focal Area allocation for GEF-7 is $475 million, an increase of 10 percent compared to GEF-6. The allocation to countries under the System for Transparent Allocation of Resources (STAR) has increased from $346 million to $354 million. In addition to the specific Land Degradation Focal Area investments, the Impact Programs, other focal areas, and funding windows such as the Non-Grant Instrument will be leveraged for projects and programs related to SLM to maximize the focal area results. In previous replenishment cycles, Land Degradation Focal Area investments have been able to leverage other GEF resources in a ratio of 1:3 through multi-focal area projects and integrated programs. It is therefore expected that GEF-7 will make $1.4 billion available to support the implementations of the UNCCD agenda.

It is estimated that these investments will contribute as follows to the overall corporate targets of GEF-7: bring 320 million hectares under improved management, restore 6 million hectares of degraded landscapes, and mitigate 1.5 billion tCO2e in greenhouse gas emissions.

THE WAY FORWARD

The alignment of the GEF-7 Land Degradation Focal Area strategy with the LDN concept and the design of the GEF-7 Impact Program on Sustainable Dryland Landscapes is a major contribution to implementing voluntary LDN targets in an increasing number of countries. This reflects the importance of GEF support for the implementation of the Convention and for mobilizing additional sustainable financing and responsible and sustainable investments that address desertification, land degradation, and drought issues.

Going forward, the global community must make substantial efforts to sustain and rebuild productive areas, mitigate the effects of drought, increase resilience, and prevent conflict and migration. Support must be expanded from addressing the drivers of land degradation to address drivers of fragility and land and water insecurity, to reverse resource pressures, enhance or restore governance, and rebuild natural resource-based livelihoods and jobs. There is increasing evidence of the complex interactions between climate change, food and water insecurity, extreme events—such as prolonged and repeated droughts—and their link to fragility, conflict, and migration.

GEF stands ready to support a global strategic approach with a view to mainstreaming the SDGs and enabling cross-sectoral coordination in countries.

The Global Environment Facility was established on the eve of the 1992 Rio Earth Summit to help tackle our planet's most pressing environmental problems. Since then, the GEF has provided **over $18.1 billion in grants and mobilized an additional $94.2 billion in co-financing** for more than **4500 projects in 170 countries**. Today, the GEF is an international partnership of 183 countries, international institutions, civil society organizations and the private sector that addresses global environmental issues.