

Contents



Section	Content	Slide
Section 1: FPC 2030 Landscape Ambition	FPC Landscape AmbitionProduction base footprint	5 6
Section 2: Landscape Claims	ISEAL Claim Guidance FPC Claims Principles	
Section 3: What counts towards the FPC Landscape Ambition?	 Which activities can count towards hectares ambition? Commodity specific examples of actions counting towards hectares in landscape initiatives 	
Section 4: How to apportion hectares?	Proportional and leveraged hectares when co-funding landscape initiatives	
Section 5: Case Studies	 Western Mato Grosso Initiative (Soy, Brazil) Siak Pelalawan Landscape Programme (Palm, Indonesia) Aceh Initiative (Palm, Indonesia) 	

Note on Use of Guidance



This document provides guidance for Coalition companies, landscape initiative implementers, and other partners on how Coalition companies can account for hectares towards the CGF-FPC's 2030 Landscape Ambition.

This guidance draws from existing best practice guidance, including from ISEAL, and aims to ensure Coalition members take a consistent and credible approach to accounting hectares for the shared landscape ambition. However, it is recognized that within each landscape initiative, or through multi-stakeholder processes, there might already exist a recognized claims frameworks to which this guidance can be adapted and applied.





Section 1: FPC 2030 Landscapes Ambition

The FPC Landscapes Ambition



In 2021 the Forest Positive Coalition launched its <u>Landscape Strategy</u> with a clear ambition, to take collective action to transform production landscapes into forest positive landscapes.



AMBITION: The Coalition will transform production landscapes into forest positive landscapes by:

- Taking action and collaborating with stakeholders in areas equivalent to the Coalition's combined production base-footprint (in hectares) by 2030; and
- Using their influence to catalyze the wider transformation

Forest Positive means:

- Removing deforestation, forest degradation and conversion from key commodity supply chains within and beyond the supply chains
- Supporting sustainable forest management, conservation of forests and natural ecosystems, and restoration
- Supporting the rights of workers and local communities
- Improving livelihoods

Key to the Coalition's Principles of Collective Action is investing in initiatives which **consult** and empower local stakeholders, including local communities and government and strengthen landscape-level multistakeholder processes, where they exist. Integrating multistakeholder goals and processes from the beginning ensures initiative goals reflect local stakeholder priorities and strengthens the enabling environment for Forest Positive landscape transformation.

FPC Production Base Footprint



The Coalition articulates its landscape ambition through its aggregated production-base footprint, expressed in hectares, as a neutral proxy of the Coalition's demand area to produce beef, palm oil, fibre-based pulp paper packaging (PPP) and soy*.



Each Coalition company has an individual production base footprint to reach by 2030 as its landscape ambition, which has been committed to by its CEO. The Coalition also has an aggregate production base footprint to reinforce the need for collaboration and leveraged action.

^{*}The production base footprint methodology was developed by 3Keel. For cattle derived products and soy, only volumes from focus countries identified in the Coalition roadmaps, and volumes not traceable to country origin, are included in the production base footprint.

Operationalizing Claims & Roadmap for Scaleup



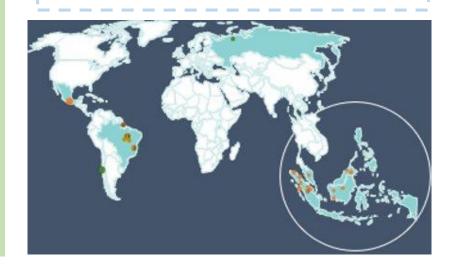
Claims Guidance (V0) establishes:

- Approach to count hectares to the Landscape Ambition, and how to apportion hectares if multiple actors contribute to Forest Positive outcomes
- How to recognize and incentivize support for nonhectare outcomes
- Initial examples for actions that contribute to the Landscape Ambition per commodity- additional stakeholder input is needed

Map # of hectares in progress and targeted for delivery by 2030

At **Coalition level** using FPC Portfolio

At **individual member level**, including non FPC Portfolio initiatives



Roadmap for addressing gap in hectares

At **Coalition leve**l strategy for collaboration and leveraging collective investment

Individual members plan for investment scale up deciding on increased investment to existing initiatives or new ones (and which commodities)



Individual member and Coalition wide





Section 2: Landscape Claims

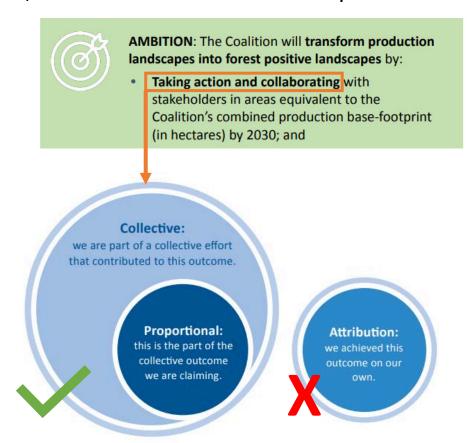


ISEAL Best Practices for Landscape Engagement Claims

A series of collective position papers from ISEAL and other supporting organizations provides companies with guidance on effective investment, action, and claims in landscapes and jurisdictions:

- 1. What constitutes a company landscape investment or action
- 2. <u>Effective company claims about landscape investments</u>
- 3. <u>Effective company claims about contributions to landscape outcomes</u>
- 4. <u>Company responsibilities for</u> <u>supporting landscape monitoring</u>

Guidance for Coalition and member claims linked to the FPC Landscape Ambition builds on, and is aligned with, the ISEAL positions. FPC guidance will only cover collective claims, consistent with the Landscape Ambition.



FPC Claims Principles for the Landscape Ambition



	1. General Principles on Actions and Outcomes	
Additionality	Hectares only count if at least partially due to actions supported by Coalition companies. Additionality is a concept in the climate accounting sector and is defined as "the extent to which something happens as a re of an intervention that would not have occurred in the absence of that intervention" (SBTI, 2024).	
Delivering on FPC Principles	For hectares to count, they should be delivered within a landscape initiative committed to reaching the FPC Principles for Collective Action in Production Landscapes (see strategy-page-22). Also captured in the landscape blueprint and CDP Maturity Matrix .	
Support non-hectare outcomes	Investment is needed in both hectare and non-hectare outcomes, including multi-stakeholder partnership and farmers/communities consistent with the Landscape Reporting Framework . See slide 11 for more detail.	
Distinguishing in progress vs. delivered Hectares	When hectares towards the 2030 Ambition are communicated, the phase of these hectares should be acknowledged, specifically if the hectares are engaged for action or are areas with outcomes delivered. See slide 12 for more detail and further guidance in ISEAL position 2 and 3.	
	2. Principles on Apportioning Hectares	
Proportional and Leveraged hectares	till odgit investment they helped to leverage towards the 2000 Ambition. The proportional and leveraged	
Multi-stakeholder Agreement	Allocation of hectares should be decided by multi-stakeholder partnership where it exists. At minimum, other funders of the initiative should be consulted on the approach, especially when hectares are being counted a leveraged. See ISEAL position 3 .	
Transparency will be enabled by the report progress using the Coalition's L	Coalition's use of SourceUp, which will be used by initiatives supported by Coalition companies to publicly andscape Reporting Framework.	

Recognizing Support for non-Hectare Outcomes



Per the Coalition's Principles for landscape action, members are committed to investing in initiatives which actively consult and empower local stakeholders, strengthen multi-stakeholder process, engage local government, improve livelihoods of local communities. Without investment in these landscape actions, delivery of hectare-based outcomes will be less inclusive, effective, and lack potential for solutions to be embedded in local policy and processes.

To ensure recognition of member's investment in non-hectare outcomes:

1

FPC Landscape Blueprint

Landscape support by FPC members should cover all FPC principles, including People and Partnership pillar of Landscape Reporting Framework, further implemented through the blueprint



Roadmap KPI Reporting

The Commodity Roadmap Element 4: Landscape KPIs will be revised in 2024 so that members publicly report on their support for people and partnerships. Linked to SourceUp



Forest and natural ecosystems

Farmers and Communities



Multi-stakeholder Partnerships Landscape Reporting Framework Pillars

Communicating the progress towards FPC ambition



Progress should be tracked and communicated through the phased approach of the <u>Landscape</u>

<u>Reporting Framework</u> (LRF), using SourceUp. Phases including mapping, commitment, or implementation are considered 'engaged' where hectare outcomes are not yet 'delivered' towards the Coalition's landscape ambition until they are demonstrably delivered and sustained.

Forest and natural ecosystems

Farmers & Communities

Multi-stakeholder Partnerships



Hectares Engaged

For activities in Phases 1-3 of the LRF hectares are in progress towards Forest Positive outcomes, but not yet delivered. Note that in Phase 1, number of hectares mapped are often higher than what is delivered. Hectares are not counted towards the 2030 Ambition until they are delivered.

Hectares Delivered

Hectares in phases 4 of the LRF where outcomes are demonstrated. Note <u>need for systems and monitoring</u> to ensure outcomes are sustained long term.





Section 3: What counts towards the FPC Landscape Ambition?

Counting hectares to the Landscape Ambition



Hectares will be counted towards the FPC Landscape Ambition if they are undergoing any of the following actions in the context of a landscape initiative. The actions should be funded at least in part by Coalition members.

Landscape Actions	FPC Landscape Reporting Framework Indicators*	
Hectares under Conservation	# Hectares natural ecosystem conserved through an appropriate and effective enforcement mechanism or management plan and/or incentives	
Hectares under Restoration	# Hectares natural ecosystem restored or at an advanced stage of restoration with an appropriate monitoring mechanism for continued restoration	
Hectares with Improved Production Practices	# Hectares where improved agricultural or forestry practices (including agroforestry, water mgmt., IPM, etc.) have been implemented	
Hectares with Increased Tenure Security	# Hectares where land tenure security has increased	

^{*}The <u>Landscape Reporting Framework</u> provides a structure for landscape initiatives to report on activities that are implemented to reach Forest Positive outcomes at landscape level. Using this framework, the Coalition will monitor and communicate progress towards reaching its 2030 ambition.

Example Actions for Soy and Beef Initiatives focus on Brazil

Example Actions	How to calculate hectares?
CONSERVATION – ha of native vegetation protected by the intervention	
Incentives to farmers to conserve surplus legal reserve- note need to ensure conservation continues if incentives change and demonstrate additionality	Hectares of surplus legal reserve in the farm that are protected unde Conserv contract - even if the actual area under payment is smaller
Improved regulation and implementation to provide incentives for natural ecosystem protection in rural properties	Additional hectares under payment for ecosystem services after regulation review.
Support for producers to receive RTRS certification which includes protection of surplus legal reserve	Surplus legal reserve protected by RTRS cut-off date in certified farm
RESTORATION	
Productive restoration in smallholder lands	Hectares which are under restoration
IMPROVED PRODUCTION PRACTICES	
Recovery of degraded pastures (Beef)	Hectares of pasture that are under recovery
Integrated crop-livestock production (Beef)	Hectares of production area that are under ICL system
Improvement of production practices to comply with RTRS certification- note certification only counts towards hectares when leading to improved production practice in a landscape initiative; purchasing certified volumes or credits alone does not count.	Hectares that are under RTRS certification through intervention and support of the initiative
INCREASED TENURE SECURITY	
Improving land tenure security of community members	Note: Seeking examples to inform approach for calculation

This table shows examples of actions in landscape initiatives and how they can be counted towards the hectare ambition. Stakeholder input on these actions is requested with a summary of key remaining questions on slide 17. Note that the same hectares cannot be double counted under multiple interventions, e.g. an area with multiple improved production practices implemented can only be counted once.

Example Actions for Palm Oil and PPP Initiatives

Example Actions	How to calculate hectares?
CONSERVATION – ha of native vegetation protected by the intervention	
Supporting social forestry or community management to protect natural ecosystems	Hectares of natural ecosystem included in management plan or under social forestry permit
Improved regulation, or enforcement, or land use plan implemented at level of district, municipal, village, etc.	Hectares with enhanced protection due to implemented regulation or land use plan
HCV/HCS management plan implemented within plantation or concession	Hectares protected under management plan
RESTORATION	
Natural ecosystem under restoration, including with community involvement (collecting and producing native seedlings, re-wetting peatland, etc)	Hectares which are under restoration with monitoring of progress
IMPROVED PRODUCTION PRACTICES	
Agro-forestry (e.g. intercropping palm oil)	Hectares where agro-forestry has been implemented with monitoring to check adoption
Good agricultural practice (GAP)	Hectares with GAP implemented with monitoring to check adoption
Regenerative Agriculture e.g. organic fertilizer, reduced inputs, water stewardship, etc	Hectares with regen. practices implemented, checking adoption
Improvement of smallholder production practices to comply with RSPO certification- note support for certification only counts in the context in a landscape initiative; purchasing certified volumes or credits alone is not sufficient	Hectares that are under RSPO certification through intervention and support of the initiative
INCREASED TENURE SECURITY	
In Indonesia, STD-B registration with smallholders	Hectares of smallholder land registered

This table shows examples of actions in landscape initiatives and how they can be counted towards the hectare ambition. Stakeholder input on these actions is requested with a summary of key remaining questions on slide 17. Note that the same hectares cannot be double counted under multiple interventions, e.g. an area with multiple improved production practices implemented can only be counted once.

Input needed on additional actions to include



This guidance is published as V0 and will be updated following additional stakeholder input. Specific actions which require additional input and guidance include the following scenarios:

- <u>Soy/Beef</u>: How can surplus legal reserve in Brazil with enhanced protection be counted? Only those hectares for which producers receive direct incentives, or for all the surplus legal reserve on their farm if they ultimately protect this land as well?
- Palm Oil: How are hectares under a deforestation monitoring and response systems counted?
 Is it only the natural ecosystems or HCV/HCS areas under the system, or an alternative approach?
- <u>PPP</u>: Can actions count as 'improving production practices' in forests outside of plantations?
- <u>Cross-Commodity</u>: When can support for certification be included? There are examples from palm and soy where producers within landscape initiatives are supported to improve production practices to meet certification standards.





Section 4: How to apportion hectares?



Apportioning hectares to the Landscape Ambition 1/2

Consistent with ISEAL guidance, claims related to the 2030 Landscape Ambition will only be collective. Also per the ISEAL guidance "proportional claims are necessary where double counting of the outcomes would not be credible" (ISEAL, 2023). Given the potential for double counting towards the FPC Ambition when multiple Coalition companies are co-investing, proportional accounting is needed for credibility. Allocation of hectares should be managed by the landscape initiatives, consistent with any existing claims frameworks in the initiative.



In addition to the proportional hectares, the FPC Charter also acknowledged that action or investment leveraged by Coalition companies can also count towards the Landscape Ambition.



Apportioning hectares to the Landscape Ambition 2/2

The following is guidance for how landscape initiatives, with the input of multi-stakeholders supporting, should apportion hectares for the FPC Landscape Ambition. These two claims categories should both be tracked and disaggregated when communicated publicly.

Claims Category	Guidance	
1. Proportional from direct FPC member funding	If an FPC collaboratively funds actions resulting in hectares transformed, they should split the hectares proportionally with any other funders of these actions*. One mechanism for determining how to split the hectares is proportional to the funding (both financial and in-kind) over the life of the initiative. Example on slide 25. <i>Note, if an FPC company individually funds actions</i> resulting in hectares transformed, they can claim these hectares too.	Hectares under
2. Leveraged from non-FPC members	 If an FPC company, or companies collaboratively, can demonstrate additional funding was brought into an initiative at least in part due to their direct funding, the resulting additional funding or hectares can be counted as leveraged*. Examples of how to count leveraged funding on slide 25. Key questions when considering if funding can be considered leverage are: Is the additional funding supporting a workplan and targets also shared by the FPC company(ies)? Was the initial, continued, or scaled up investment at least partially due to the FPC company(ies) funding? Matched private sector funding is often part of donor funding considerations. Is the financial or in-kind support from a supplier of the FPC member? 	these two categories DO COUNT towards the FPC Landscape Ambition

^{*}Note if an FPC company(ies) joins an already existing initiative that has been operational for years, they will unlikely be able to make the case for these hectares to count as leveraged. In this case, only the hectares proportional to the FPC company(ies) based on their direct support should be counted towards the Landscape Ambition.

Indicative Process for Apportioning Hectares

STEP 1

Initiative implementers or platform facilitators calculate the hectares that will count towards the FPC's 2030 Ambition. See example actions on slides 15-16 and principles on slide 10

STEP 2

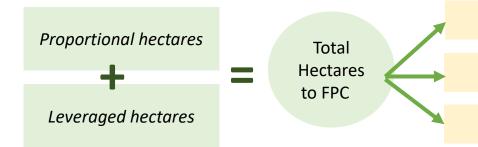
Implementers or facilitators apportion hectares between funders, using a proportion of funding is one potential approach. Both direct proportion funded by FPC company(ies) and leveraged hectares are calculated separately.

Proportional funding hectares

Leveraged funding hectares



The proportional and leveraged hectares are split between the FPC companies. Recommended to split leveraged hectares based on proportion of funding the initiative. Or, if one FPC company is solely responsible for leveraging a funding source, they can count all the leveraged hectares.



FPC Company A hectares (x ha proportional, y ha leveraged)

FPC Company B hectares (x ha proportional, y ha leveraged)

FPC Company C hectares (x ha proportional, y ha leveraged)





Section 5: Case Studies

- Western Mato Grosso Initiative
- Siak Pelalawan Landscape Programme (in progress, not included)
- Aceh Landscape (in progress, not included)

Western Mato Grosso Initiative

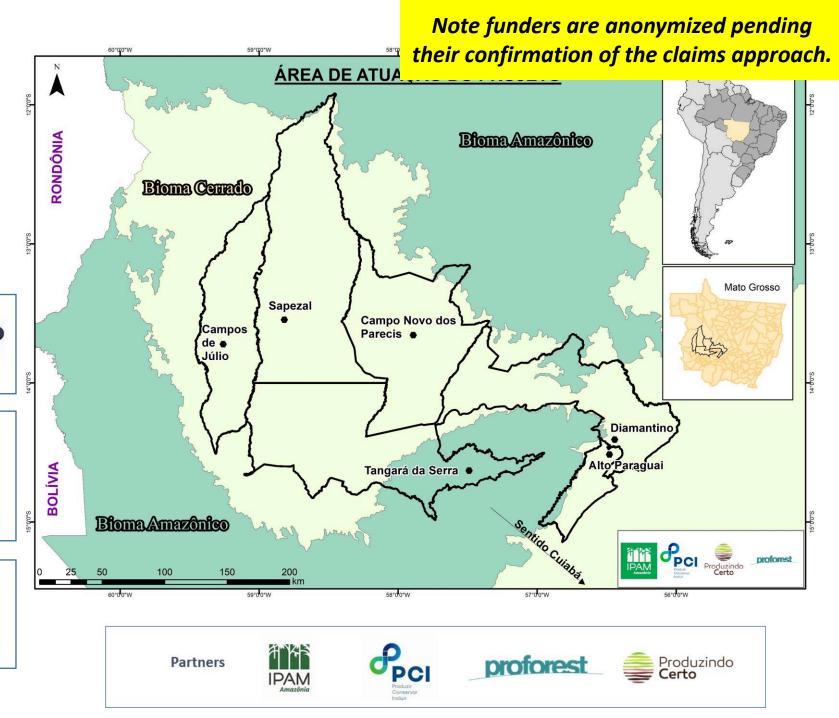
Co-investors



Sainsbury's Jerónimo Martins

Non-FPC Companies

Donor



Western Mato Grosso Initiative Programme Goals* by 2025

GOVERNANCE

Goal 1: Local Governance

 Consolidate Local Governance Group to implement the goals

Goal 2: Strategy to reduce emissions

 Study and promotion of strategy to reduce emissions / Low Carbon Agriculture (ABC+ MT)

PRODUCE

Goal 1: Productivity and compliance

- 80 properties, covering up to 160,000 hectares, in accordance with the forest code;
- 10 properties, covering up to 15,000 hectares of soybean production, RTRS certified or other certifications

Combined these interventions aim to put **120,000 ha** of soybean farms under sustainable intensification of production and under new protocols or certification schemes

CONSERVE

Goal 1: Conservation of native vegetation in soy farms

- Study of forest assets in 02 municipalities
- 4.000 ha of native vegetation protected with CONSERV

Goal 2: Conservation of native vegetation in smallholders' lands

 50 properties, 100 ha protected via PES near soy areas

Goal 3: Restoration plans

 Municipal restoration plans in 3 of the 6 municipalities

Goal 4: Restored area

 100ha productive restoration in medium and large farms in the landscape

INCLUDE

Goal 1: Smallholder Plan

 Diagnostic study and plan for the development of smallholders

Goal 2: Social safeguards

 Social safeguards implemented in all interventions and municipalities

Goal 3: Productive restoration

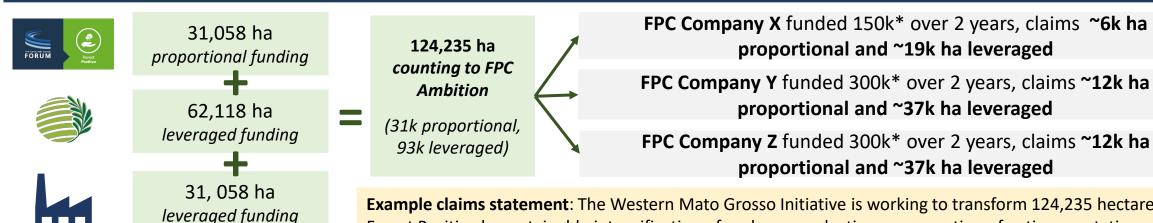
 35 ha productive restoration in smallholders lands.

*Note this case study uses goals to project number of hectares, but these hectares will only be counted towards the ambition when engaged or delivered (see slide 12)

STEP 2: Identify funding sources and apportion hectares by the three categories

Western Mato Grosso Funders Until 2025*		Apportio	ning 124,235 hectares between funders
FÖRUM Forest Positive	3 FPC companies fund approximately** 1 million EUR collectively	31,058 ha	Proportional funding to be split between the FPC companies
	Anonymous is a donor funding approximately** 2 million EUR	62,118 ha	Leveraged funding to be split between the FPC companies. Existing private sector funding was a factor in the donor funding decision.
44	Non-FPC companies collectively funds approximately** 1 million EUR	31,058 ha	Leveraged funding to be split between FPC companies. All funders support common goals and FPC funding is driving increased non-FPC funding to the initiative.

STEP 3: Apportioning hectares between FPC companies



Note this slide is a draft subject to change following co-funder input.
Funders are anonymized.

Example claims statement: The Western Mato Grosso Initiative is working to transform 124,235 hectares to Forest Positive by sustainable intensification of soybean production, conservation of native vegetation, restoration, and strengthened local governance. These actions are collectively supported by FPC companies, anonymous, and local stakeholders. FPC Company X is counting 27,000 hectares from this initiative towards its landscape ambition, 6k hectares proportional to its direct funding and 19k ha leveraged in external funding.

²⁵