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FAO European Forestry matters: Regional cross-sectorial dialogue on forestry - agriculture matters: panel session

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Note by the Secretariat

Summary

The FAO Committee on Forestry (COFO) and subsequently, the FAO Council requested FAO to integrate forestry in its work on food systems, including, but not limited to, through COVID-19 pandemic recovery measures and in its Hand-in-Hand Initiative, and underlined in general the importance of FAO's participation in inter-governmental multilateral mechanisms recognized within the United Nations system.

This document summarizes relevant FAO work and initiatives to address this request and provide background information to facilitate the discussions of the Commission's Members.

I. Integrating forestry in FAO's work on food systems

A. Introduction

1. At its twenty-fifth session, held from 5 to 9 October 2020, the FAO Committee on Forestry (COFO) considered a paper on *Transforming Agriculture and Food Systems: Halting Deforestation and Promoting Sustainable Production and Consumption of Forest Products*[1] and requested FAO, inter alia, to:

(a) integrate forestry in FAO's work on food systems;

(b) promote synergies and address trade-offs between forestry and agriculture in initiatives and projects, including through COVID-19 pandemic recovery measures;

(c) enhance FAO's cross-sectoral work to address impacts of certain agriculture production systems and related food systems on forests. [2]

2. Subsequently, the FAO Council, at its 165th session, held from 30 November to 4 December 2020, requested FAO to integrate forestry in its work on food systems, including, but not limited to, through COVID-19 pandemic recovery measures and in its Hand-in-Hand Initiative, and underlined in general the importance of FAO's participation in inter-governmental multilateral mechanisms recognized within the United Nations system.[3]

B. The urgent need to transform agri-food systems and the link with forests

3. Hunger and malnutrition in all its forms are on the rise. About one tenth of the global population - up to 811 million people - were undernourished in 2020[4]. Billions more are malnourished, with no access to healthy diets. At the same time, the agriculture and food systems (agri-food systems) of the world are under tremendous stress from loss of biodiversity and climate change. There is an urgent need to transform agri-food systems to provide the world's growing population with healthy, affordable diets in a way that is economically profitable and environmentally friendly. It is no longer possible to maintain a 'business as usual' approach and it is essential to recognize the interconnected economic, social, and environmental impacts of agri-food systems as a whole.

4. Forests and trees have multiple linkages and relationships with agri-food systems. FAO's *Strategic Framework 2022-2031*[5] was developed to support implementation of the *2030 Agenda for Sustainable Development.* Its strategic narrative calls for a transformation to more efficient, inclusive, resilient and sustainable agri-food systems *for better production, better nutrition, a better environment and a better life* leaving no one behind. The FAO Director-General's Medium-Term Plan 2022-25 and Programme of Work and Budget 2022-23[6] contains a Results Framework with twenty Programme Priority Areas that will deliver these "four betters".

5. Deforestation and forest degradation continue to occur at alarming rates. According to FAO's Global Forest Resources Assessment (FRA) 2020, an estimated 420 million hectares of forest were lost through deforestation between 1990 and 2020.[7] Although the annual net loss of forest area has been declining over this period, the impact of COVID-19 has increased pressure on forests through, for example, reverse migration from urban to rural

[1] COFO/2020/7.1.
[2] Paragraphs 23a, 23b & 23d, C 2021/24.
[3] Paragraph 22k, CL 165/REP.
[4] FAO, IFAD, UNICEF, WFP and WHO. 2021. The State of Food Security and Nutrition in the World 2021. Transforming food systems for food security, improved nutrition and affordable healthy diets for all. Rome, FAO. Available at: http://www.fao.org/3/cb4474en/online/cb4474en.html.
[5] http://www.fao.org/3/ne577en/ne577en.pdf.
[6] http://www.fao.org/3/ne576en/ne576en.pdf.
[7] Paragraphs 34-36, C 2021/28 and FAO Global Forest Resources Assessment 2020.

areas and weaker enforcement of environmental regulations. Forest loss is resulting in significant loss of biodiversity and other ecosystem services and is weakening progress towards global climate goals, which in turn, has adverse impacts on agriculture. Since the conversion of forests into agricultural land is the major direct driver of deforestation, the challenge is to halt deforestation without undermining food security.

6. At the Climate Action Summit in September 2019, the United Nations Secretary General called for scaled-up action on *Turning the tide on deforestation*, stating that "we must halt deforestation, restore degraded forests and change the way we farm". Stronger collaboration among United Nations agencies and other members of the Collaborative Partnership on Forests (CPF) can provide greater momentum and more effective support to countries in achieving SDG 15.2 (promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally) by 2020. In April 2021, the CPF issued a Joint Statement entitled “Challenges and Opportunities on Turning the Tide on Deforestation” that outlines shared messages and action priorities.

C. Pursuing synergies and managing trade-offs between agriculture and forests

7. Healthy forests and sustainable agriculture are inter-dependent. Sustainably managed forest ecosystems can help minimize the likelihood of agricultural losses from drought, soil erosion, landslides and floods. Forests play a key role in water security and water regulation, including for agricultural needs. An estimated 75 percent of the 115 leading food crops globally – equivalent to approximately 35 percent of global food production – benefit from pollination by animals,[8] many of which live in forests. Nonetheless, objectives to increase food production and forest conservation can be competing with each other and the current pace of conversion of forests to agricultural land hampers the achievement of other global and local goals, including on climate change and biodiversity. However, there are important opportunities to develop sustainable, complementary approaches that benefit both forests and food systems. FAO’s *State of the World’s Forests 2016*[9] included seven case studies from countries that had increased food security and agricultural production without reducing their area of forest. They achieved this by adopting integrated policies for land use and rural development that recognized the full economic, social and environmental benefits of forests and by using well-designed, targeted measures to implement these policies.

1. Integrated policies and landscape approaches

8. Decisions about land use and natural resource priorities need to be addressed in an integrated way, with cross-sectoral policies that reflect the important role of forests and trees in providing essential environmental services for agri-food systems and in contributing to rural livelihoods. Agricultural support, which accounts for significant shares of public spending in all regions, needs to be re-purposed to reduce deforestation, catalyze climate action, protect biodiversity and foster food security. Integrated planning at landscape level is needed to promote synergies and address trade-offs between agriculture and forest goals. This requires collaboration between relevant public bodies and active engagement by stakeholders, including local communities, producer and civil society organizations and private sector interests, so that the plans are informed by the interests and needs of these different groups as well as by technical considerations. The rights of stakeholders, including women and marginalized communities, to be consulted during the development and land use policies, programmes and plans should be formalized, so that full account is taken of their

[8] Klein, A.-M., Vaissière, B.E., Cane, J.H., Steffan-Dewenter, I., Cunningham, S.A., Kremen, C. & Tscharntke, T. 2007. Importance of pollinators in changing landscapes for world crops. Proceedings of the Royal Society B: Biological Sciences, 274(1608): 303–313. https://doi.org/10.1098/rspb.2006.3721.

[9] http://www.fao.org/documents/card/en/c/ffed061b-82e0-4c74-af43-1a999a443fbf/.

needs. Clarifying and securing tenure is essential as a foundation for long term sustainable investments and coordination at landscape level.

9. A multi-pronged approach is often needed to achieve multiple land-use and natural resource goals. Potential tools include regulatory measures, financial incentives and the provision of advice on best practice. The choice of the most appropriate measures must reflect local circumstances and challenges. For example, where commercial agriculture is the principal driver of land-use change, enhanced governance is needed, including social and environmental safeguards and due diligence, transparency and jurisdictional/landscape approaches. Where subsistence agriculture is the key driver, support to adopt more sustainable production practices needs to be complemented with broader poverty alleviation and rural development interventions, notably strengthening tenure. In addition, partnerships between the public and private sectors and civil society can help promote sustainable land management through, for example, voluntary certification schemes and corporate social responsibility programmes.

2. Strengthening governance and legality

10. The legal framework should be consistent with policy objectives and provide certainty regarding land tenure and rights to use land and forest products.

11. While not measured with certainty, a significant share of deforestation can be considered as illegal according to national laws. It is important to note that legality is the foundation for achieving broader objectives of sustainability; therefore, legal forest and agriculture production is vital to enable sustainable land management to be realized. Strengthening governance, supporting law enforcement and accountability processes can be key elements in reducing negative trade-off between agriculture and forests. Valuable lessons learned from FAO's support to the European Union Forest Law Enforcement, Governance and Trade (FLEGT) Action Plan and the associated work on Voluntary Partnership Agreements (VPA), fostering innovative approaches to traceability, accountability, and capacity building for example, have strong potential to be scaled up. In many rural areas, the stakeholders are forest-based farmers working in both forestry and agriculture sectors. Efforts undertaken in the timber sector could also ultimately benefit actions to address the legality and sustainability of agricultural commodities that are a major source of livelihoods in producer countries.

3. Greening agri-food systems

12. As part of the Decade of Action to deliver the Sustainable Development Goals, the United Nations Secretary- General is convening a high-level Food Systems Summit in September 2021. One of the Summit's five action tracks focuses on nature-positive food production systems, including protecting natural ecosystems from conversion, sustainably managing existing production systems, and restoring degraded ecosystems. The position paper for this action track recognizes that it is possible to reduce the environmental impact of food production by developing new and emerging approaches, such as agroforestry and adaptation of livestock grazing regimes, while also making use of traditional knowledge. Specific forest-related topics within this action track include deforestation-free and conversion-free supply chains, transformation through agroecology and regenerative agriculture and indigenous peoples' food production systems.[10]

13. FAO is scaling up the work of its Forest and Farm Facility – the mechanism through which the Organization works with forest and farm producer organizations (FFPOs) to promote stronger synergies between agriculture and forestry. The aim is to improve livelihoods by strengthening value chains and markets, increased access to financial service and other capacity development services, including advocacy, business incubation, market analysis, links to social services, and information sharing. The Forest and Farm Facility now works with producer organizations representing more than 25 million small-scale farmers in

[10] https://www.un.org/sites/un2.un.org/files/unfss-at3-discussion_starter-dec2020.pdf.

30 countries. In addition, FAO is continuing its work on community-based forest management and on supporting countries in forest tenure reform.

14. FAO is also improving its Sustainable Forest Management Toolbox; a knowledge platform that includes modules on Agroforestry, Drylands Forests and Agrosilvopastoral systems.[11] Other current initiatives include:

(a) Promoting a global restoration movement under the United Nations Decade on Ecosystem Restoration, led by FAO and United Nations Environment Programme (UNEP). The scaling up of work on forest and landscape restoration on the ground will build on the existing work of the Forest and Landscape Restoration Mechanism, the Action Against Desertification project and the GEF-funded "Restoration Initiative".

(b) Collaboration between FAO Forestry and Animal Production and Health Divisions on a new dryland initiative called *Grazing with trees*. Restoring dryland forests and woodlands can bring benefits for the livelihoods of local communities as well as provide ecosystem services. The *Grazing with trees* project will identify innovative solutions for improving the interconnection between sustainable livestock management and the conservation of these agrosilvopastoral ecosystems.

(c) *Food Forests*, a new initiative, will promote plant-based food products from forests and trees. In the FAO Regional Office for Europe and Central Asia (REU) region, nuts, medicinal and aromatic plants are the most important plant-based forest products category measured by economic value.

15. In the context of the COVID-19 pandemic and "building back better", countries can promote forest and trees, realizing opportunities for the forest sector to generate green jobs and additional livelihoods while at the same time helping to conserve biodiversity and address the challenges of climate change. Looking ahead, action will focus on mitigating the livelihood impacts on forest-dependent people and providing recovery support to enhance their resilience, for example by investing in human capital, supporting community groups, and strengthening FFPOs and sustainable value chains.

16. While the goal of the New York Declaration on Forests to eliminate deforestation from the production of agricultural commodities was not achieved by 2020 as planned, it did, however, incentivize numerous voluntary measures, such as corporate policies for responsible supply chains, certification schemes and moratoria on purchases from deforested areas. Regional and sector-specific initiatives have been launched, and for some supply chains, significant progress has been realized both in reducing the pressure on forests and in enhancing transparency and traceability to demonstrate good environmental and social practices at the production stage. Multi-stakeholder partnerships, such as the Tropical Forest Alliance (TFA – hosted by the World Economic Forum[12]) and the Food and Land Use Coalition (FOLU)[13] maintain the momentum through strategic dialogue and technical support to public and private actions. Leading NGOs have created the "Accountability Framework"[14] with a view to harmonize concepts and methods for companies adopting commitments towards "zero deforestation" in their supply chains. Recently, the United Kingdom, in its role as the Presidency of the United Nations Framework Convention on Climate Change (UNFCCC) 2021 Conference of the Parties (COP26), invited interested Governments to take part in the Forest, Agriculture, Commodities and Trade (FACT) Dialogue[15] that aims to accelerate the transition towards more sustainable land-use practices. Decoupling agricultural commodities from deforestation will also be at the core of the game-changing solutions to be proposed under the Action Track 3 "Boost nature-positive production" of the United Nations Food System Summit. FAO closely follows these different processes, advocating for an effective integration of the needs of countries and producers with limited capacity and for adequate mechanisms to avoid that small and medium size producers will lose access to markets.

[11] http://www.fao.org/sustainable-forest-management/toolbox/modules/en/.
[12] https://www.tropicalforestalliance.org/.
[13] https://www.foodandlandusecoalition.org/.
[14] https://accountability-framework.org/.
[15] https://www.tropicalforestalliance.org/en/collective-action-agenda/cop26/about.

17. To reinforce the impact of these voluntary approaches, some countries and the European Union (EU) as a whole are currently considering the option to set legal requirements to minimize the risk of having products associated with deforestation or forest degradation placed in their markets. Considering the increasing role of due diligence processes in responsible business strategies and possibly in these upcoming regulatory frameworks, the *Guidance for responsible agricultural supply chains* (2016) could be updated with more detailed information on the risk of deforestation.[16]

18. Additionally, FAO supports the design and implementation of production systems enhancing the presence of trees and fostering forest restoration for internationally traded commodities. In the region, more specifically in Eastern Europe, the Caucasus and Central Asia, agroforestry systems with nut-bearing trees such as walnut, almond, hazelnut, chestnut, as well as silvopastoral systems might be among those prioritized.

19. FAO is supporting several countries in the region in their efforts to restore degraded forest resources using multi-purpose tree/shrub species as well as agrosilvopastoral systems to produce food for local communities as well as fodder for livestock while at the same time providing environmental benefits such as carbon sequestration, prevention of land degradation and biodiversity conservation through forest and landscape restoration.

20. FAO's Global Environment Facility (GEF) funded project on promotion of restoration of degraded landscapes in the forest-steppe and steppe zones in Ukraine is a good example in this regard. The project aims at (i) creating an enabling environment for integrated natural resources management (INRM) practices; (ii) restoring productivity and resilience of production landscapes through INRM; and (iii) learning and sharing of lessons learned. It also comprizes developing capacities for improved management of shelterbelts, coupled with field demonstrations of rehabilitation and multipurpose management (erosion control, carbon sequestration, non-wood forest products). Another good example, also from Ukraine, is an FAO-EU project, which is aiming to support value chain development in agriculture, forestry and fisheries sectors and to integrate value chain development into the national and sectoral strategies and plans.

21. FAO also provided technical assistance to the Kyrgyz Republic to develop a Green Climate Fund (GCF) project "Carbon Sequestration through Climate Investment in Forests and Rangelands". The project aims to enhance the enabling environment and policy and regulatory framework on integrated forests and rangeland management on afforestation/reforestation and rangeland rehabilitation for carbon sequestration. It also aims to support the financing of climate-sensitive value chains to ensure sustainability of the carbon sequestration investments.

22. To address common issues in forest and land degradation, to introduce sustainable management practices and to develop integrated land management planning, a mix of tools might be the right approach. For example, excessive fuelwood use and grazing as the two main drivers of degradation of forest and tree resources in Armenia are addressed through two FAO projects that complement each other to maximize the impact of investments. The GCF project "Forest resilience of Armenia, enhancing adaptation and rural green growth via mitigation" addresses forest degradation and multi-purpose afforestation issues and the GEF project "Implementation of Armenia's LDN commitments through sustainable land management and restoration of degraded landscapes" tackles grazing, which affects both forests and grasslands.

4. Science-based decisions: data, innovation, technology and FAO's "Hand-in- Hand" initiative

23. Optimizing the nexus between agriculture and forests requires robust and comprehensive information on the dynamics that condition these linkages. Different studies on underlying and direct drivers of land use change and forest loss have been launched, at global, regional and national levels to facilitate science-based decisions when addressing the challenge of producing more and better food without further encroachment on strategic

[16] http://www.fao.org/economic/est/issues/investment/guidance/oecd-fao/en/#.YORsYWgzZPY.

ecosystems. Those studies build on the global remote sensing survey realized as a part of the Global Forest Resources Assessment (FRA) process and on production and trade statistics on agricultural and forests products collected by FAO (FAOSTAT). Some are part of regional projects on sustainable forest and land management.

24. FAO's "Hand-in-Hand Initiative" is an evidence-based, country-led and country-owned initiative to accelerate agricultural transformation and sustainable rural development and is supported by the Hand-in-Hand geospatial platform (HiHGP). The initiative adopts a robust match-making approach that proactively brings together target countries with donors, the private sector, international financial institutions, academia and civil society to mobilize means of implementation that support accelerated actions. Through the design and implementation of ambitious investment plans that combine actions on agriculture, forestry and other areas, the Initiative aims to reduce inefficiencies and increase sustainability by promoting integration, horizontal coordination and arrangements involving local communities, households and farmers, producer organizations, rural entrepreneurs, service providers and all other relevant stakeholders. The Initiative uses integrated geospatial, bio-physical and socio-economic data to identify subnational territories where agricultural and rural transformation can have transformative impacts. Geospatial data is provided to the HiHGP through National Forest Monitoring (NFM) activities of the Forestry Division, and statistical data is provided by the Global Forest Resources Assessment (FRA). FRA and NFM are supporting the generation of essential information about the extent of forest resources, their condition, management and uses. Both programmes make increasing use of technology to capture, assess and disseminate data, and the use of near real-time satellite imagery is helping countries to monitor changes in forest cover.

II. Points for consideration

25. The Commission may wish to invite Member States Nations:

To consider, as appropriate to their circumstances, what further actions they can take (i) to promote efficient, inclusive, resilient and sustainable agri-food systems that work well with sustainable forest management; and (ii) to minimize deforestation associated with agricultural commodities.

26. The Commission may wish to invite FAO:

(a) To send a message to the Regional Conference for Europe emphasising the need to consider food security, agriculture, forestry and other aspects of rural development in an integrated manner;

(b) To consider regionally-specific initiatives, in particular Regional Initiative 3 "Managing natural resources sustainably and preserving biodiversity in a changing climate" to halt deforestation and forest degradation while greening agri-food systems, taking into consideration the regionally-specific deforestation and forest degradation dynamics and drivers;

(c) To further strengthen its cross-sectoral work through activities aimed at halting deforestation and forest degradation, as well as promoting sustainable agriculture and forest management in ways that lead to more efficient, inclusive, resilient and sustainable agri-food systems.