Integrated landscape finance: Coordinated funding to multiply large-scale benefits

To overcome interlinked ecological and social challenges facing the world, societies must rapidly shift away from unsustainable investments toward more inclusive, sustainable and resilient economic activity. This not only requires transformations at the individual farm, enterprise and supply chain level, but also holistically at the landscape scale.

What is a landscape?

Landscapes are mosaics of natural habitats, agricultural and other productive forms of land use and human settlements in a particular geographic region that have developed together with the people living and working there. Landscape boundaries may be defined ecologically, jurisdictionally or socioculturally.

Landscape solutions respond to development and ecosystem challenges within and across these regions. In many places, people are responding to their local challenges of sustainable development and ecosystem restoration by forming multistakeholder partnerships to manage natural resources within a landscape context. Actors may include farmers, environmentalists, governments, communities and businesses whose needs may conflict with or depend upon one another.

Integrated landscape finance uses the <u>lens of landscapes and seascapes</u> to enable place-based investments that together sustain and restore the natural resources that livelihoods and economies depend on long term.

What is a landscape partnership?

Landscape partnerships coordinate action and investments. Hundreds of landscape partnerships are using integrated landscape approaches under a wide variety of labels. They work to mitigate and adapt to climate change, restore degraded lands and forests, transform food systems, transition to a green economy and advance sustainable territorial development. To succeed, these landscape partnerships must organize collaborative and coordinated action, mobilize financing for investable projects that can regenerate their ecosystems and economies and gain recognition and support for their action plans from national governments and the private sector. What is integrated landscape finance? The ecological and economic interactions among different projects and enterprises in a landscape can have powerful negative or positive interactions on profitability, risk and impacts. Coordinated planning of these investments can both enhance business and project performance and accelerate regenerative transformation at the landscape scale.



Integrated landscape finance is a developing approach and set of tools to help finance multi-project, multi-sector investment portfolios aligned with locally-agreed objectives across the landscapes. The approach includes accessing new flows of funding, aligning existing flows and mitigating harmful flows. Thus landscape finance strategies draw on actors across the finance continuum of public, private and civic sector institutions.

Landscape finance has a variety of entry points. Development and government institutions are promoting integrated sustainability strategies such as low-carbon emissions development, green growth or territorial development. Actors in internationally-traded commodity value chains are coordinating investments to ensure the health of their supply sheds. Natural resource users and managers are promoting coordinated investments to restore ecosystem services in the landscape.

Models for integrated landscape finance are emerging. At the landscape level, new financial models are emerging to coordinate various streams of finance to align with landscape goals and target multiple outcomes. These include landscape-specific funds, landscape funds that invest in multiple landscapes, place-based investor collaboratives and foundations, landscape-focused development finance institutions and landscape bonds.

Most landscape partnerships will benefit from financial support services. Landscape partnerships share the need for financial support service providers. These service providers may work with partners, business developers, government agencies or civil society organizations to develop investment opportunities that support implementation of the agreed landscape plans. They may also steer existing financing to activities aligned with the plan or aggregate investment opportunities.

