

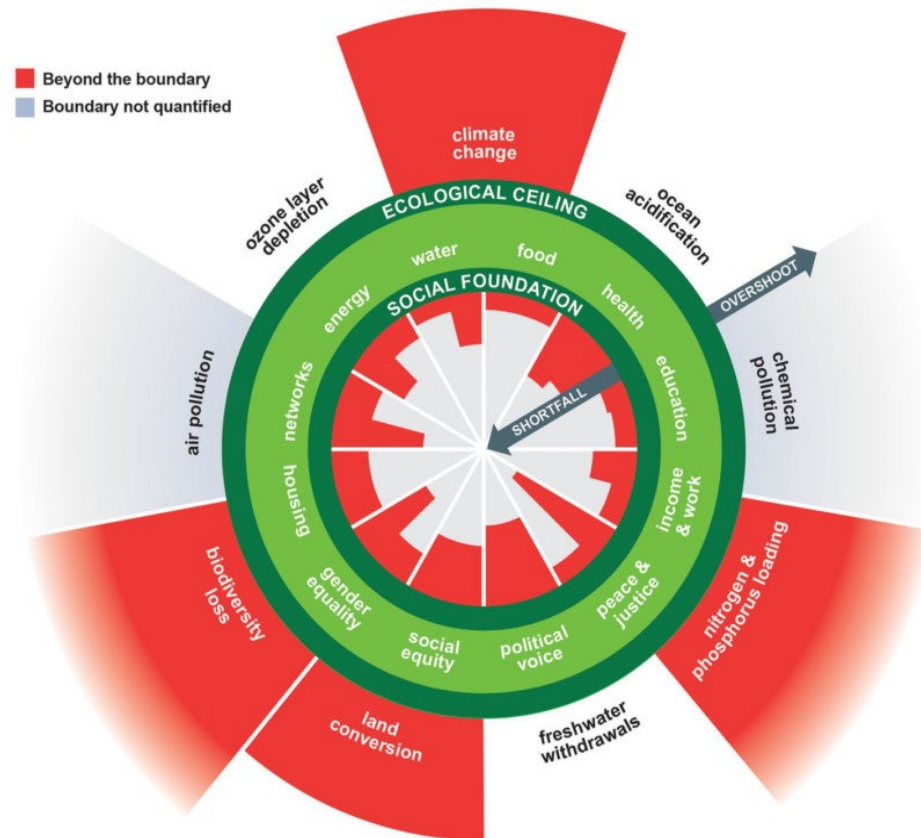


The Commonland Case

Financing Landscape Restoration in Spain



Planetary & Social Boundaries: Doughnut Economics (Kate Raworth)

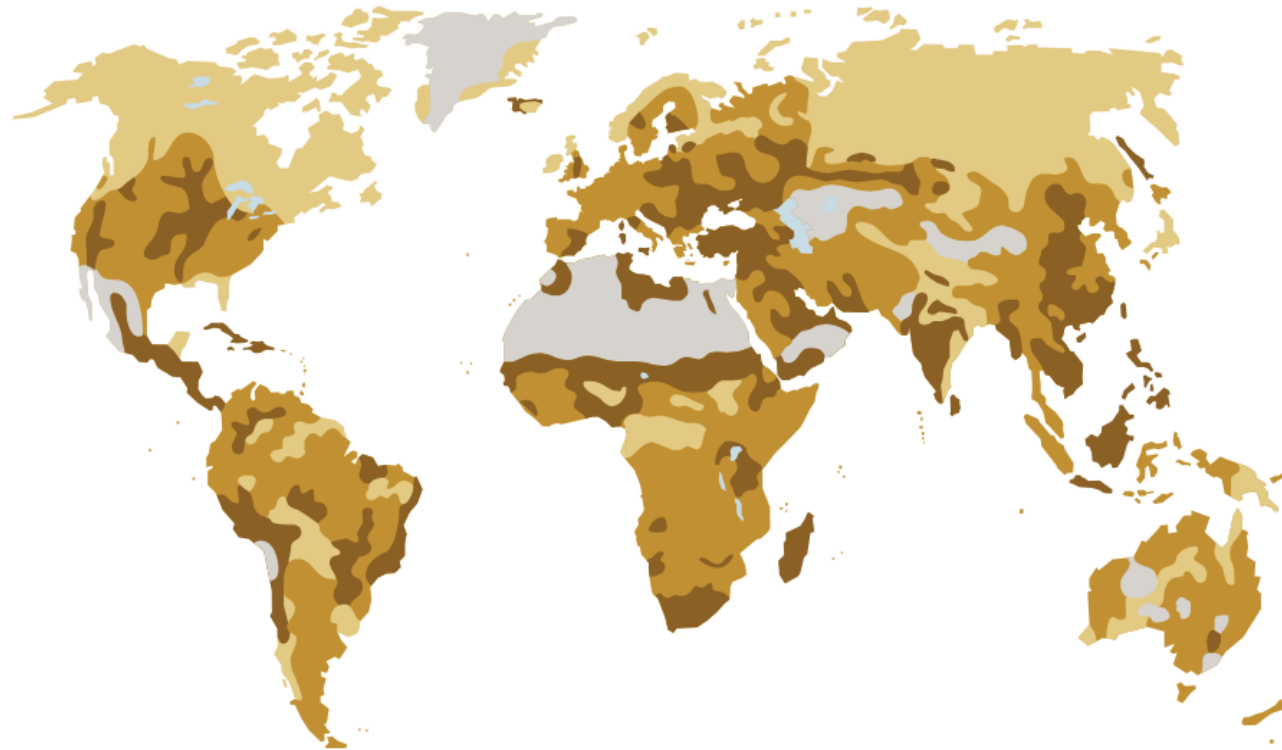


Approximately one-fourth of the world's land mass is seriously degraded from centuries of land degradation processes leading to a reduction of land's capacity to provide ecosystem services

Land conversion (extractive) industry
monocultures overgrazing (urban) infrastructure
deforestation overexploitation



Land Degradation: a grand societal challenge



Very degraded soil



Degraded soil

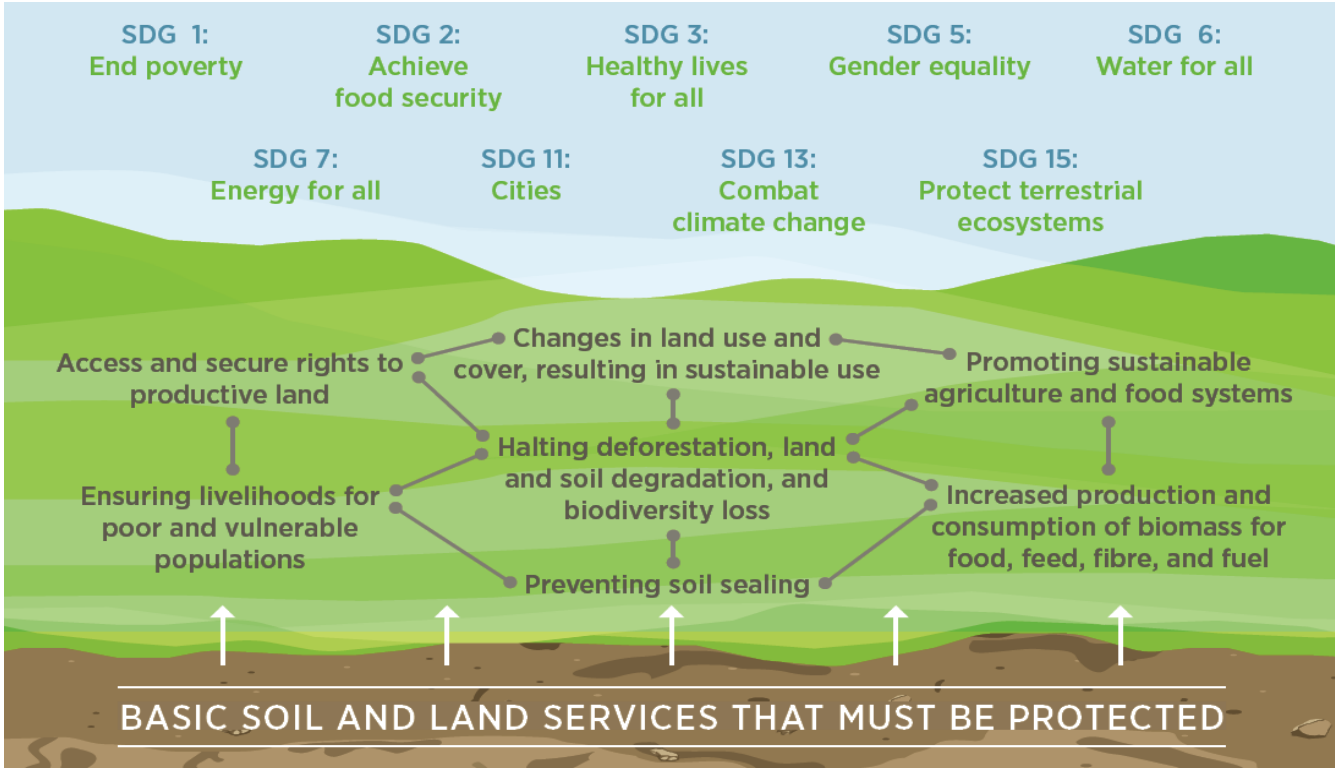


Stable soil

Source: UNEP/WWF (2016)



Land Degradation Neutrality: Avoid, Reduce, Reverse



Need & Potential for Landscape Restoration

2

billion ha

- 2 billion hectares of severely degraded land are suitable for restoration
- 1.5 billion hectares are suited for mosaic landscape restoration, in which forests and trees are combined with other land uses, including agroforestry
- huge opportunities for ecosystems & communities, business & societies

Loess Plateau Project (China)

1995



2009



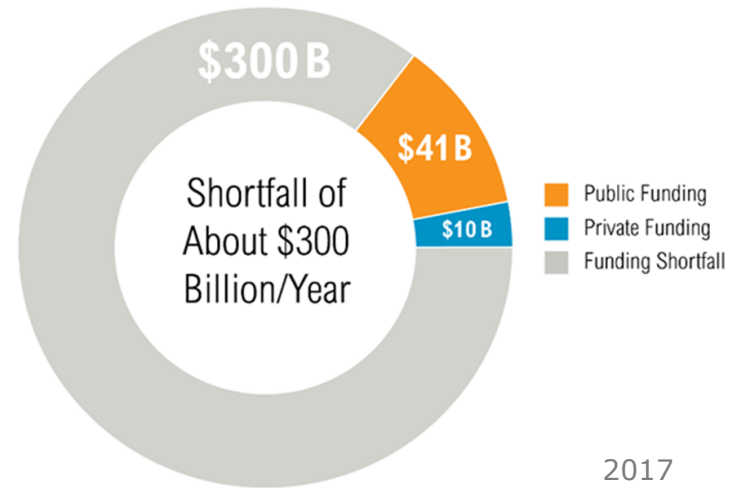
Source: John D. Liu



Needed: 350 Billion \$/year

Pledged: 51 Billion \$/year

Global Funding for Conservation and Restoration



Game-changers to create a landscape restoration movement

The goal is to to bring landscape restoration to scale by:

- initiating transformative (public-private-civic) landscape restoration partnerships
- collaborating with communities, land owners, land managers, farmers, researchers, entrepreneurs, investors and governments
- linking and unifying their interests, sharing risks, resources, responsibilities and rewards to reach combined goals
- creating multiple values through implementing sustainable business models and setting up new enterprises
- delivering 4 returns on investment: return of inspiration and returns of social capital, natural capital, and financial capital
- <https://www.youtube.com/watch?v=e0oJtuljYRo&t=11s>



**RETURN OF
INSPIRATION**

Giving people hope and
a sense of purpose



**RETURN OF
SOCIAL CAPITAL**

Bringing back jobs, business
activity, education and security



**RETURN OF
NATURAL CAPITAL**

Restoring biodiversity,
soil and water quality



**RETURN OF
FINANCIAL CAPITAL**

Realizing long-term
sustainable profit



NATURAL ZONE

Designed for restoring the ecological
foundation and biodiversity

COMBINED ZONE

Designed for restoring the topsoil and delivering
low and sustainable economic productivity

ECONOMIC ZONE

Designed for delivering high and
sustainable economic productivity



A long-term approach is important as it takes approximately
20 years – or one generation – to restore a landscape

20

Building a track record



COMMONLAND IS DEVELOPING PARTNERSHIPS & PROOF OF CONCEPT WITH LOCAL TEAMS ON THE GROUND IN **wij•land** FOUR COUNTRIES :

**BAVIAANSKLOOF
S-AFRICA (550K HA)**

**WHEATBELT (300K HA)
WESTERN AUSTRALIE**

**ALTIPLANO
SPAIN (1M HA)**

**PEAT MEADOWS
NEDERLAND (125K HA)**

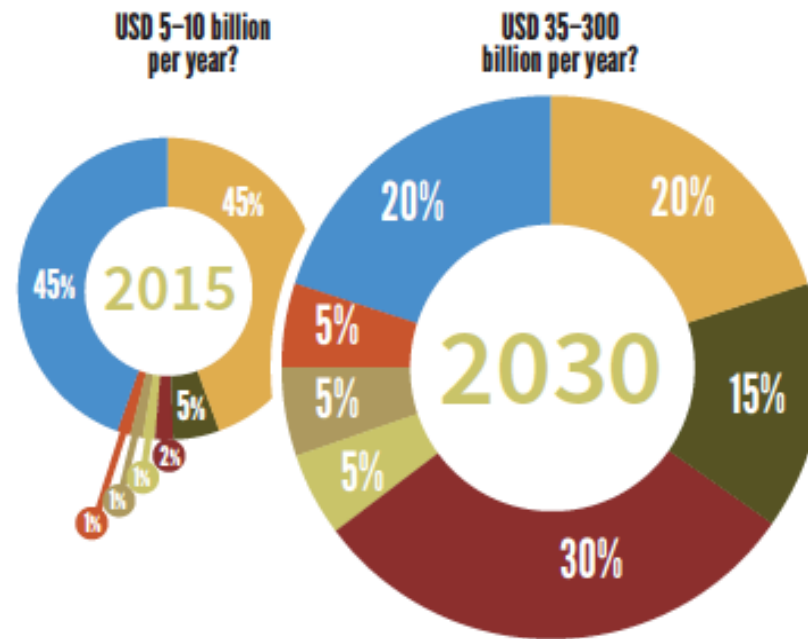


AND STARTED WORKING WITH OTHERS IN ZAMBIA, KENYA, TANZANIA, EGYPT, CONGO, HAITI AND COLOMBIA



Distribution of current and future FLR investment: a rough estimate

- Traditional investors
- Corporate social responsibility
- Non-governmental funding
- Crowdfunding
- Development cooperation (technical assistance and financial cooperation) and climate finance
- Private equity impact funds
- National environmental funds and State budgets



How to get from niche to norm?

Increase, diversify & mainstream finance for landscapes based on value creation (4 returns)

Landscape Restoration as an investment opportunity

- Time. Usual time frame of return on investment is 3-10 years while restoration requires long-term perspective
- Size. Many restoration projects are too small in size to attract private/institutional finance: bundle and aggregate projects
- Risk. Restoration is considered to be a risky investment: mitigate risks with public finance; de-risk, first loss, guarantee
- Catalyst. Private & Institutional investors are unlikely to be the first ones to commit: foundations & impact investors
- Creativity. Blended finance to build a portfolio of investable projects: incentives for integrated investments based on integrated value with inclusive cost & benefit analyses, cost of inaction (diversification & synergies of investment portfolio)

About

Project development and financing

NATURAL ZONE

COMBINED ZONE

ECONOMIC ZONE





1

We mobilize investment into 4 returns business cases and restoration projects in the economic & combined zones

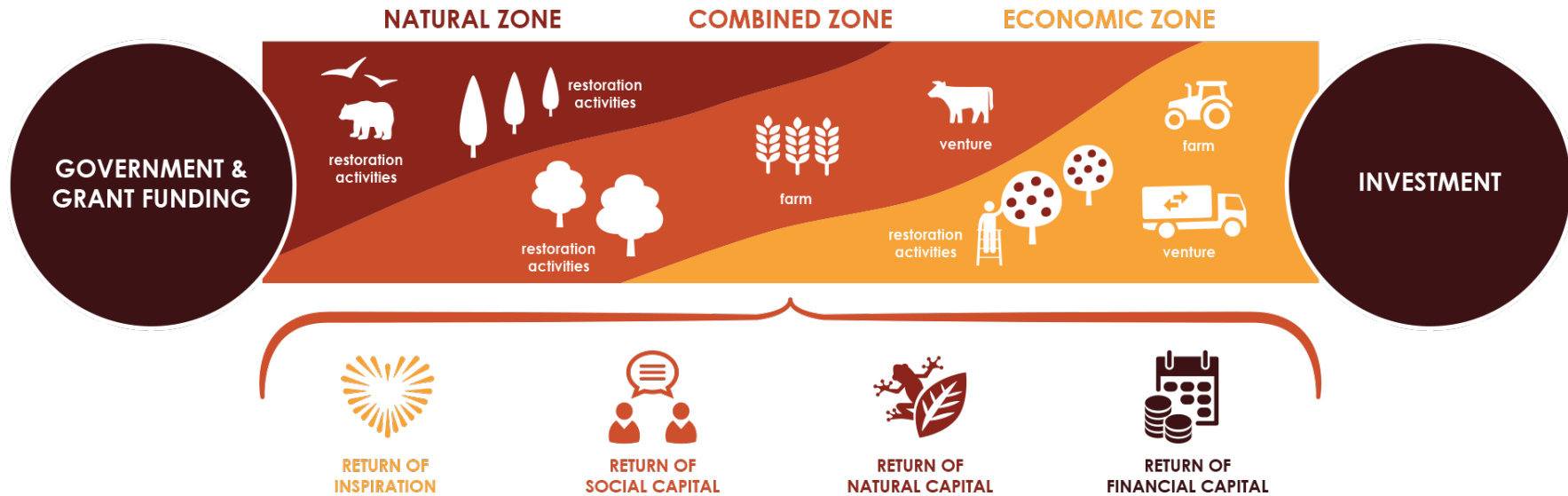


2

We channel government and grant funding to restoration projects in the natural and combined zones

1

We mobilize investment into 4 returns: business cases and restoration projects in the economic and combined zones



1

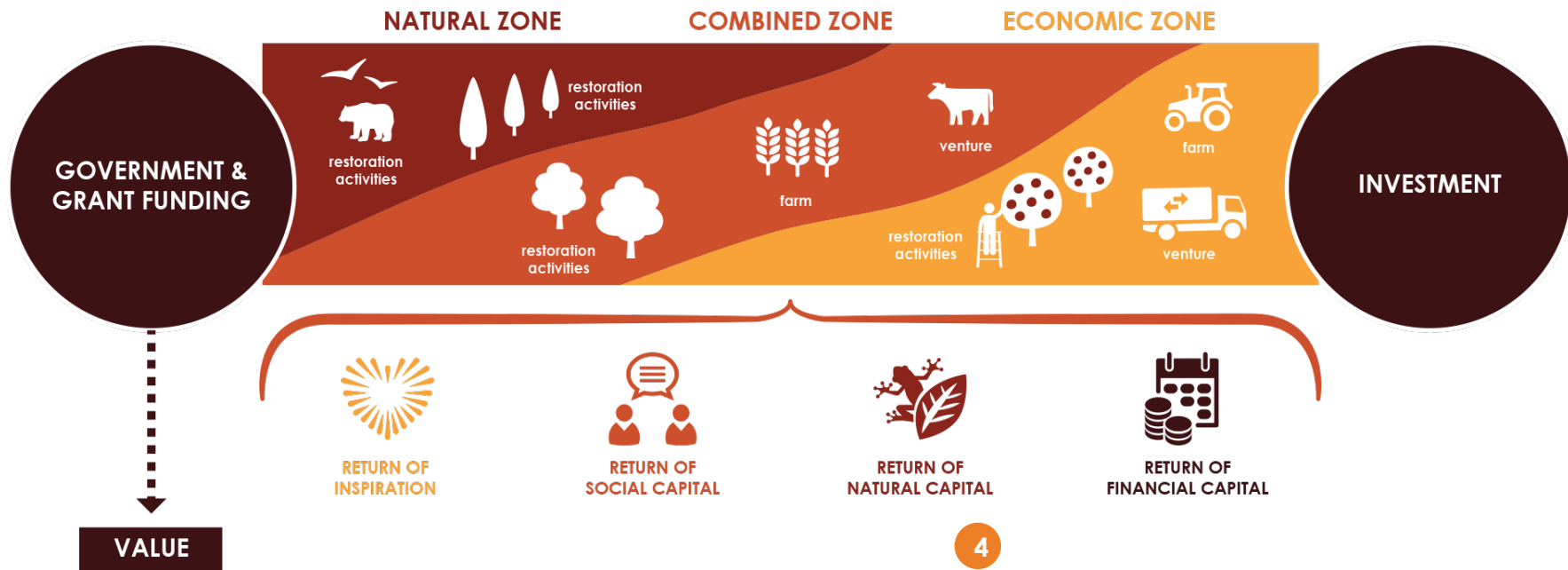
We mobilize investment into 4 returns business cases and restoration projects in the combined zone.

2

We channel government and grant funding to restoration projects in the natural and combined zone.

3

The impact of the investments in all three zones is reflected in 4 returns to the landscape



1

We mobilize investment into 4 returns business cases and restoration projects in the combined zone.

2

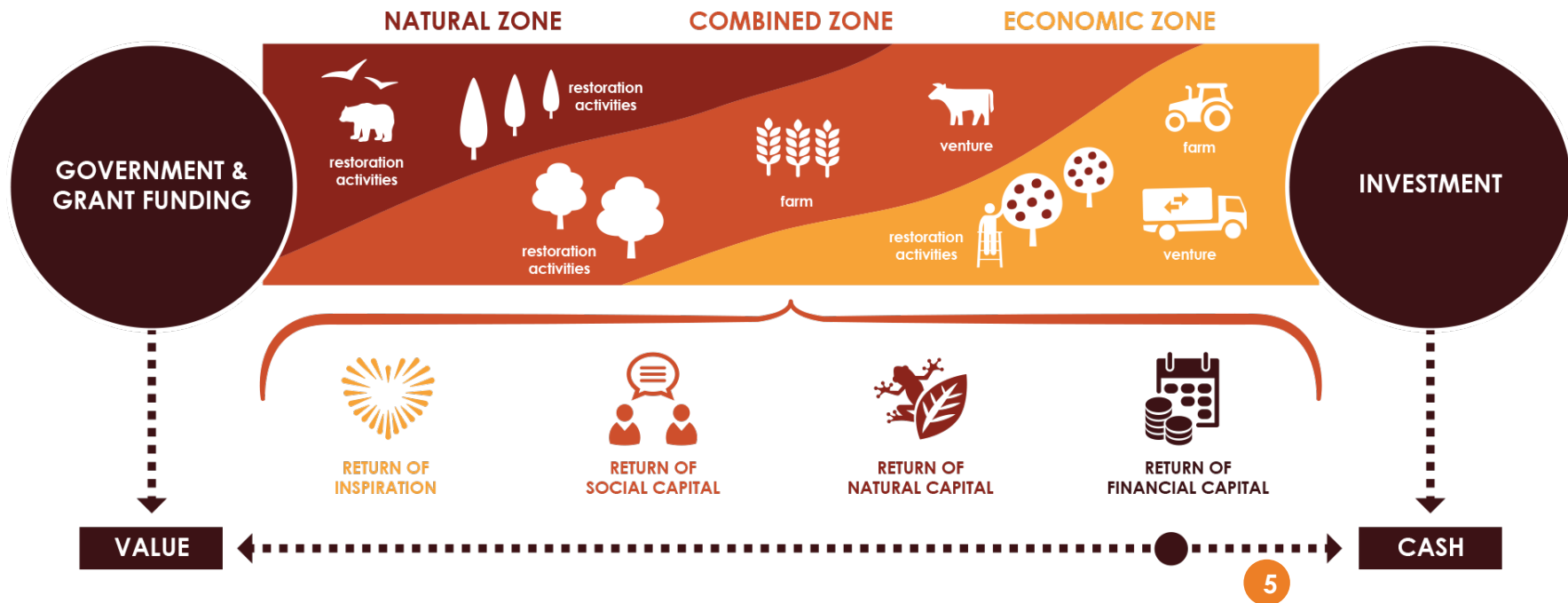
We channel government and grant funding to restoration projects in the natural and combined zone.

3

The impact of the projects in all three zones is reflected in 4 returns to the landscape and community.

4

The restored landscape increases “the value of the land”



1

We mobilize investment into 4 returns - business cases and restoration projects in the combined zone.

2

We channel government and grant funding to restoration projects in the natural and combined zone.

3

The impact of the projects in all three zones is reflected in 4 returns to the landscape and community.

4

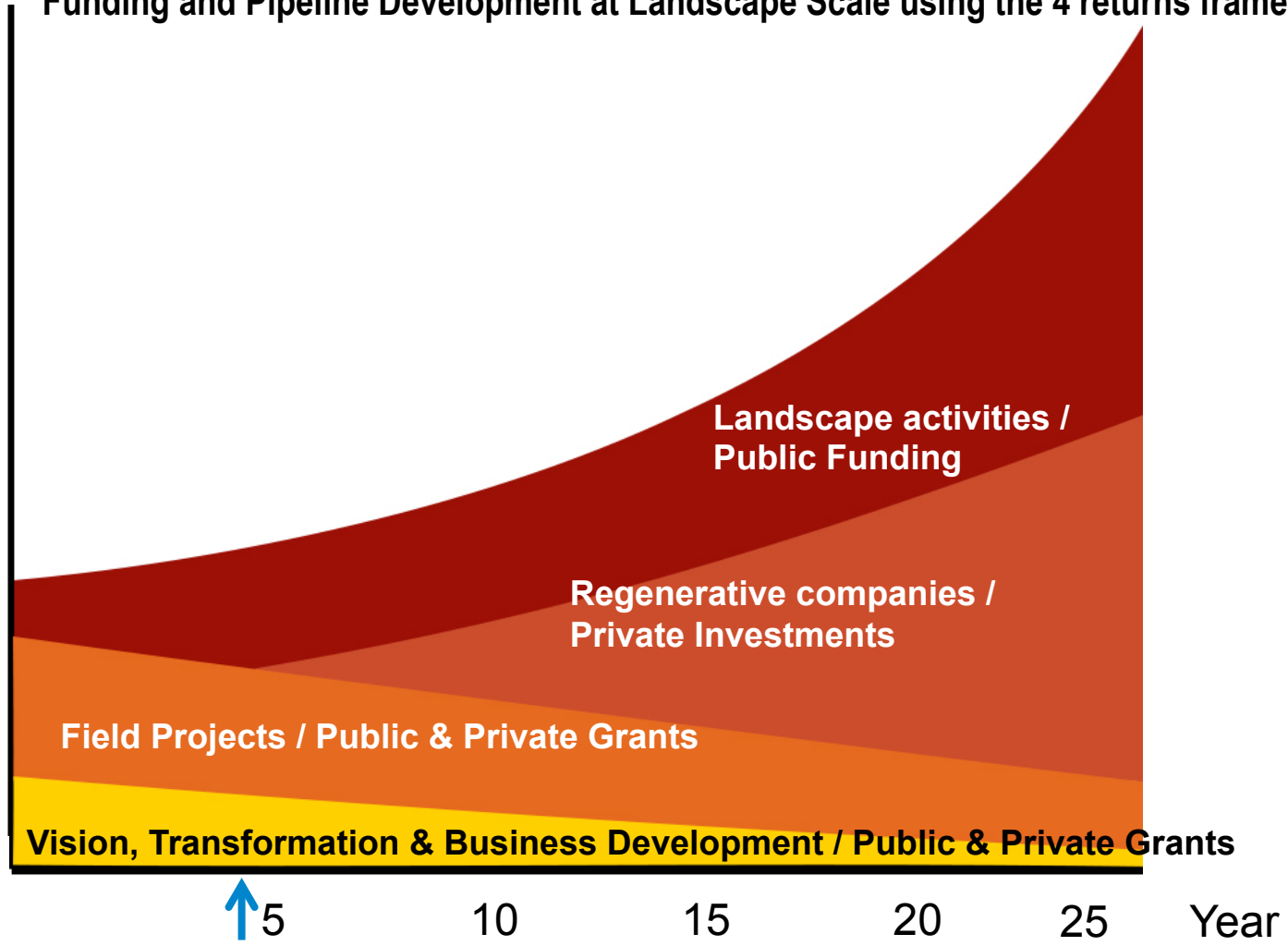
The restored landscape increases the value of the land.

5

Increased value and business activities bring cash flow into the region

Funding and Pipeline Development at Landscape Scale using the 4 returns framework

Investments
versus
Public/Grants
(in millions of euros)



↑ 5

10

15

20

25

Year

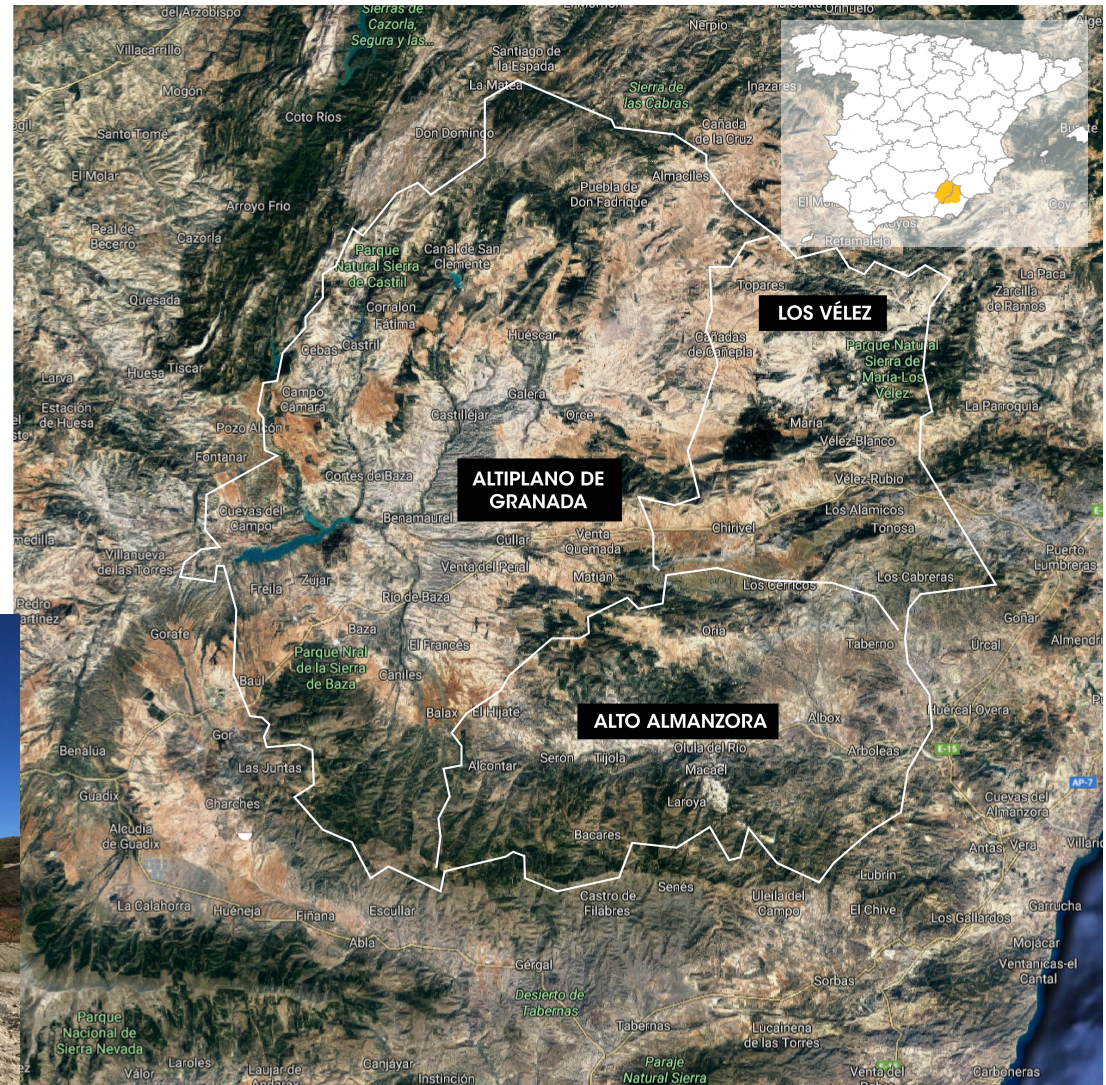
Spain

**Altiplano Andalusia
(1.000.000 ha)**



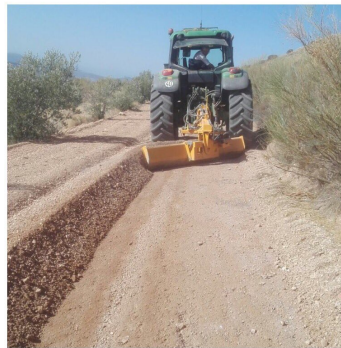
Spain: Altiplano

- Semi-arid steppe
- 120,000 people
- 250,000 ha almonds
- Land degradation: Overgrazing, Deforestation & Monocultures, Erosion
- Rainfall goes down (300mm to 200mm)
- Rural Abandonment & Unemployment

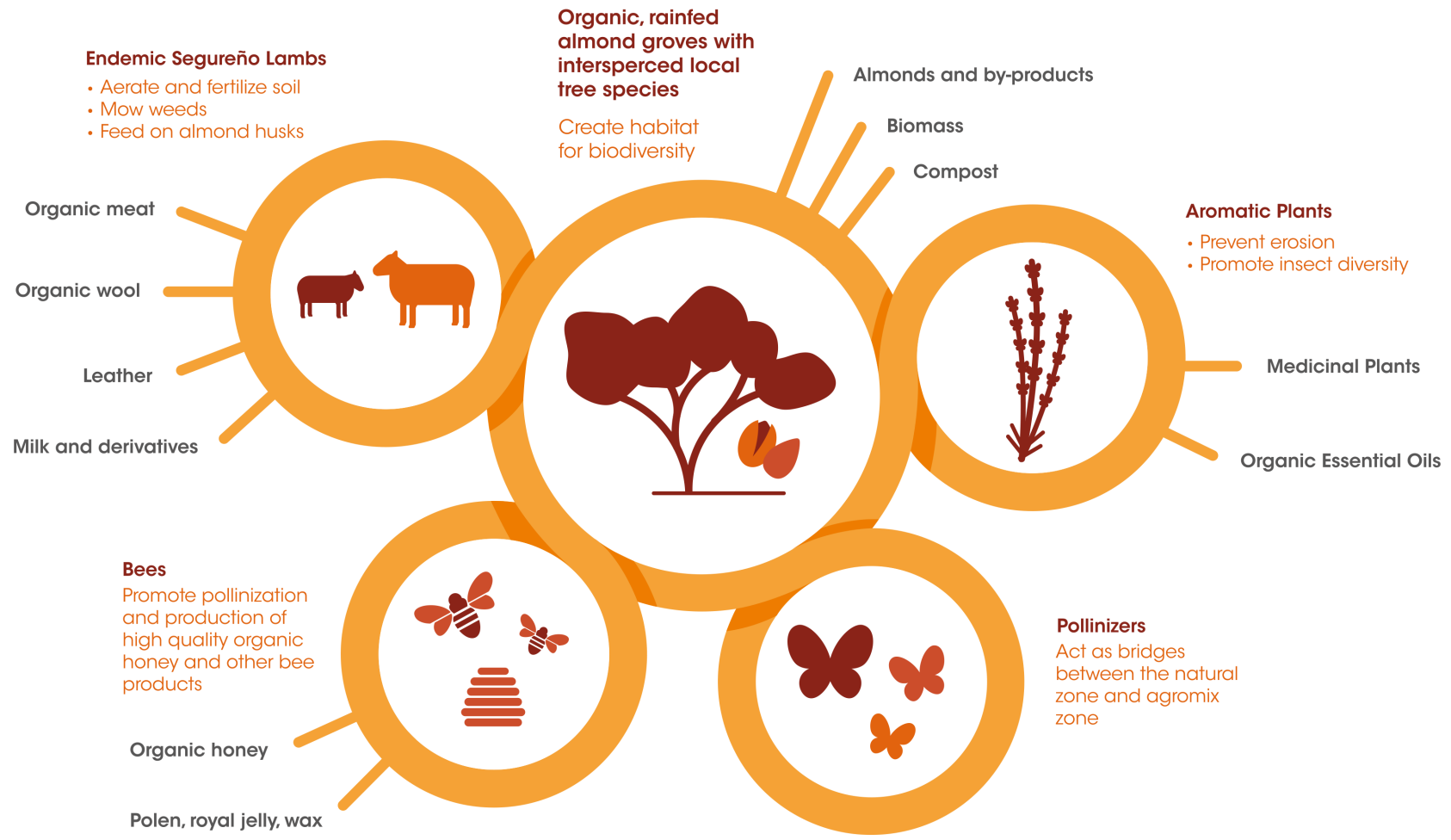


Spain

1.000.000 ha



4 RETURNS FROM LANDSCAPE RESTORATION

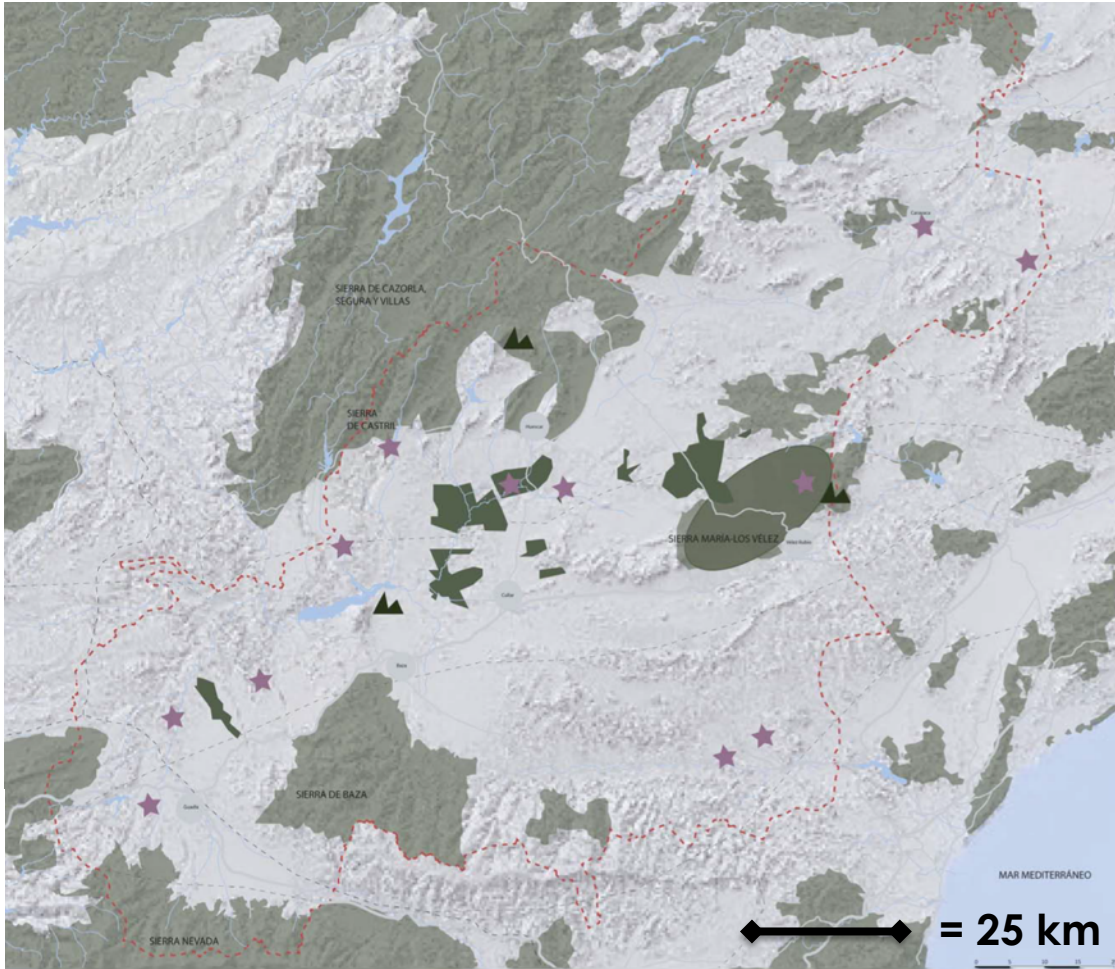


Project AlVelAl

The Almendrehesa concept for integrated and regenerative farming

The combination of diversification and increased productivity leads to:

- Improved farmer income
- Increased land value
- Reduced risk of previous ranching practices
- Improved soil quality & Decreased erosion
- Restored water balance
- Enhanced biodiversity
- Beautified landscape
- Growth of local economy (jobs)
- Local pride and inspiration
- 4 returns



Natural zone: 5 years

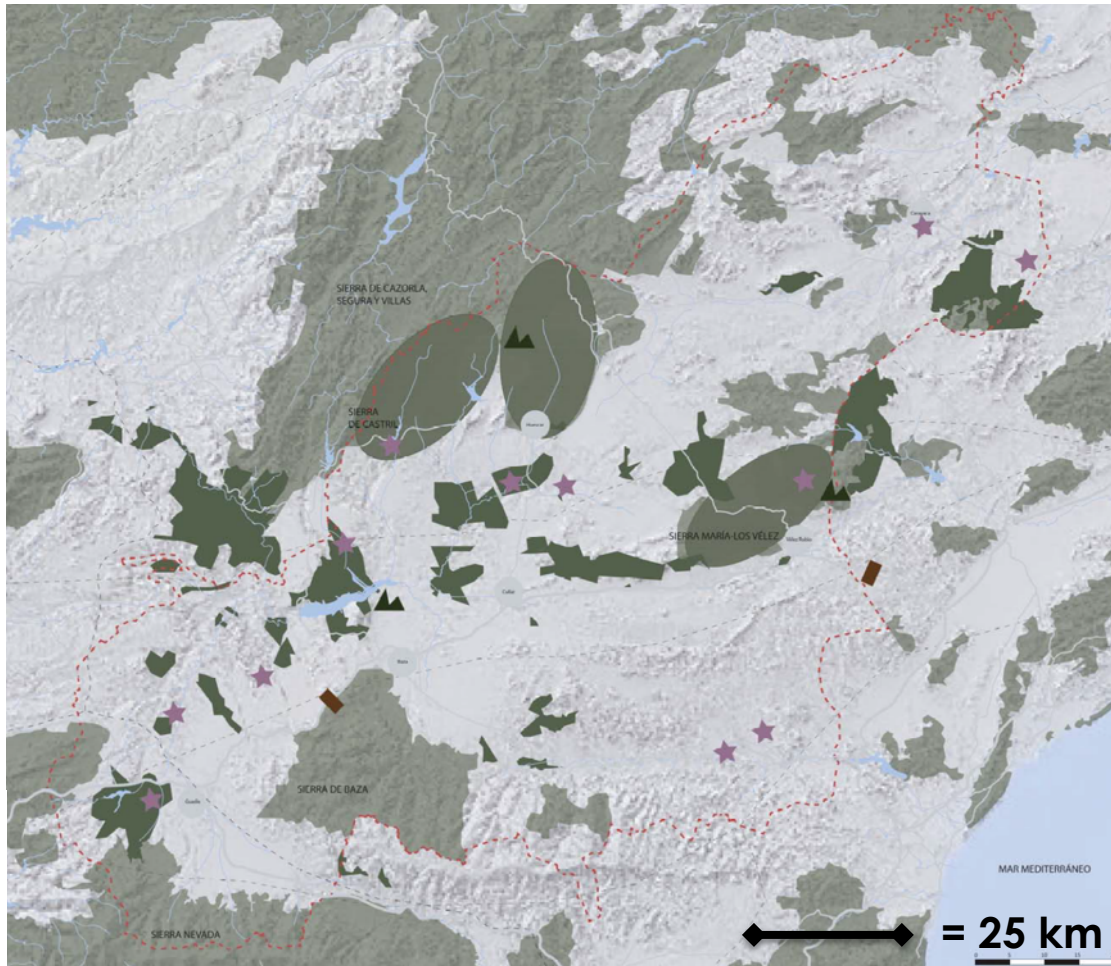
**Spain - Altiplano
1.000.000 ha**

Zona natural

■ nueva área natural

■ área natural restaurada

■ nuevo paso de la fauna



**Natural zone:
10 years**

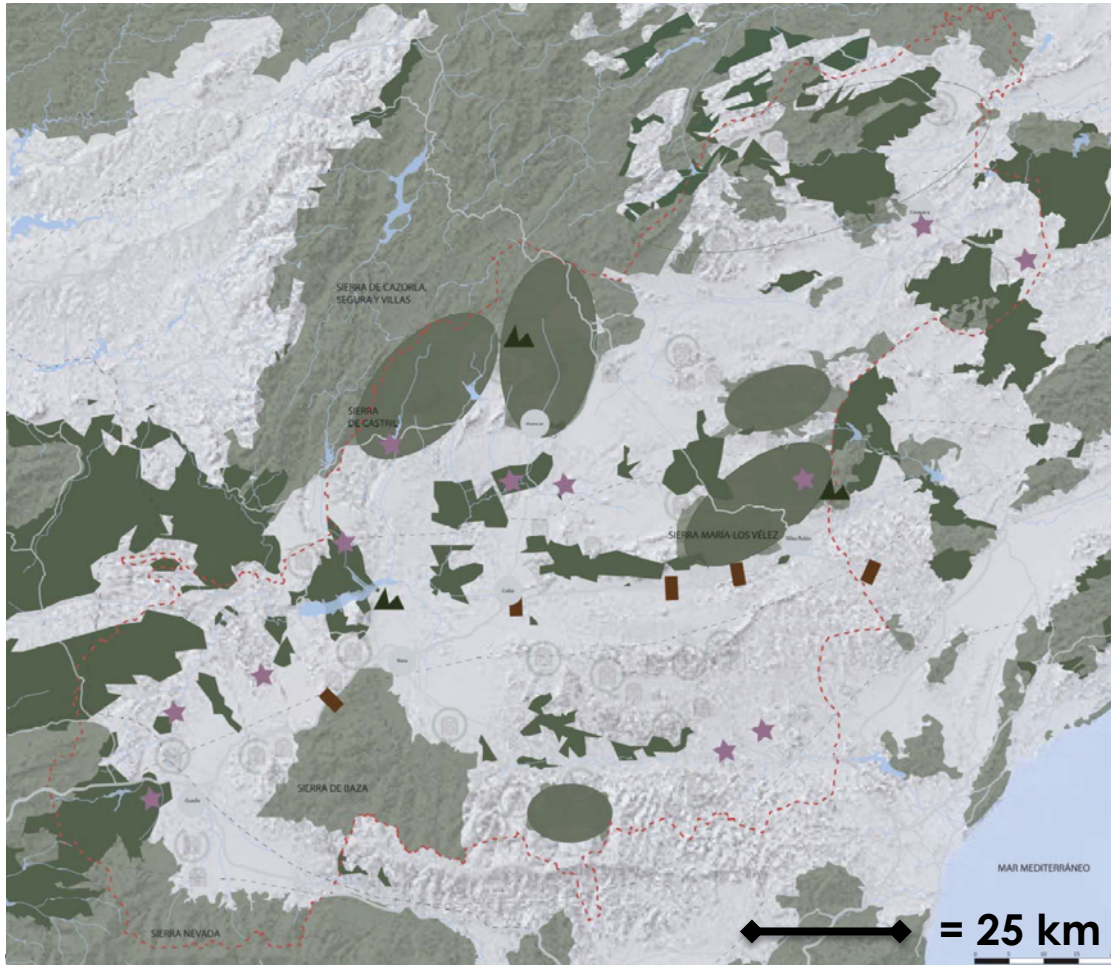
**Spain - Altiplano
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Zona natural

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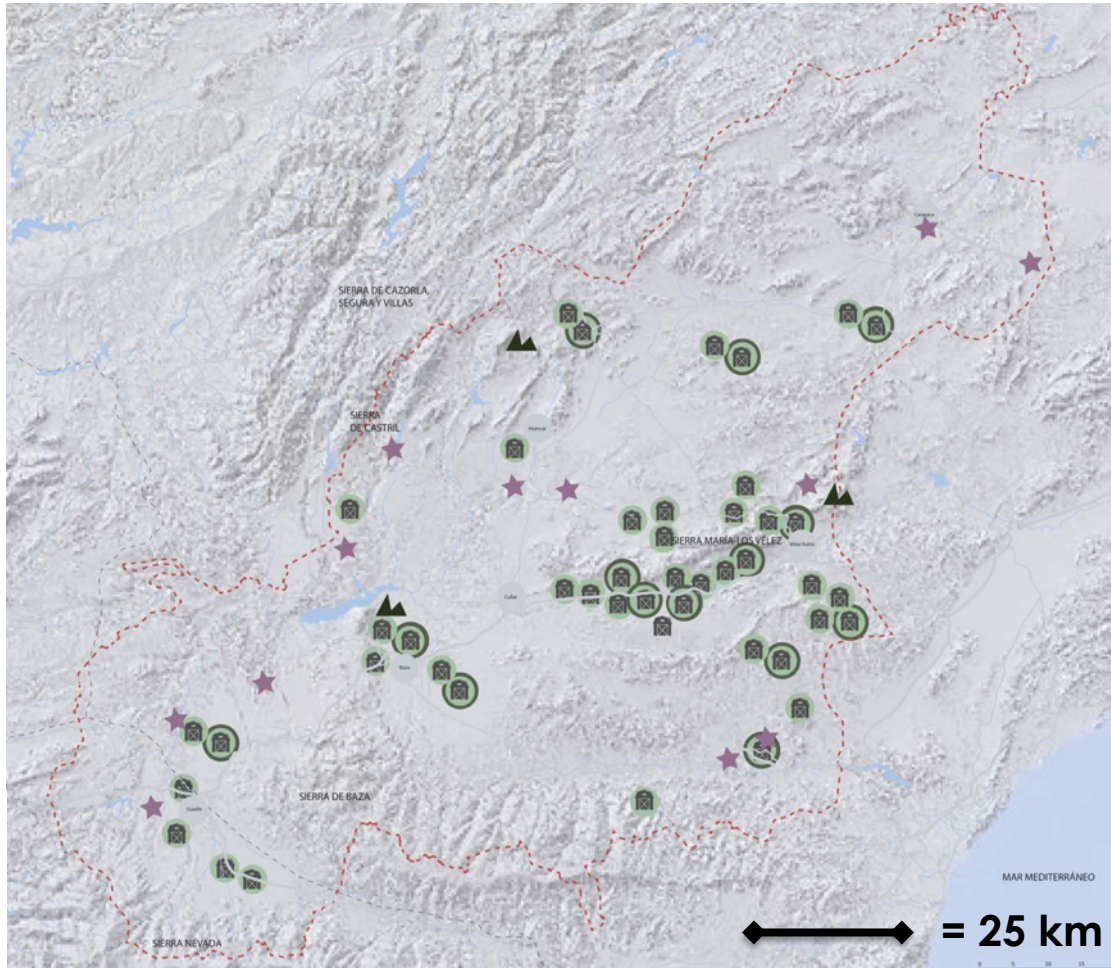


**Natural zone:
20 years**

**Spain - Altiplano
1.000.000 ha**

Zona natural

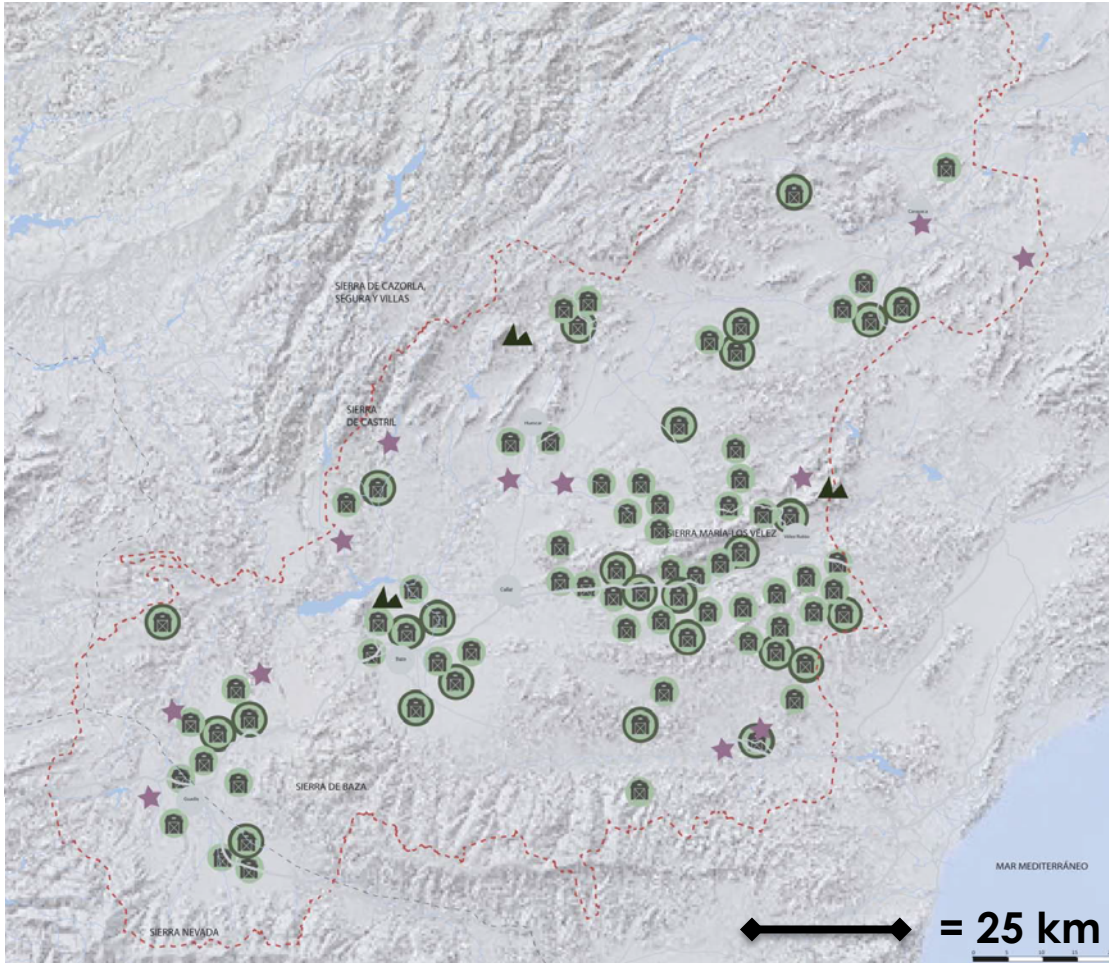
- nueva área natural
- área natural restaurada
- nuevo paso de la fauna



**Combined
zone: 5 years**

**Spain - Altiplano
1.000.000 ha**

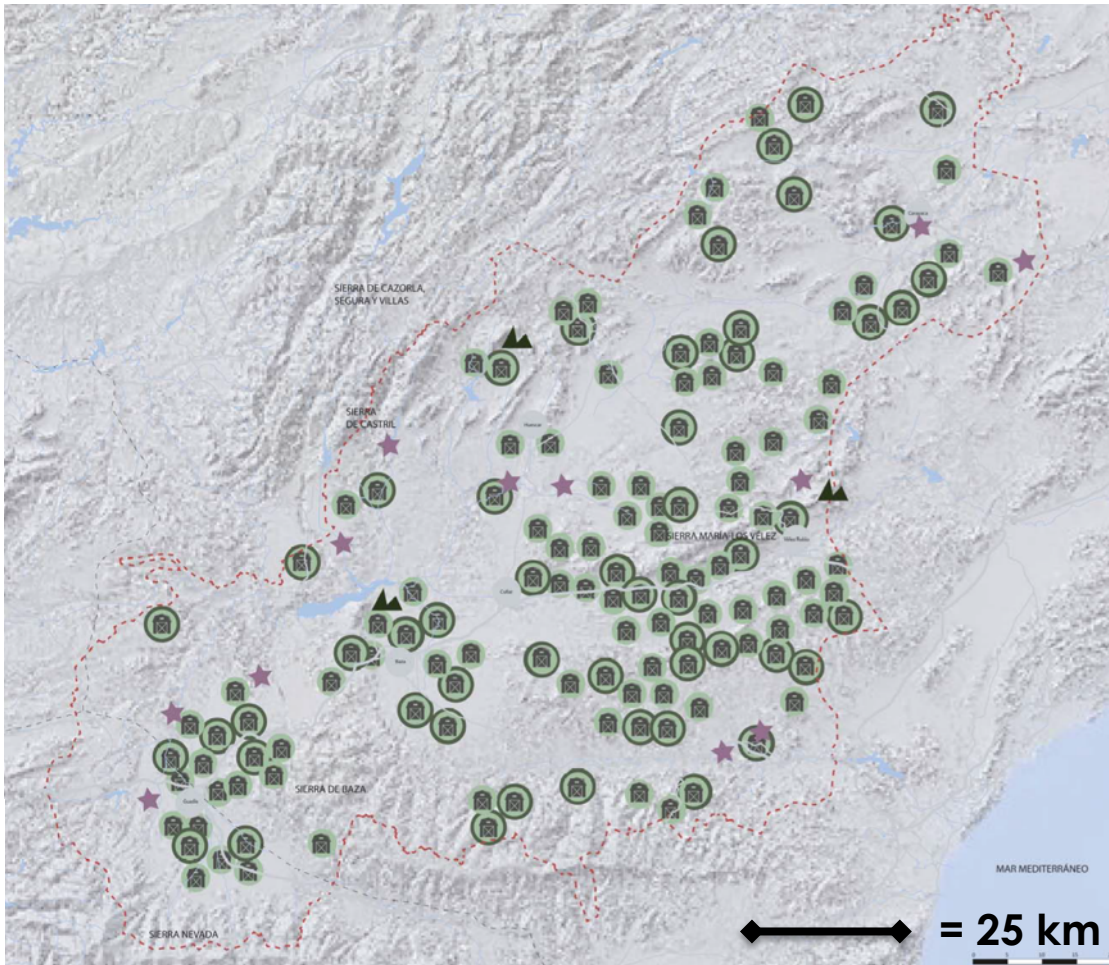
Zona mixed
finca regenerativa
finca regenerativa
y zona natural restaurada



**Combined
zone: 10 years**



**Spain - Altiplano
1.000.000 ha**

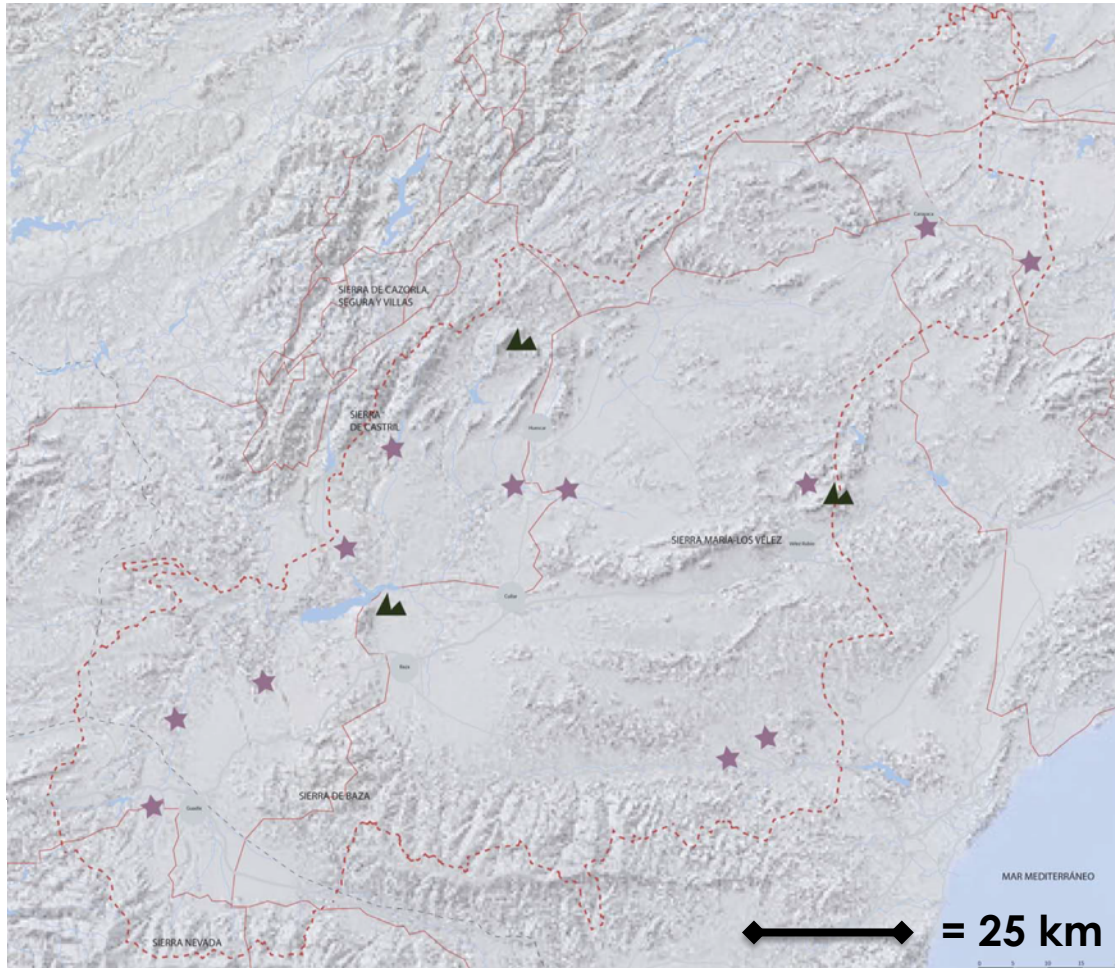
Zona mixed
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**Combined
zone: 20 years**

**Spain - Altiplano
1.000.000 ha**

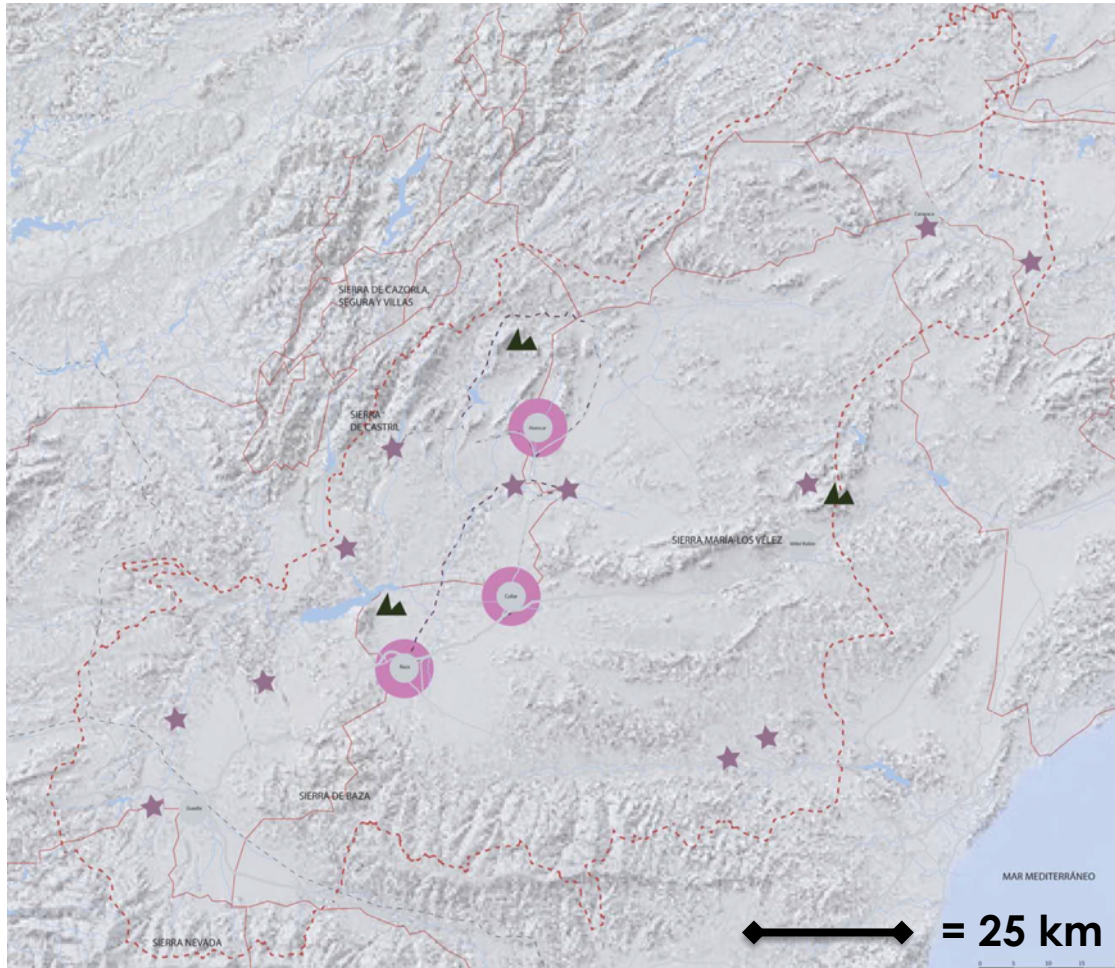
- Zona mixed
-  finca regenerativa
 -  finca regenerativa y zona natural restaurada



Economic zone: 5 years

**Spain - Altiplano
1.000.000 ha**

- Zona economica
-  área economica
 -  nueva ruta turística
 -  puebla
 -  lugares de interés

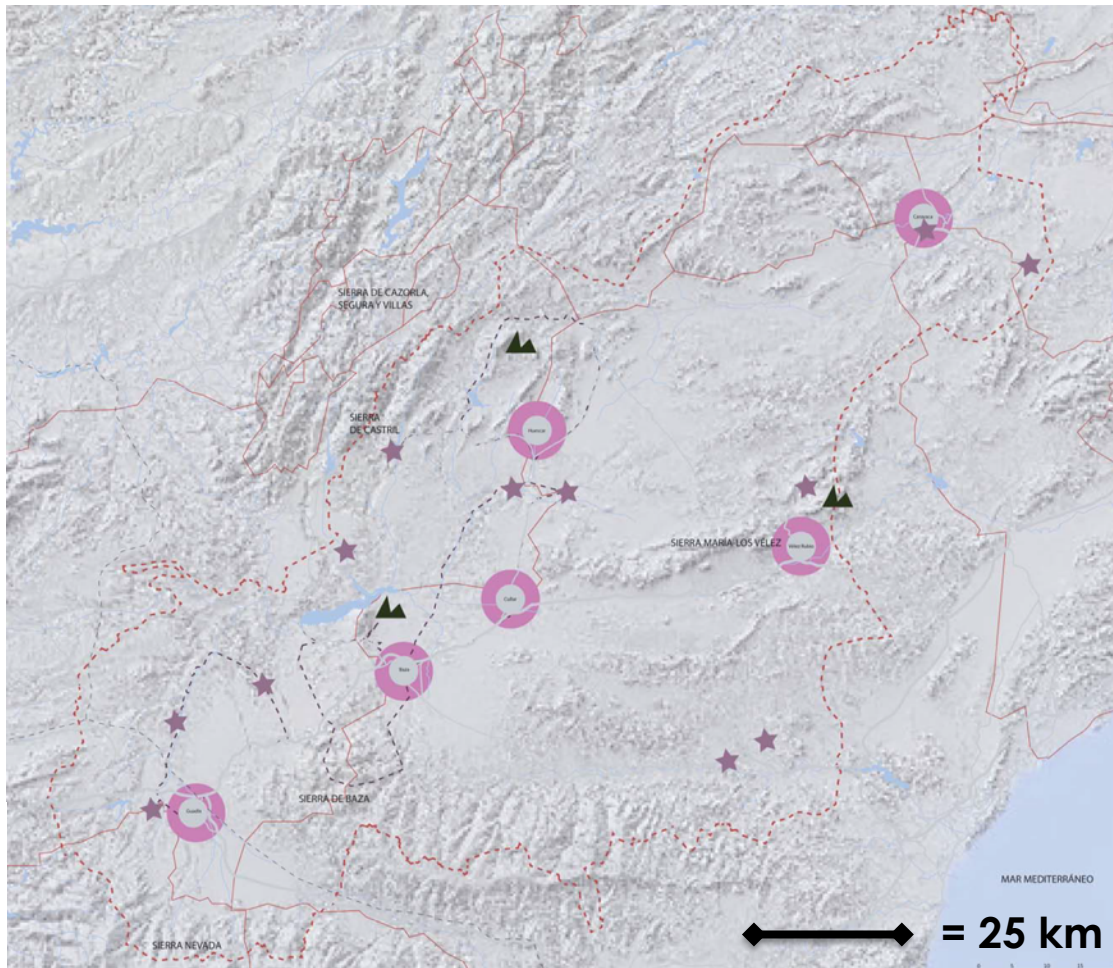


Economic zone: 10 years

**Spain - Altiplano
1.000.000 ha**

Economic zone: 20 years

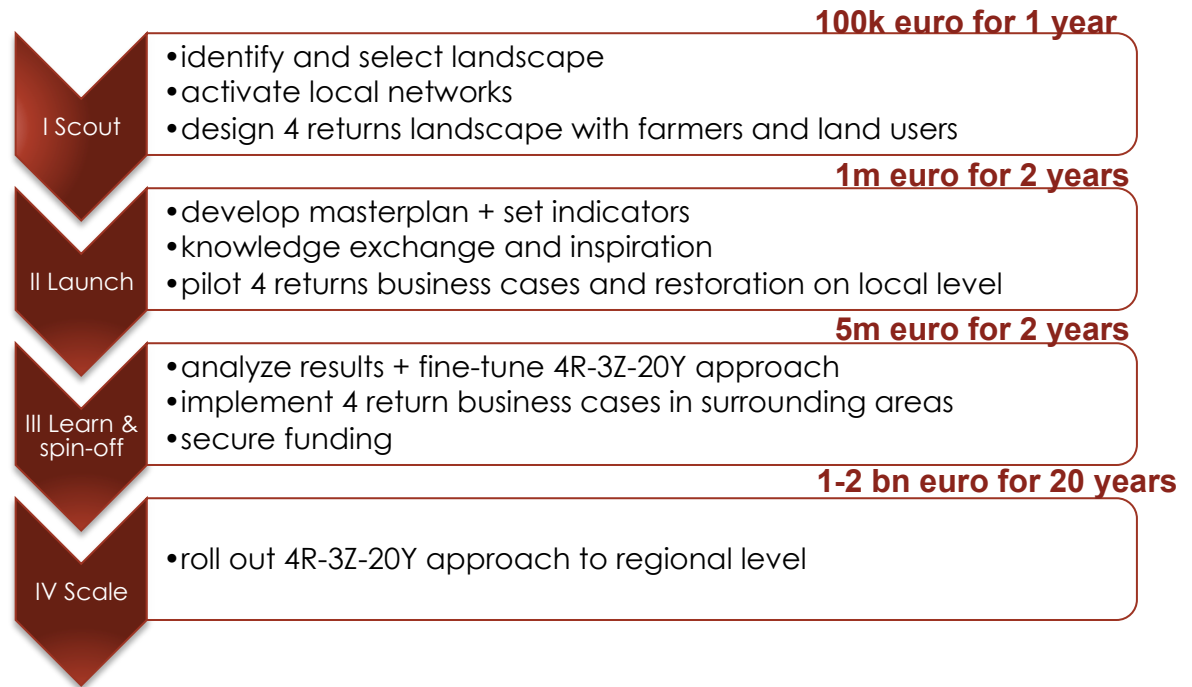
**Spain - Altiplano
1.000.000 ha**





Landscapes:

Challenge: From restoration-ready, to investor-ready





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