

Accounting for land use change emissions from agricultural supply chains

Targeted Engagement - Briefing Document

Thank you for taking part in CDP's targeted engagement on the project 'Accounting for land use change emissions from agricultural supply chains.'

You have been invited to take part in this project if you have agricultural products at the core of your business. In particular, companies and investors have been targeted based on the following:

- ▼ Previous disclosure to CDP's forests and/or climate change questionnaire
- ▼ Research or pioneering work on land use change emissions

As a participant, you'll be presented with the following:

- ▼ This briefing document;
- ▼ The pilot questions and guidance on the topic of emissions from land use change;
- ▼ The feedback requests based on the draft pilot questions and guidance.

Please read this briefing document prior to viewing the proposed questions and guidance and responding to the feedback questions.

1. About this targeted engagement

CDP, in collaboration with the sustainability consulting group Quantis, is looking at how to best assist companies to account for, and report on, greenhouse gas (GHG) emissions from land use change. As part of this project, some pilot questions and guidance have been drafted by Quantis.

This is the first draft of the questions, it is a good opportunity for stakeholders to provide feedback on this topic in the early stages of the question's development. Note that regardless of the outcome of this project, none of the proposed questions will be incorporated in CDP's 2019 disclosure cycle.

2. Background on the project

The problem

Due to growing demand for soft commodities, including palm oil, soy, timber, and cattle products, forests and other natural ecosystems have been constantly cleared to give way to agricultural lands. Agriculture, the principal driver of land use change, is responsible for 80% of global deforestation which alone accounts for 10-15% of global greenhouse gas emissions.

Current deforestation rates represent a substantial threat to businesses. A recent CDP report found that US\$941 billion in turnover in publicly listed companies depends on commodities linked to deforestation. The same report found that 87% of the companies reporting to CDP identified risks from deforestation in their supply chains.

Halting deforestation is crucial to ensure a well-below 2° world — with the potential to reduce global greenhouse gas emissions by 30%. Conserving forests and other natural ecosystems are the most cost-effective way to achieving this goal and ensure sustainable businesses.

There is clearly a need for data on emissions from land use change to guide companies' actions and investors decisions towards tackling deforestation. Unfortunately, the granularity and accuracy of the data on land use change emissions currently reported by companies is still not ideal, as there are many challenges associated with calculating and reporting these emissions.

Approach

CDP is looking to further develop its disclosure framework with the aim of driving transparency around emissions from land use change.

Based on the 14 recommendations developed in the [LUC Guidance pilot phase](#), Quantis reviewed CDP's Climate Change and Forests questionnaire and proposed new questions or amendments to existing questions and guidance.

CDP will be gathering feedback on the proposed questions and amendments from companies and investors. The key findings from this feedback will then be published in a report. Based on the feedback and the key findings, the final phase of the project will include reviewing the feasibility of adding new questions and/or amendments to future CDP questionnaires.

3. How to respond

Step 1: Review the questions

After reading this document, please read the pilot questions and guidance developed by Quantis.

Step 2: Provide feedback

Please access the feedback form by clicking the links below or paste the relevant URL into a new window in your browser.

To provide feedback please [click here](#).

The deadline for providing feedback is the 2nd November 2018.

Your feedback is very important to our questionnaire development process and will be confidential. Individual feedback will be used internally for data analysis only. Our request for your name and company is optional but would be appreciated so that we can track responses. Any results of this engagement that are made public will only contain the aggregated feedback, with no attributable quotes or information.

Thank you for reading this document. If you have any further queries after reading this document, please contact land.use@cdp.net.