



FACTSHEET

LAND DEGRADATION NEUTRALITY TECHNICAL ASSISTANCE FACILITY

Investments in sustainable land management practices are needed to avoid, reduce and reverse land degradation. However, project preparedness can be a major bottleneck for Sustainable Land Management investment. IDH manages the LDN technical assistance facility (TAF), to help to alleviate this bottleneck, and link projects to the LDN Fund and LDN impacts.

PARTNER TO THE LDN FUND

The Land Degradation Neutrality Fund, copromoted by the UNCCD, is a first-of-its-kind fund investing in profit-generating sustainable land management and land restoration projects that contribute to SDG 15.3.

The LDN Fund provides long-term debt and equity financing for sustainable land use projects that avoid, reduce or reverse land degradation. It is structured as a blended finance fund, pooling resources from both public and private investors committed to the goal of stopping land degradation. The LDN Fund is designed to offer financing solutions that are not readily available in the market, providing finance and strategic benefits in ways other investors or banks might not, e.g. longer tenors, longer grace periods, more flexible repayment schedules.

Indicative investment features are:

- Instruments: debt (mezzanine, profit sharing loans) and equity (minority or majority position)
- Tenor: 10 to 15 years
- Investment ticket size: from USD 5 to USD20m, with a sweet spot around USD 10m

The LDN Fund is managed by responsible investment specialist Mirova, based in France.

More information on the LDN Fund and its investment criteria can be found on <http://www.mirova.com/fr-FR/Capital-Naturel>

THE GLOBAL CHALLENGE OF LAND DEGRADATION

HOW COULD LAND DEGRADATION AFFECT OUR FUTURE?

Why is it important?

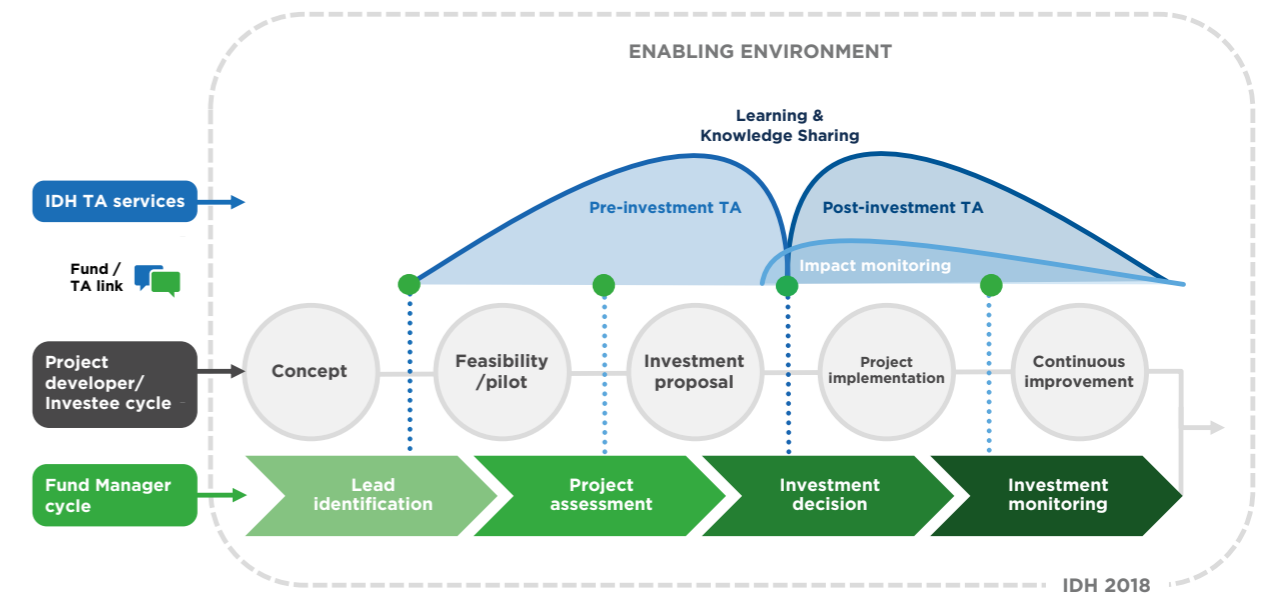
Land degradation threatens life on Earth, with severe impacts on food security, livelihoods, climate change, biodiversity, and ecosystem services.



What can be done?

Investments in sustainable land management practices are needed to avoid, reduce and reverse land degradation. These practices include agroforestry, agroecology and sustainable agriculture techniques, which are proven and ready to be scaled up.

LDN TAF SERVICES



THE LDN TAF

Project preparedness can be a major bottleneck for Sustainable Land Management investment. The LDN technical assistance facility (TAF) was established to help alleviate this bottleneck, and link projects to the LDN Fund and LDN impacts.

Technical Assistance (TA) is essentially advisory, assistance or training that is provided to enable the investment transaction, reduce risks and increase development impact.

The LDN TAF can provide grants and reimbursable grants to (potential) LDN investment projects, to improve technical quality, and strengthen environmental and social impacts, so that the investment project meets the LDN Fund investment criteria.

More information on the LDN TAF can be found on <https://www.idhsustainabletrade.com/landscapes/ldn-taf/>

LDN TAF SERVICES

- **Pre-investment stage TA**, for projects that are developing an investment proposal, to provide support to meet the LDN Fund investment criteria.
- **Post-investment assistance** to projects in the implementation phase, so that project developers have greater capacity to implement projects to a higher technical standard and/or with increased positive social and environmental impacts.
- **Impact monitoring**, including on LDN indicators. This enables project developers and the LDN Fund to better monitor their impacts and practice adaptive management more effectively.
- **Learning & Knowledge Sharing** of successful models for sustainable land management investment, beyond the LDN Fund and its projects.

For more information, contact:

IDH Sustainable Trade Initiative,

- Nienke Stam, Senior Program Manager IDH, Stam@idhtrade.org
- Dagmar Mooij, Program Officer IDH, Mooij@idhtrade.org

