


**Willem Ferwerda**

Founder and Advisor to the Board at Commonland.

**Commonland**

Commonland is a non-profit organisation focused on large-scale landscape restoration, working with local stakeholders to restore ecosystems, improve livelihoods, and promote sustainable land use.

**A formula for the regenerative landscape economy**

Climate-related disasters are occurring across the globe: fires and floods in the Mediterranean and Europe, megafires in the Amazon, Canada, Australia and California, and prolonged droughts in the Horn of Africa and Latin America. When combined with soil depletion, loss of biodiversity, loss of vegetation cover and degraded water systems, landscapes lose their resilience and productivity declines. As mentioned in many reports by UNCCD and others, ecological degradation undermines human wellbeing, erodes rural livelihoods and weakens local economies. In these 'vuca' times of volatility, uncertainty, complexity and ambiguity, the business sector is more and more focusing on resilience. While cybersecurity, AI disruption and geopolitical conflicts drive short-term risk responses, long-term risks caused by climate change and ecological degradation are in need of regional bottom-up solutions and long-term commitments.



And the interesting thing is that this process of regionalisation is already happening. Around the world, many initiatives are working to address these challenges, mostly driven by local stakeholders, NGOs, companies and (local) governments: projects focused on conservation, rewilding, reforestation, regenerative agriculture and water management. Yet these efforts often operate in isolation. The critical question remains: how do we unite stakeholders around an integrated large-scale landscape approach that reduces risk while delivering long-term returns?

The Ecosystem Approach, endorsed under the Convention on Biological Diversity in 2000 (COP5), outlined 12 holistic guiding but unfortunately theoretical principles. Therefore, a translation was needed to bring these principles into practice through a common language based on risks, losses and returns, inviting local stakeholders – including farmers, conservationists,

businesses and governments – to engage. In this way, it could serve as a compass for a new, landscape-based restorative industry.

As a result, the *4 Returns framework for holistic landscape restoration* was developed and translated this Ecosystem Approach into a practical pathway forward. Summarised: landscape degradation leads to four interconnected losses: loss of inspiration and purpose, loss of employment and social cohesion, loss of biodiversity, and loss of income and economic activity. Recognising these losses can be the turning point for transformation. Its premise is to co-create a shared 20+ year landscape vision and develop a bottom-up, integrated landscape restoration plan. Through sustainable business models, grants and local action, the four losses can be transformed into four returns of impact, Return of Inspiration, Social Return, Natural Return and Financial Return, each underpinned by KPIs. A landscape zoning approach helps stakeholders to visualise how different parts of the landscape contribute to ecological regeneration and investable regenerative business cases. In this way, the framework functions as a compass, aligning ecosystem restoration, community wellbeing and sustainable economic development, and turn it into a future proof *integrated landscape plan*.

### Formula for Regeneration

That is why maximising ROI – Return On Investment – is still presented at many business schools as the ultimate goal, almost a holy grail believed to lead to prosperity and happiness. When I speak to business students, I therefore increasingly question the definition of ROI that is taught to them, in order to prepare them for a regenerative economy that is more grounded in the realities of ecology. I do this by asking them to add just two words – per hectare – and to think about the result; they often hesitate then.

In the discussion that follows, it is interesting to hear how a hollow phrase suddenly becomes tangible because we are talking about the physical form of the land and nature, and thus the services that ecosystems provide us with. Maximizing ROI **per hectare** has historically led to deforestation, pollution, chemical agriculture, etc. and thus to biodiversity loss and ecosystem degradation. When the only metric that matters is financial return from land, nature is reduced to a production unit rather than a living support system that sustains us. For the students, I summarized this in a simple **formula for degradation**:

### Max. ROI/ha/year → Degradation

And then shared that this is why we need a different perspective – one that values landscapes not only for financial returns, but also for the ecological, social and inspirational returns (4Rs) they provide over decades. Working at the scale of

landscapes of at least **100,000 hectares** allows these returns to emerge and helps accelerate the restoration economy. To support this shift, I'd proposed to them a simple formula for regeneration:

**Max. 4Rs/≥100,000 ha/decades → Regeneration**

Regeneration, however, is inherently long-term. Trust-building, governance reform and economic transition unfold over decades. Large-scale restoration therefore requires deliberate system design before it can absorb substantial investment and grants capital. It follows a phased capital approach. Early investment focuses on enabling conditions: partnerships, stakeholder alignment, governance structures, spatial planning and a pipeline of investment-ready initiatives. Based on the integrated landscape plan, a landscape finance assessment is made, overseeing financial flows and risks, and leading to basically two forms of blended finance: project and process finance.

### Landscape Finance

**Project finance** – funding carbon initiatives, regenerative agriculture, conservation, ecological corridors and green infrastructure – restores the ecological foundation. But without a strong bottom-up stakeholder process, capital (investment and grants) remains fragmented and risks remain high within a landscape. It is why long-term **process finance**, to fund the stakeholder process, is needed to sustain coherent investment portfolios in such a way that risks will decline.

One of the barriers is that most funders hesitate to finance long-term processes because they are less visible than concrete, investable projects in a landscape. Yet without this type of finance, integrated and holistic landscape restoration cannot scale. From an economic risk and human wellbeing perspective, and considering the Planetary Boundaries, the need for enabling resilient ecosystems – landscapes and seascapes – is without doubt the defining challenge of this century. It is why I plea for a regenerative landscape 'industry' that revives the original meaning of 'industry' as careful, purposeful human effort, while transforming today's systematised economic production into a force that restores ecosystems, strengthens communities and builds long-term resilience — both scalable and holistic. This requires a good understanding of the true value of landscapes, which is why the work of the Economics of Land Degradation Initiative is critical to convince actors through sound calculations of risks and returns. Hence, a critical success factor key will be the development of a shared language, with clear indicators linking ecological, social and economic returns to purpose, alongside blended finance mechanisms that distinguish between long-term process funding and dedicated project finance. In this way, we can help fulfil the ambition of the United Nations Decade on Ecosystem Restoration to prevent, halt and reverse the degradation of ecosystems worldwide.