

Governance screening of global land use

Discussion Paper prepared by GLOBALANDS Project, draft conclusions



Authors:



Stephanie Wunder
Timo Kaphengst
Lucy Smith
Johanna von der Weppen



Franziska Wolff
Andreas Hermann
Dirk Arne Heyen

Berlin, May 2013

on behalf of



funded by



Conclusions

In the paper “Governance screening of global land use” (available for download in May 2013 on the project website www.globalands.org) we screen and analyze the most relevant international policies with potentially high sustainability impacts on global land use. The screening is not limited to the main land use sectors such as agriculture and forestry, but includes other policies that have an important impact on large areas of land, even if these effects are not intended by the specific policies (e.g. trade and investment policies). According to their main objectives the policies have been clustered into five areas:

- policies targeting a specific land use sector (agriculture, forestry, built-up land – the latter including settlements, infrastructure and mining areas)
- cross-cutting policies that are directed at specific environmental goods (climate, biodiversity, soil, water)
- cross-cutting policies comprising several sectors, environmental goods, policy fields etc. (sustainability, land tenure, resource efficiency, spatial and land use planning)
- policies within a specific policy field with an impact on different land use sectors (energy, trade, development, investment, corruption) and
- cross-cutting issues with a (current) lack of (effective) policies (diets, food waste, population dynamics, public goods/internalizing externalities, environmental liability, gender)

In total, more than 120 policies are analyzed. The screening unveils that there are even more policy fields impacting on land use than those that could be investigated in this study, especially when indirect links to land use are taken into account. For example, indirect effects on (global) land use can also be identified for defense policy, education and research policies. Such policies are excluded from the analysis in favor of other policies that appeared to be more relevant. The analysis provides a thorough overview on policies at the international/global as well as the EU level but is less comprehensive with regard to regional multilateral policies outside the EU (e.g. bi- or multilateral trade agreements).

For each policy field the most relevant international policies are analyzed and described with regard to their objectives and characteristics. The analysis includes different criteria, most importantly the policies’ objectives and mechanism and their (estimated) relevance for sustainable land-use. Moreover, the analysis gives an outlook about the policies future potential for sustainable land use.

In order to improve the readability of this report and given that most policy fields (such as agriculture, climate, sustainability, energy etc.) include at least seven different policies (up to 28 in the forest sector), the main findings have been summarised in an introductory overview section to each policy area. Rather than repeating these intermediate conclusions per policy field/chapter, this section provides a synthesis with conclusions on the screening’s findings with particular emphasis on potential “windows of opportunities” that have been identified to strengthen sustainable global land use.

The findings suggest that governance on sustainable land use might gain most momentum from the following policy efforts:

- With its internationally binding “Aichi biodiversity targets” and its various Programmes of Work on forests, agriculture, drylands, protected areas etc., the UN **Convention on Biological Diversity** is among the most relevant international conventions with regard to sustainable land use and provides different potential leverages. The recently launched “**Green Development Initiative**” (GDI) establishes a scheme for biodiversity-positive area management through registering and/or certifying biodiverse sites against the GDI standard. This initiative aims at attracting financial support from private investors for restoring ecosystems or their sustainable management.
- **Climate policies** can provide synergies to improve the sustainable use of land. **REDD+** intends to reduce deforestation and forest degradation through offering financial incentives to maintain the carbon stored in forests and to manage forests sustainably. Ideally, this will be aligned with protecting biodiversity and with the generation of livelihood ‘co-benefits’. The effectiveness of REDD+ will also depend on the degree to which national drivers of deforestation and forest degradation are taken into account when implementing funding schemes. Moreover, closing land use related gaps in climate policies such as the inclusion of emissions related to the agricultural sector and peatlands can have a significant impact on sustainable land use as well.
- The development of **Sustainable Development Goals** (and indicators) and their integration into the UN’s post-2015 Development Agenda might lead to an increased emphasis on soil and land, as e.g. stimulated by the UN Convention to Combat Desertification (UNCCD) Secretariat by promoting a SDG on “**zero net land degradation**”. In this regard, new legal instruments (such as a Protocol on Zero Net Land Degradation) to the **UNCCD** are under discussion, too.
- In response to the widely recognized need to address the negative impacts of land grabbing/ large scale land investments mainly in developing countries the Committee on World Food Security (CFS) has adopted the **Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests** in May 2012. While it is still unclear what impacts the guidelines will have on the ground, the development of the guidelines – including a broad participation of heterogeneous stakeholders, relatively fast decision making processes and the role in the guidelines development that the CFS played – has been remarkable and might provide a reference for future land use governance initiatives.
- Within **resource policies** land is of growing importance, especially at EU level. The Roadmap to a Resource Efficient Europe includes the milestone that by 2020, EU policies are on track with an aim to achieve no net land take by 2050. Moreover, the EU Commission is planning to develop a “**land communication**” in 2014.
- After a worldwide increase of biofuel production, the sustainability of bioenergy (particularly with regard to impacts on the environment and food security) has been controversially discussed over the last years. In response to the reiterated concerns, various **governmental and private standards for the sustainable use of biofuels** have been developed. However, subsequent studies and analysis made clear that standards and

certification schemes focusing solely on biofuels inevitably lead to inconsistencies and leakage effects (e.g. indirect land use change). More recent approaches therefore center on the extension of biofuels standards to standards counting for biomass in general, which bear the opportunity to be aligned with a broader approach to sustainable land use.

Besides these developments that might act as catalysts or “windows of opportunity” to strengthen global governance towards sustainable land use, the screening also identifies a range of cross-cutting issues that potentially have a large influence on land use, but for which presently no or hardly any (effective) policies exist at global level. The most important issues in this context are:

- Impacts of (Western) **diets** with a large share of animal products on land use, given the enormous land requirements to produce feed and grow livestock.
- **Food waste** is a serious issue as about one third of all food production world-wide gets lost or wasted in the food production and consumption systems. This inevitably means that huge amounts of natural resources, including land, are used in vain.
- The growth of **population** particularly in the developing world is not only a challenge for food security, poverty alleviation and health issues but also imposes high pressures on land.

While it may be difficult to address these issues in the context of sustainable land use, there are many links to other policy areas such as health, education, food security etc. that provide synergies and entry points for national and international policies and touch upon more widely perceived requirements.

The analysis of international trade policies in their relation to land use results in ambiguous findings. Although the complexity of global trade often leads to different interpretations, we find that current trade policies mostly focusing on liberalization of markets including better market access have rather negative impacts on (sustainable) land use since they set economic incentives and pressures for additional land conversion. Moreover, they enable developed countries to virtually (or, when coupled with investment in land, actually) occupy foreign land for their own consumption. Unilateral environmentally-motivated exceptions to the principle of “non-discrimination” are possible but not to primarily address environmental goods in foreign territory. At the moment, a reform of the WTO regime remains stuck in the Doha Round and it is unclear whether and when it will be revived. In the meantime, however, trade and investment agreements between the EU and other regions/countries emerge and ever new ones are on the way (as with the US). There is scope in such regional agreements for more environmentally protective clauses.

Similar to trade policies the current international policy framework on investment can indirectly impact on land-related environmental standards/regulation and on land use. This tremendous growth in Foreign Direct Investment (FDI) in OECD and increasingly also in developing countries in the last decades is a result of the removal of regulatory investment barriers (“investment liberalization”).

Of major concern in relation to land use are sectors related to resource extraction and the increased opportunities to exploit forests and other land with regard to timber production, agricultural products or mining activities. Higher flows of investment are likely to exacerbate the extraction of weakly regulated resources. In addition, the Convention on International Centre for

Settlement of Investment Disputes (ICSID) gives companies the right to sue countries in terms of their investment policies and also challenge foreign environmental regulations, which has led to several so-called investor–State dispute settlements (ISDS) with a rapid increase in the last two decades.

Against the backdrop of increasing concerns about unsustainable investment practices (also in land), the UNCTAD (2010) has proposed a new policy framework in 2010 emphasizing inclusive growth and sustainable development through a set of principles. This framework could provide a good basis for upcoming investment agreements and possibly also for renegotiating existing ones.

Despite the main findings for the international level, the analysis also shows that the implementation of global policy frameworks strongly depends on national or even regional conditions (for example, which actors are involved, local governance, the level of corruption, choice of instruments etc.). These conditions also determine which effects can be expected from any policy on land use.

For this reason, ten national case studies are selected to complement the findings of the international governance screening. They are presented in a separate working paper within this project. The cases include land-use relevant policies from Argentina, Brazil, Bolivia, Cuba, Burkina Faso/ Niger, Kenya, India, Australia, Belgium and Germany. These highlight different policy areas in different countries and illustrate potential opportunities and challenges to implement sustainable land use policies.