



GREEN RECOVERY COMMITMENTS PRACTICAL MEASURES FOR ACTION

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Recovery policies can deliver on economic goals and boost the transition to sustainable agriculture.



Ecosystem restoration, sustainable agriculture and future-proofed infrastructure offer a high return on investment and multiple co-benefits.



Long-term viability of green interventions depends on multi-stakeholder participation and community inclusion.

The COVID-19 crisis has revealed the vulnerability of our global supply chains. Urban workforces returned to rural areas with agricultural lands of low productivity and were faced in some regions with humanitarian crises. The spread of the pandemic has shown how degradation of nature places lives of urban and rural populations at risk.

COVID-19 economic recovery support packages by governments and institutions can present a unique opportunity to create jobs and make the transition to sustainable agricultural production systems possible. Governments, international organizations and industry leaders have published commitments and open letters in recent weeks, calling for a 'green recovery' based on production and consumption in line with our planetary boundaries. From the perspective of the IMF, we have seen a massive injection of fiscal stimulus to help countries deal with this crisis, and to shift gears for growth to return.¹ It is of paramount importance that this

growth should lead to a greener, smarter, fairer world in the future.

Evidence-based decision-making for green recovery

Replicable examples and evidence-based guidelines are needed to turn these commitments into reality. IDH and Conservation International have implemented high impact sustainable land use and sustainable production interventions that create jobs while protecting nature and ensuring that local communities participate and benefit. Experience has shown that a high return and multiple co-benefits can be achieved through ecosystem restoration, sustainable agriculture and future-proofed infrastructure. In addition to replicable examples, both organizations have active projects underway.

¹ <https://www.imf.org/en/News/Articles/2020/06/03/sp060320-remarks-to-world-economic-forum-the-great-reset>



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Scaling up tried and tested models

In countries including Brazil, Indonesia and Liberia, the governance basis and public-private partnerships to enable large-scale transformational landscape project investments are already in place following recent IDH landscape-scale interventions. In these countries, green growth land use plans have been developed and endorsed by local stakeholders and policy. The land use plans identify investment projects for sustaining agricultural production, protecting, and restoring ecosystems, and focus on inclusion, considering regional food security and income for smallholders.

Policy framework

National schemes to finance the transition to regenerative agriculture and agroforestry in key smallholder commodities such as cocoa, coffee and palm oil can directly create jobs while bringing co-benefits such as climate resilience and carbon storage, ensuring long term productivity. The success of such approaches relies on social inclusion: investing in food security and increasing resilience of income sources for smallholder farmers. Recovery policies and projects must follow a rights-based approach, with specific focus on land tenure, access and use rights for indigenous peoples and local communities, as well as the respect of their Free, Prior and Informed Consent (FPIC).

Economics experts at the University of Oxford have found that investing in sustainability, such as natural capital investment for ecosystem resilience and regeneration including restoration of carbon-rich habitats and climate-friendly agriculture, could offer the best returns on government spending.



Social and economic potential

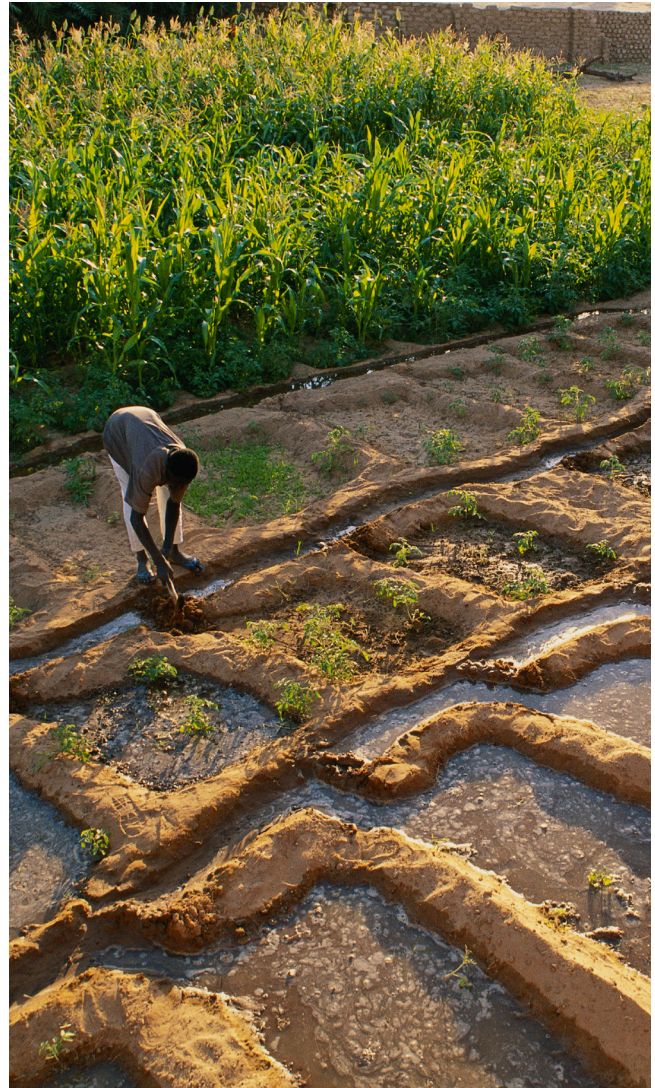
Employment in agriculture represents more than 26% of employment in the world.² In developing countries, the share of agricultural employment often exceeds 50% of employment. Smallholders and local communities are particularly dependent on this sector for their livelihoods and food security. At the same time, sustainable agricultural practices can deliver on climate mitigation and adaptation, as well as biodiversity preservation. “Climate-friendly agriculture”³ is one of the key recovery policies that can deliver both economic and climate goals, with rural support spending being of particular value in lower and middle income countries (LMICs).⁴

Recommendation

Invest in the uptake of sustainable agricultural practices and the development of deforestation-free supply chains and markets.

Examples

- Put in place rural support schemes to facilitate the transition to sustainable agriculture
- Support capacity building of smallholder farmers for sustainable agriculture
- Put in place incentives for companies and farmers to transition to sustainable agricultural practices (including low-interest loans, payments for ecosystem services)
- Support market access for sustainable and deforestation free agricultural commodities



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2 <https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS>

3 <https://www.smithschool.ox.ac.uk/publications/wpapers/workingpaper20-02.pdf>

4 <https://www.smithschool.ox.ac.uk/publications/wpapers/workingpaper20-02.pdf>



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CASE STUDIES

IDH: West Kalimantan, 14.7 million hectares, Indonesia

West Kalimantan's coastal mangroves, peatlands, lowland forests and waterways are home to endangered species and are threatened by deforestation. IDH's goal in West Kalimantan is to conserve 190,000 hectares of HCV/HCS forest and peatland, restore 10,000 hectares of forest and peatland, improve sustainable agricultural production on 45,000 hectares and enhance the livelihoods of 10,000 smallholder farmers and community members.

To achieve this, IDH has introduced production, protection and inclusion (PPI) business models including the Village Forest, whereby alternative income sources have been introduced to reduce the incentive to harvest mangrove wood. In addition, our convening work helped to set up the peat and forest fire prevention measures (Fire Free Villages) and the development of an ecological corridor between Gunung Tarak and Sungai Putri.

Project impacts:

- 70,000 ha of mangrove, peat and forest protected
- 530 smallholders took up beekeeping
- 2000 took up charcoal production from coconut
- 102 took up mud crab farming
- Local villagers have been trained in forest protection, contributing to the restoration of 4,198 hectares of forest
- During the COVID-19 pandemic, demand for village forest honey increased, providing an income source for mud crab farmers affected by closure of restaurants

IDH: Facilitating the implementation of the Joint Framework of Action in Ghana and Côte d'Ivoire

Côte d'Ivoire and Ghana produce approximately 60% of the world's annual supply of cocoa, putting pressure on its primary forests. The [Cocoa & Forests Initiative \(CFI\)](#) is an active commitment of Côte d'Ivoire and Ghana with leading chocolate and cocoa companies to end deforestation and restore forest areas through no further conversion of any forest land for cocoa production. The commitment was signed into Frameworks of Action at the 23 United Nations Climate Change Conference and is chaired by the governments of Côte d'Ivoire and Ghana and facilitated by IDH, the Sustainable Trade Initiative and the World Cocoa Foundation (WCF).

Program impacts as of June 2020:

- New Forest Code adopted by the government of Côte d'Ivoire
- More than 4 million multipurpose trees planted by signatory companies for agroforestry systems and reforestation in Côte d'Ivoire and Ghana
- More than 1 million farms mapped by signatory companies in the two countries to improve traceability
- 1 million farmers trained in Good Agricultural Practices in the two countries



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CI: Alto Mayo sustainable landscape, 1,165,782 hectares, Peru

Alto Mayo is a mosaic of protected areas, indigenous territories, farms, and forest remnants that make up the northeastern Peruvian Amazon, a region with some of the highest deforestation rates in the Amazon biome. CI's goal is to reduce primary forest deforestation (mostly linked to unsustainable farming practices) by 50%, increase connectivity, and improve the livelihoods of 14,000 people by 2028.

Project impacts for people:

- 1,600 smallholder farmers received continuous technical assistance on best agricultural practices, and on organizational, financial and entrepreneurial capacities
- 2 cooperatives established
- Mean productivity improved from 9 to 24.6 quintals/hectare
- 88 jobs created in 2019 – rangers, technicians, administrative jobs
- Through conservation agreements: 400 families with improved food security through the provision of biogardens and promotion of diversification of income sources with trainings on dragon fruit growing and beekeeping

CI and IDH case study: Coffee as a Nature-Based Solution

Coffee is under threat of climate change, with rising temperatures making 60% to 75% of the current production areas unsuitable for coffee by 2050. At the same time, coffee demand is expected to triple and the lands that become suitable for coffee production are mostly located in forested areas. Therefore, coffee presents a risk for future deforestation. However, coffee can also be a nature-based solution to climate change, in part due to its suitability to grow in agroforestry systems. In Vietnam, the IDH Landscapes and Coffee Program has already shown that diversified coffee systems can function as carbon sinks, rather than carbon sources.

As part of the [strategic collaboration](#) between Conservation International and IDH – The Sustainable Trade Initiative, we are currently exploring a new collaborative program that focuses on forest conservation, reduction of carbon emissions, improving smallholder incomes and overall resilience to climate change across the coffee producing landscapes.



Social and economic potential

Restoration projects support as many as 33 jobs per \$1 million invested (Edwards et al. 2013), which compares favorably to estimates generated for other industries (Garrett-Peltier and Pollin 2009).⁵ Restoring ecosystems can also secure co-benefits for local communities, such as food safety, clean water and air, climate mitigation and adaptation, as well as medicines and energy.

Recommendation

Develop large-scale restoration projects and put in place incentives for restoration

Examples

- Government-sponsored restoration programs, which have the potential to directly create jobs
- Incentive programs for ecosystem conservation and restoration, with a specific focus on incentives for vulnerable populations
- Domestic carbon markets/Emission Trading Schemes/ carbon taxes that mainstream climate action, generate revenue for the government and include natural climate solutions that deliver important co-benefits



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5 <https://curs.unc.edu/files/2014/01/RestorationEconomy.pdf>



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CASE STUDIES

CI: Kruger-to-canyon rangelands, 14,878 hectares, South Africa

The exclusion of natural grazers (mainly elephants) from savannah rangelands has led to the proliferation of woody trees in areas that used to be relatively open savannah grasslands. This increase in tree coverage threatens the native biodiversity, decreases the water supply in a water limited ecosystem, and kills native grasses. Restoration in this context requires thinning the trees, encouraging grass regrowth, and reintroducing grazing regimes that maintain the ecosystem in order to provide a maximum of ecosystem services and biodiversity habitat. To do this, Conservation International uses conservation agreements (incentives to land managers in exchange for their help improving land management) to mobilize application of ecologically sound rangeland practices within communal rangelands of the landscape.

Project impacts for people:

- 18 permanent jobs created for youth
- 30% increase in income (in line with market value)
- 75 livestock farmers trained and engaged in conservation agreements

IDH: Papua and West Papua, Indonesia

Papua and West Papua have highly significant intact primary forest with as many as 20,000 plant species, 602 birds, 125 mammals and 223 reptiles over 459,411 km². IDH is convening local and national government representatives of Indonesia and private companies to explore the potential for green investment to bring revenue of up to USD 200 million and create livelihoods for 60,000 families across both provinces, while following the principles of inclusive and sustainable development.

In October 2018, the Manokwari Declaration was signed, whereby both provinces declared their commitment as sustainable provinces to maintain 70 percent of their forest cover. The Indonesian Development and Planning Agency (Bappenas) estimates Indonesia will need around USD 4.7 billion to achieve the Sustainable Development Goals (SDGs), with 62% provided by the government and the remaining to be contributed from other sources.

IDH has identified cocoa, nutmeg and vanilla, seaweed, and ecotourism as commodities and services with potential to bring added value to the sustainable development of both provinces.



Social and economic potential

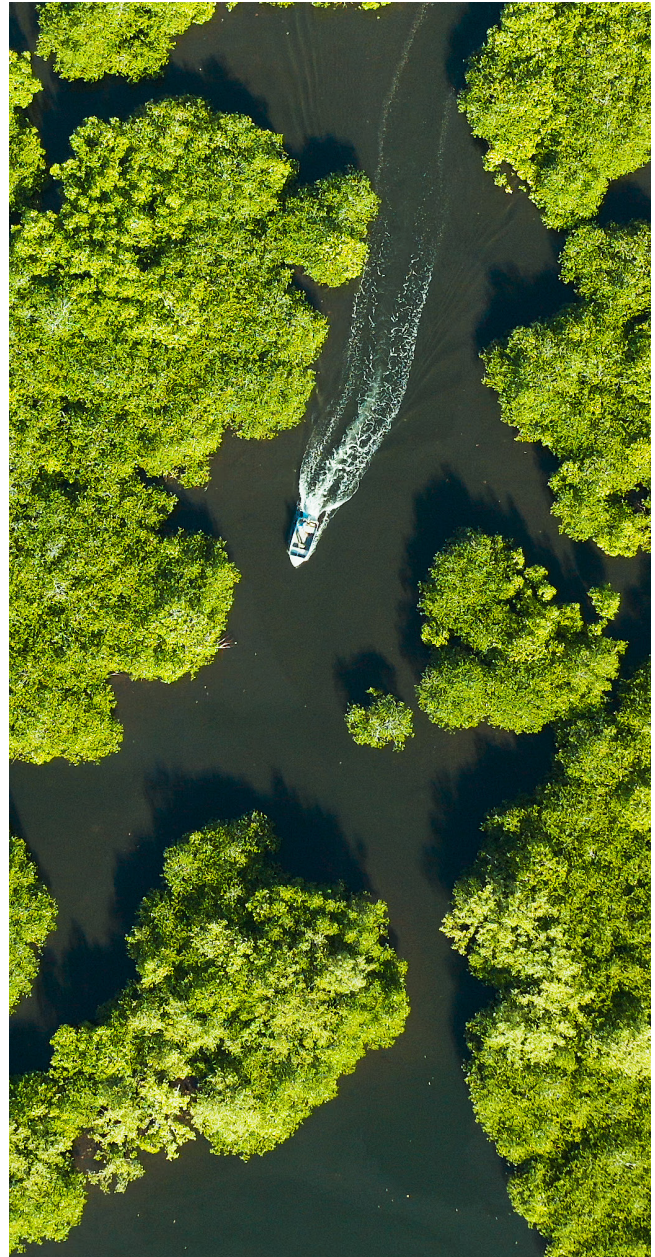
Infrastructure construction is labor intensive in the building phase and, when the projects are supporting transition to a more sustainable future, they add additional economic value. One model suggests that every \$1 million in spending generates 7.49 full-time jobs in renewables infrastructure, but only 2.65 in fossil fuels (Garrett-Peltier, 2017). Additionally, various studies show that green-gray infrastructure, which conserves ecosystems and uses them to achieve infrastructure goals, are more cost efficient – often costing anywhere from 15-80 percent less^{6,7} and delivering benefits (social, environmental, economic) up to 23 times traditional gray infrastructure.

Recommendation

Invest in infrastructure that is low-impact, will hold up well to climatic changes and that emphasizes green-grey approaches.

Examples:

- Prioritize investments in green-grey infrastructure
- Provide incentives for companies that fund or deliver infrastructure with low environmental impact and that use green-grey approaches
- Institute rigorous environmental impact assessments and economic analyses on alternative approaches for any infrastructure development



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6 Cost and Benefits of Marshes, 2013

7 https://www.epa.gov/sites/production/files/2015-10/documents/2008_01_02_nps_lid_costs07uments_reducingstormwatercosts-2.pdf



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CASE STUDIES

CI: Green-gray coastal infrastructure in the Philippines

In the Philippines, CI is combining the wave attenuation and flood control value of restored wetlands with the benefits of engineered structures to stabilize the coastal zone and attenuate waves through beach accretion. The combined solution is more comprehensive, robust, and cost-effective than a purely conventional approach, providing numerous co-benefits and generating both monetary and nonmarket benefits that enhance the economic efficiency of infrastructure investments.

Project impacts for people:

- Approximately 380 people employed in construction activities, with an investment of ~\$300,000 USD
- Improved livelihoods for 7 local communities

IDH: Community-managed irrigation system in Vietnam

Water security had been placed under pressure in Vietnam’s Krong Nang District due to coffee farmers drilling wells and irrigating their coffee farms with groundwater. Water pines will also be planted on the contributed land as a nature-based solution to stabilizing water banks and prevent soil erosion. Krong Nang District is part of IDH’s PPI compact area of more than 24 thousand hectares with more than 6,600 beneficiary households.

- 10 farmers and 30 hectares of coffee and pepper farms to be irrigated through community ponds
- Water use reduced from 550-600 liters a tree per round to 450 liters
- Increase in use of surface water for coffee irrigation to 10,500 hectares