



THE ECONOMICS OF
LAND DEGRADATION

Assessing opportunities for sustainable land management in Africa

A cost-benefit approach
in eight countries

under the umbrella of the EU funded project
**Reversing Land Degradation in Africa
through Scaling-up EverGreen Agriculture**



The growing loss of land

Land degradation, desertification, and drought are widespread global issues that increasingly threaten the future of our environment. They result in the loss of ecosystem services from land and land-based ecosystems that are necessary for human livelihoods. Food production, water availability, energy security, and other services provided by intact ecosystems are jeopardised by the ongoing loss of land and soil productivity.

The depletion of ecosystem services also negatively impacts the productive capacity of economies. On a global scale, the annual economic losses due to deforestation and land degradation were estimated at up to 3.4 trillion EUR in 2008, equal to 7.5% of the global GDP¹.

B O X 1

Ecosystem Services

Ecosystems provide services with direct market values like charcoal, minerals, or crops, and with non-market values that contribute indirectly to our economic and social well-being. These may be less apparent, but are important nonetheless. These services include water filtration, clean air and nutrient cycling.

These issues are driven by unsustainable land use change and poor management practices, and are further exacerbated by climate change. This development has serious implications on stability and for future development opportunities, especially in many African countries.

Threats and opportunities for Africa

Desertification already affects around 45% of the African continent, indicating an urgent need for action. Failure to act on this threat has serious negative impacts on GDPs and sustainable development opportunities.

A recent ELD study revealed that an annual loss of 280 million tonnes of cereal crops in Africa is caused by the

¹ ELD Initiative (2013): *A global initiative for sustainable land management*

² ELD Initiative & UNEP (2015): *The Economics of Land Degradation in Africa: Benefits of Action Outweigh the Costs*. Available from www.eld-initiative.org.

B O X 2

Agenda 2030

The 2030 Agenda for Sustainable Development recognises the importance of the conservation and sustainable use of terrestrial ecosystems (SDG Goal 15) and of reversing land degradation and achieving Land Degradation Neutrality (target 15.3). This target is at the heart of the activities of the United Nations Convention to Combat Desertification (UNCCD).

degradation of 105 million hectares of cropland per year². Sustainable land management practices like mulching, manuring, terracing, constructing bunds or dams, and reforestation can successfully tackle soil erosion, and prevent the loss of fertile top soils. Degradation processes can even be reversed. By consequently applying these methods, the benefits of taking action would outweigh the costs by almost 7 times. Food security and national incomes would increase, food prices be stabilised and livelihoods of the rural poor be enhanced².

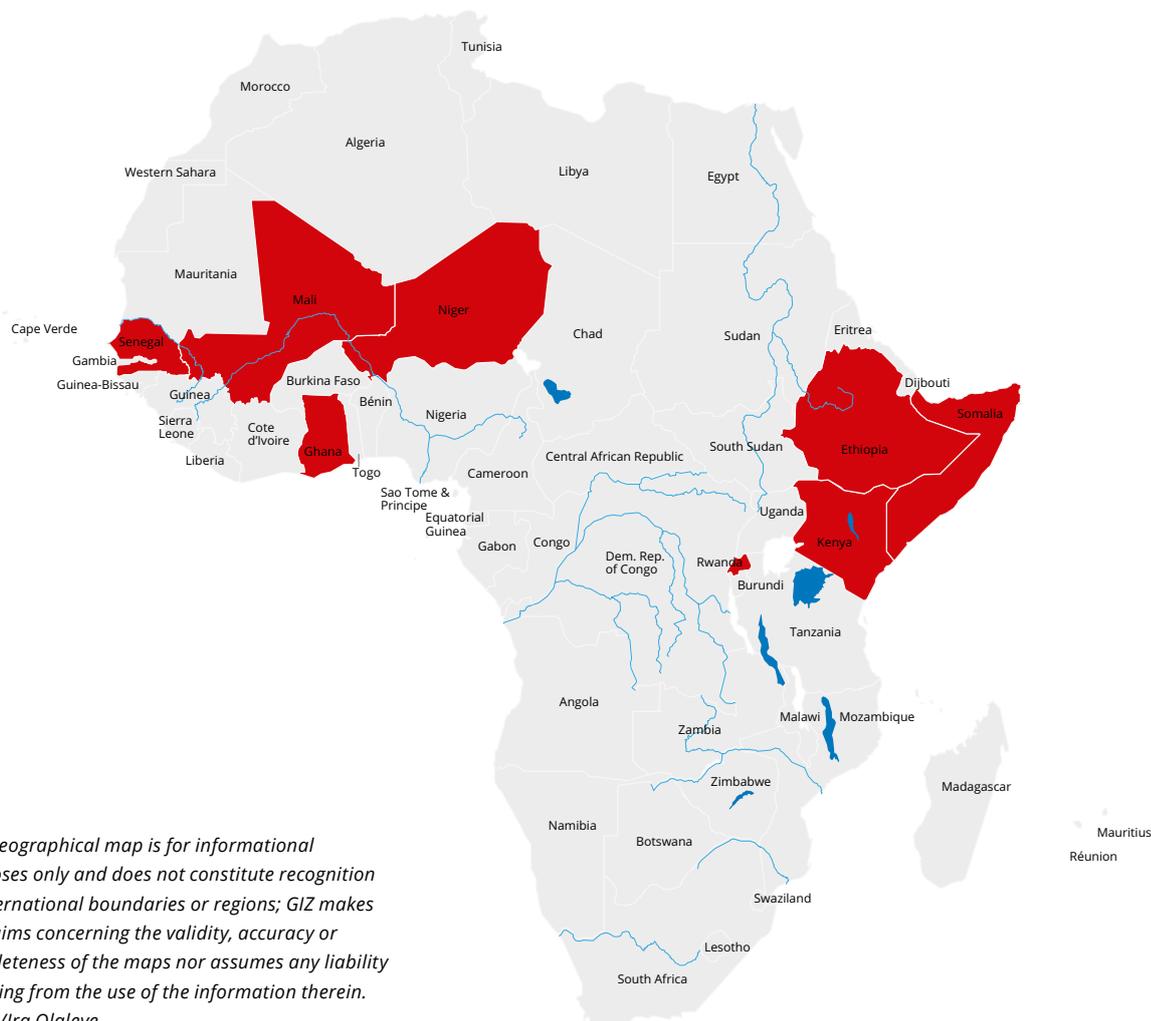
Towards reversing land degradation

The Project *Reversing Land Degradation in Africa by Scaling-up EverGreen Agriculture* was started in 2017, and aims to improve livelihoods, food security and climate change resilience, by restoring ecosystem services. The project target countries are Ethiopia, Ghana, Kenya, Mali, Niger, Rwanda, Senegal, and Somalia. The action is financed by the *European Commission* and co-financed by the *German Federal Ministry for Economic Cooperation and Development (BMZ)* and will be carried out jointly by the *Economics of Land Degradation (ELD) Initiative* and the *World Agroforestry Centre (ICRAF)*.



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FIGURE 1

Project Target Countries in Africa (highlighted in red)

ICRAF will support target countries in setting up analytic tools and efficient surveillance measures on land degradation dynamics. Resulting information will pave the way for deliberate and strategic decision-making around land management. Moreover, in a consortium with NGOs, evergreen agriculture approaches like farmer-based natural regeneration and greening measures by smallholder farmers will be scaled up, along with the development of agroforestry related value chains.

The ELD Initiative will raise awareness on the threats and opportunities of different land use options by supporting and communicating cost-benefit analyses in each target country. At the same time, the Initiative will extend the capacity of national experts to assess the economic

benefits of investments in sustainable land management in consideration of the costs of land degradation.

Based on these assessments, decision-makers and administrators will have access to scientific information on the economic consequences of land degradation and optional pathways to rural growth.

Capacity building for informed action

Targeting key institutions from national research and policy sectors, the upcoming activities of the ELD Initiative in Africa will focus on the joint development of economic assessments in consideration of multiple land use options.



The ELD Initiative will provide training for both policy-/decision-makers and researchers, as well as interested young professionals. This includes tutoring by international experts in the valuation of ecosystem services and the joint development of economic monitoring and decision-making tools. Exchanges with the international research community will broaden participants' competence in analysing land related problems in socio-economic, environmental, and economic dimensions, and to develop suitable policy solutions.

The monetary benefits of sustainable land use methods will be communicated to key stakeholders and policy-/decision-makers of relevant sectors, targeting different levels of governance and using stakeholder specific communication materials. Ultimately, the project will provide a sound economic basis for political and/or investment decisions regarding land use options.

For further information visit:

www.eld-initiative.org

- ELD Secretariat
info@eld-initiative.org
Mark Schauer
c/o Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Friedrich-Ebert-Allee 36
53113 Bonn, Germany



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BOX 3

ELD Initiative

ELD is a global initiative established in 2011 by the European Commission, the German Federal Ministry for Economic Cooperation and Development and the United Nations Convention to Combat Desertification. A broad network of partners supports the Initiative, which aims at transforming global understanding of the economic value of productive land and improving stakeholder awareness of socio-economic arguments to improve sustainable land management.

Calculating the value of land is a complex feat, and so the ELD Initiative provides ground-truthed tools and assessments that allow stakeholders to undertake cost-benefit analyses of land and land uses through total economic valuation and include this information in decision making. This approach brings to light the under-appreciated values of land, which are often not considered in management decisions. Fully informed economic valuations are a vital planning component, as economics provide a neutral and equalising language for different groups to discuss their needs, costs and benefits, and come to optimal, mutually acceptable sustainable land management strategies.

The Initiative is coordinated by the ELD Secretariat, hosted by GIZ in Bonn, Germany.

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