



THE ECONOMICS OF  
LAND DEGRADATION

A global initiative  
for **sustainable**  
**land management**



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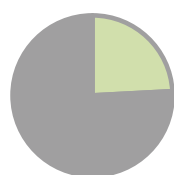
# Economics of Land Degradation (ELD) Initiative

A global initiative for sustainable land management

## The growing loss of arable land: An alarming development

Land degradation and desertification threaten fertile land and the benefits human society derives from it throughout the world. On a global scale, around 10 – 20% of drylands and 24% of the world's productive lands are degraded. The consequences are alarming: food insecurity, poverty, reduced availability of clean water, and increased vulnerability of affected areas to climate change. It is estimated that 1.5 billion people across the world are already directly affected through reduced income or food security. The annual economic losses due to deforestation and land degradation were estimated at 1.5 – 3.4 trillion Euro in 2008, equaling 3.3 – 7.5% of the global GDP in 2008 (ELD, 2013). Competition for the scarce resources of soil and water is further intensified by the growing world population and increasing demand for alternative land management products.

Every year, around 24 billion tons of fertile farmland worldwide is lost due to soil sealing, erosion, and desertification. The on-going degradation of fertile soil must be halted if the earth is to sufficiently provide land-based ecosystem services for its ever growing number of inhabitants. Preliminary studies suggest huge costs of land degradation and call for investments in actions reducing land degradation, such as the adoption of sustainable land management (SLM) practices. More work is required to obtain more accurate figures of the economic benefits costs and benefits associated with improved land management at multiple levels so as to provide a basis for scientifically-sound and reliable decision-making.



24%

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usable lands  
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## Better data for better action

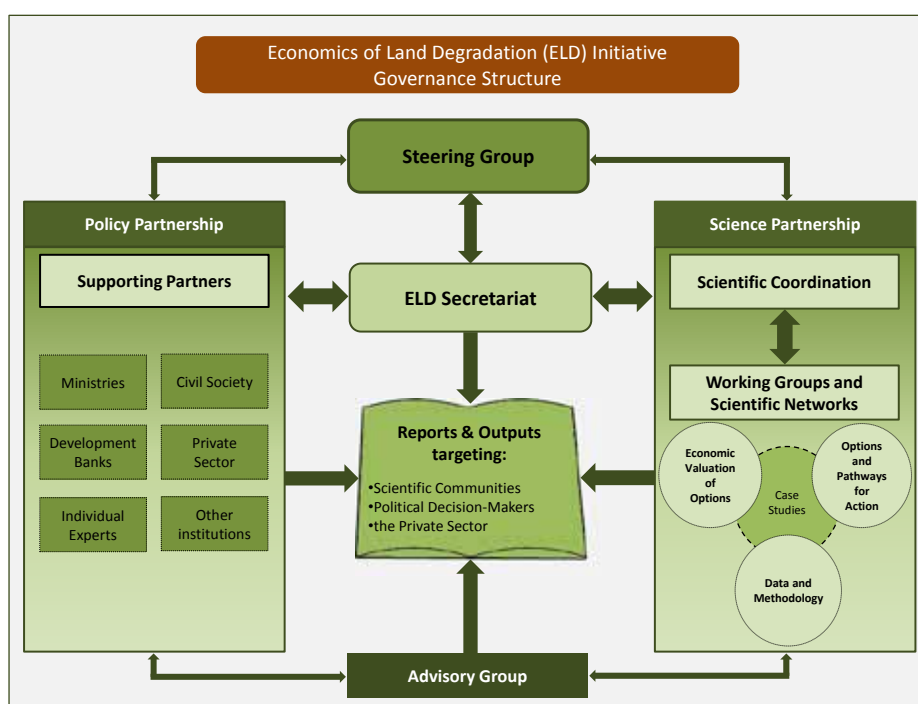
The ELD Initiative aims to provide a scientifically sound approach to solve the problem of progressing land degradation address by providing answers to vital questions. These include: How high are the social and economic costs of land degradation? What are the short- and long-term benefits of applicable sustainable land management approaches? What actions are needed to address the problem of land degradation effectively and efficiently, and what specific measures need to be implemented?

Policy-makers, businesses, farmers' organizations, financial institutions, and other stakeholders need a scientifically sound basis for making decisions that will ensure the long-term conservation of productive land. A global scientific assessment of the economic dimension of land degradation and the added value of sustainable land use are essential as a foundation for strategies and decisions in preventing further natural resource loss.

The ELD Initiative seeks to draw the attention of all public and private decision-makers from the local level to the global level to the socio-economic aspects of land degradation and ensure that it is integrated into decision-making processes for improved natural resource management.

## The ELD Initiative: a discussion platform

The ELD Initiative provides a platform for discussion between stakeholders from the policy, science, and private sectors, focused on developing globally relevant data on the economic benefits of land and land based ecosystems. It highlights the potential benefits derived from adopting sustainable land management practices and seeks to es-



establish a universal approach for economic analysis of land management.

### Our Vision

To transform global understanding of the economic value of productive land based on both market and non-market values, and to improve stakeholder awareness for socio-economic arguments to improve sustainable land management, prevent the loss of natural capital, preserve ecosystem services, combat climate change, and address food, energy, and water security.

### Our Objectives

To prepare and present a cost-benefit analysis of sustainable land management actions to reduce land degradation. It will enable decision-makers in politics and business to take the necessary measures for more sustainable development and improved food security for long term economic returns.

In the scientific realm, the ELD Initiative systematically reviews available studies of the economics of land degradation to facilitate consensus on the establishment of common scientific and methodological standards. This approach identifies reliable data and application-oriented tools urgently needed by policy-makers, private investors and other stakeholders.

### Reports

The ELD reports are based on state of the art research provided by a worldwide network of researchers and practitioners. They will be published aiming at the three ELD target groups: Scientific Communities, Political Decision-Makers, and the Private Sector.

On-going scientific research conducted within three working groups (WGs) will contribute to each report, based on the respective relevance of the material. The working groups include:

- WG Data and Methodology
- WG Policy Options and Pathways for Action
- WG Economic Valuation of Options

Publication of the reports is planned for the first half of 2015, with a view to impact the debate about development policy, food security, green growth, and rural development. They will be within the context of the Sustainable Development Goals (SDGs) and in recognition of 2015 as the International Year of Soils.

### Steps accomplished

Since the establishment of the ELD Initiative in 2010, the ELD Secretariat, Scientific Coordinators, and working groups have been established as the key working bodies. Additionally, a number of relevant case studies have been identified and provided the basis for a thorough gap analysis. Further case studies are under way to fill in some of these identified gaps. With the support from ELD partners, this has enabled the successful production of two publications – the ELD Scientific Interim Report (*ELD Initiative*,



2013, *Interim report*) and the ELD Business Brief (*ELD Initiative*, 2013, *Business Brief*). The Initiative continues to generate widespread interest that has seen a growth in its networks with scientists and experts from different disciplines worldwide.

The Initiative has succeeded in raising awareness on the importance of the economics of land degradation and its contribution in promoting the practice of sustainable land management. It also commands attention from international development discussions, e.g., in the UNCCD COP 11 decisions which recognize the need for economic assessments of desertification, sustainable land management, and the resilience of arid, semi-arid, and dry sub-humid areas.

### Let's establish a strong partnership!

The ELD Initiative is a collaborative, open multi-audience initiative, and the Memorandum of Understanding signed between ELD core partners has left the doors of the Initiative opened for additional partners to join the Initiative.

The ELD Secretariat is operated under Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and is responsible for coordinating the ELD work process. It serves as the contact point for the partners in providing political, financial, and administrative coordination with the network.

Throughout 2014–2015, the ELD Initiative will present interim results and key reports at a number of international key events, including: the World Economic Forum (WEF), United Nations General Assembly (UNGA), and the 12<sup>th</sup> Conference of the Parties to the United Nations Convention to Combat Desertification (UNCCD COP 12).

Soil counts –  
preserve it!

### Join us in the ELD Initiative

We are open to contributions from governments and the private sector, from multilateral and bilateral donors, from foundations and development organizations. The Initiative seeks cooperation with NGOs, CSOs, international businesses, financial institutions, farmers, agricultural associations, universities, and research institutions, from the local to the global level. We appreciate and call upon the continued support from our broad network of economists, scientists from various disciplines, business experts and public decision-makers.

#### We offer:

- State of the art from the ELD Initiative for better decision-making;
- Guidance and support through the ELD platform and our extensive international network;
- Visibility and outreach in the exchange with science, policy, and the private sector;
- Engagement in international framework setting processes.

**Become part of this worldwide partnership and contribute to a rich harvest of information for everyone's benefit.**



## THE ECONOMICS OF LAND DEGRADATION

### ELD Initiative Mission Statement

Through an open inter-disciplinary partnership:

- We develop a holistic framework for the consideration of the economic values of land in political decision-making processes;
- We build a compelling economics case for economic benefits derived from sustainable land management from the local to the global level;
- We estimate the economic benefits derived from adopting sustainable land management practices and compare them to the costs of these practices;
- We sharpen awareness of the socio-economic value of land and related ecosystem services;
- We will propose effective solutions, policies, and activities to reduce land degradation, mitigate climate change, and deliver food, energy, and water security worldwide.

More information at:  
[www.eld-initiative.org](http://www.eld-initiative.org)

BMZ



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