

Economics of Land Degradation (ELD) for the private sector workshop

Developing a Private Sector Toolkit – Workshop Report

Background

The [Economics of Land Degradation](#) (ELD) is an initiative that aims to increase political and public awareness of economic costs and benefits of healthy and productive land.

In June 2013, ELD organized a first private sector workshop, which aimed to establish a collaboration process between the ELD Initiative, organizations involved in land restoration initiatives and the private sector. During the workshop, participants agreed on the need to develop a “toolkit” for the private sector. The workshop also led to the finalization and the release of the [ELD Business Brief](#), which evaluates the risk of land degradation on various industry sectors and discusses the impacts of land degradation, using seven sectors as examples.

In collaboration with the [World Business Council for Sustainable Development](#) (WBCSD), and the [UN Convention to Combat Desertification](#) (UNCCD), the ELD Initiative organized a follow-up workshop for the private sector on 11-12 March 2014 in Bonn, Germany, to take stock of what happened during the past year and further discuss about the toolkit development.

The workshop brought together companies and institutions working with the private sector. It was organized in close collaboration with the UNCCD and the UN Global Compact (UNGC), which held sessions respectively on the Soil Leadership Academy (12-13 March) and the UNGC Soil principles (13 March).

Workshop Objectives

- Deepen business’ understanding of the costs of land degradation and the benefits of investing in sustainable land management as well as explaining possible new investment opportunities;
- Share company best practices in restoring land and achieving sustainable land management;
- Define what business needs to make it happen, i.e. what a business toolkit would look like;
- Feed into the ELD study report for the private sector;
- Identify how different organizations (e.g. ELD, IUCN, WRI, UNGC, etc.) can feed into the toolkit development.

Key highlights

Discussion on how to raise awareness and scale up action

Participants identified the following elements as critical to strengthen the business case for action and scale up existing initiatives:

- Assessment of *costs of action vs benefits of action*:

- *Sector-specific information* on gains and returns for business. In particular, need to specifically showcase the return on investment of positive actions & new business opportunities;
- Need to define the benefits for companies that have *indirect links to land* (and for which the benefits are less obvious);
- Case studies showing *different business approaches* to sustainable land management : convincing success stories / good practices that can inspire the rest of the business community;
- The need for an *exchange platform*, which supports companies in sharing useful experiences and provides increased visibility.
- Specific focus needed on:
 - Governance and legal frameworks (note: long term vision on local and national government policies is required). In particular, subsidies appear to be important tools that can be used to incentivize business action.
 - The impacts of sustainable land management on local and global stakeholders.
- Need to include both short and long-term thinking, since the business case in the short term tends to be weaker than in the long term.
- Showcase both bottom-up and top-down business initiatives, to demonstrate the different ways a case can be built within a company.

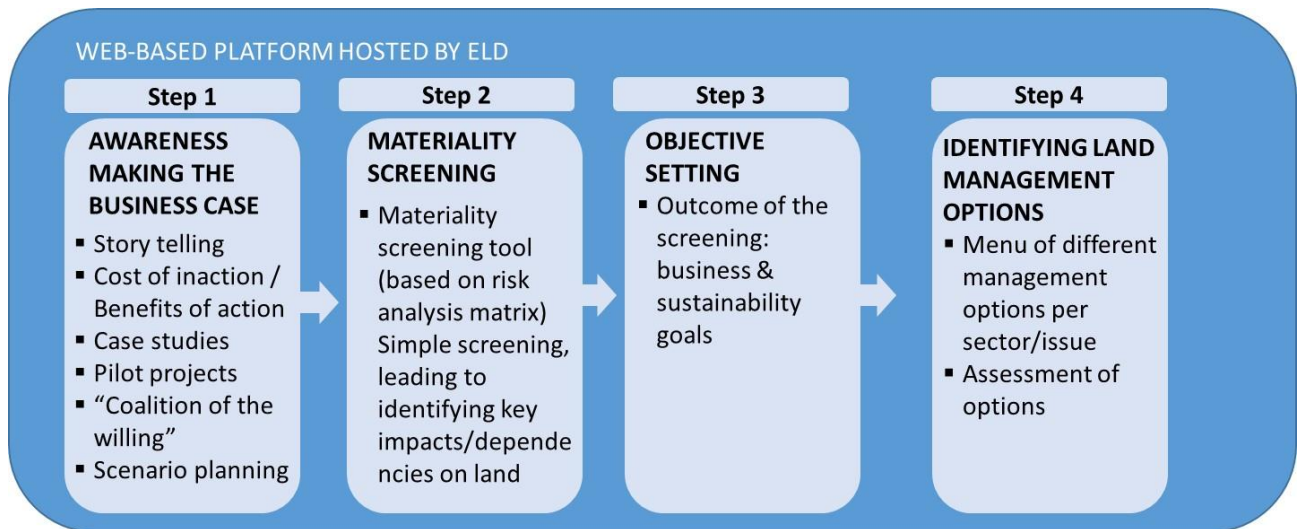
Key features of a toolkit for business

Participants also discussed about what a toolkit for business would look like. Below are the key features that were identified during the discussions:

- The toolkit should be around *knowledge sharing and knowledge management* including for example a website featuring business best practices.
- *Target audience*:
 - Need to target companies from all sectors, whether their impact on land is direct or indirect, in order to increase cross-sectoral awareness;
 - CEOs should also be one of the targets, because in many cases a top-down approach can be powerful;
 - People in charge of supply-chain within the company (e.g. Procurement Department) would also be one of the target audience;
 - “Sub-targets” could include business schools, financial institutions, civil society organizations, with the caveat that bringing in too many actors may slow down the process.
- Need to use a clear and *concise language*:
 - The narrative is very important as companies do not speak the same language as ecologists;
 - Definitions should be clear and concise;
 - Could use diagrams (shouldn't be too wordy).
- *Tools* could include the following:
 - Scenarios;
 - New investments options and approaches on restoration of degraded lands;

- Convincing success stories / good practices that could inspire the rest of the partners.
- Should take into account *limitations* due to competitive issues (i.e. difficulties for companies to share sensitive information).

The discussions led to the identification of 4 elements for this toolkit: (1) Awareness raising, (2) Screening, (3) Objective/goal setting and (4) Management options.



In particular, business participants discussed about the option of creating a “**Coalition of the Willing**” (i.e. a coalition of leading businesses), whose role would be to engage other companies and catalyze action. The ELD Secretariat volunteered to set-up this group of companies. Further activities planned in line with this are detailed at the end of this report under ‘Next steps’.

During the workshop, participants mapped out the resources and expertise they could provide to contribute to the development of the toolkit. Outcomes of the discussions are showcased in the table below.

Table 1: Resources, Expertise contribution and Gaps

Area	How	Existing resources	Expertise contribution
(1) Awareness raising	Story telling	ELD MOOC; SLM business forum (UNCCD); IUCN business cases – select countries/ value chains etc.; Pilot project – Green water credits (ISRIC); Business cases in SLM and restoration (Forest Finest); Film for restoration and	IUCN expertise in pilot projects; Forest Finance expertise in designing and implementing of pilot projects; The importance of understanding the relations and synergies between stakeholders in public sectors; private sector and
	Case studies		
	<ul style="list-style-type: none"> • Costs of inaction/ benefits of action • Looking at value chain impacts 		
	Pilot projects		

	<p>Create a 'coalition of the willing'</p>	<p>business (ERF); Case studies in the ELD business brief; Wetlands case studies (Shell); Creating value with stakeholders tool (New Angles); Case studies WOCAT data base; ELD materials; The Soil Leadership Academy (Syngenta); Case studies on water, soil and biodiversity (Syngenta); case studies (K+S)</p>	<p>civil society (SUPRAS); Role of soil in global issues (ISRIC); Creation for platforms for discussions (IUCN); Mobilization industry CEO (ERF); ELD website & communication strategy and activities; Existing pilot studies and expertise in rehabilitation (RWE); Business services to develop tailored cases and mind sets to create awareness (New Angles)</p>
<p>(2) Materiality Screening</p>	<p>Assessing the materiality of the issue in companies.</p> <ul style="list-style-type: none"> Materiality screening tool (based on risk analysis matrix) → Simple screening tool, leading to the identification of key impacts / dependencies on land 	<p>Sectorial risk analysis as portrayed by ELD business brief; WBSCD/ CEV adaptation; Screening and assessing investable projects (ERF); Assessment models (Syngenta); Material analysis, WRI tools online</p>	<p>Handbook business (ERF); Risk assessment matrix methodology (Shell); Business service to help screening date and give decision support (New angles); Review brainstorming cases, practical feedback continuously (K+S)</p>
<p>(3) Objective/ goal setting</p>	<p>Specific business & sustainability goals.</p>	<p>Delivering and developing a common language for returns (ERF); Challenge plus find new landscape entrepreneurs (ERF); Optimal benefits for all stakeholders (Supras)</p>	<p>ELD network of experts; Sustainable land use re-circling (RWE); Learning expertise's in setting SLM goals (Syngenta); Business case developments (New angles)</p>
<p>(4) Management options</p>	<p>Catalogue of options, what should companies avoid, what should companies do etc.</p>	<p>IUCN restoration opportunity assessment method – ROAM; WOCAT –LADA-Desire methodology for analyzing effects of SLM decisions of ecosystem services; Good practices from IUCN and WOCAT, Decision support tools and Develop investment fund (ERF); Training local leaders (ERF), A conscious effort to recognizing all relevant stakeholders and focus on participation, governance and transparency (SUPRAS)</p>	<p>Local quality referential label and quality standard settings (Grünvert); WBSCD and WEF programme engagements; Long term sustainability projects (RWE); GEF grants.</p>
	<p>Assessment of options</p>		

Links with advocacy events

Participants agreed that the initiative should be linked to the Bonn Challenge in one way or another.

Significant upcoming events include:

- ELD scientific meeting in June 2014 in Nairobi
- G(7)8 summit: initiatives on soil health and soil rehabilitation
- 70th United Nations General Assembly (UNGA 70): presenting of ELD initiative work
- SDGs: Working on including the economics of land
- 2015: UN International Year of Soil
- World Economic Forum in Davos on January 2015 – could be the opportunity to organize events focused on land

Next steps

- The participants underlined the need to map out the resources that are already available as well as those that are needed in order to have a clear idea of the next steps to take to push the project forward between now and June.
- ELD Initiative will take the lead in developing the elements of the toolkit
 - Development of the content of the toolkit (in cooperation with the private sector and other organizations).
 - Integrating this process into the existing ELD Initiative working groups.
 - Advancing outreach to enhance coherence between the private and public sector.
 - Set up the coalition of the willing – with plans for them to meeting during the 3rd ELD Scientific Meeting (4 – 6 June 2014, in Nairobi - Kenya) and at the margins of the Caux dialogue (30 June – 4 July 2014, n Caux – Switzerland).
 - Organization of the 3rd Private Sector Workshop planned for the end of June 2014, to concretize the toolkit with further engagement and contribution from the private sector.