

Landscapes for People, Food & Nature in Africa



Engaging Business for Integrated Landscape Initiatives in Africa

New multi-stakeholder, integrated landscape initiatives (ILIs) are emerging as an operational framework to address risks and support economic growth, food production, ecosystem conservation, and rural livelihoods across entire landscapes. However, a key player in these issues—the business sector serving local, national, and international markets—has been largely absent. More effort is needed to evaluate the business case for their participation. This paper reviews how the business sector is gaining experience in landscape approaches in agricultural regions in Africa and proposes priority action areas for increasing business engagement, from small enterprise to multinational corporations, in new and existing African ILIs in the future.

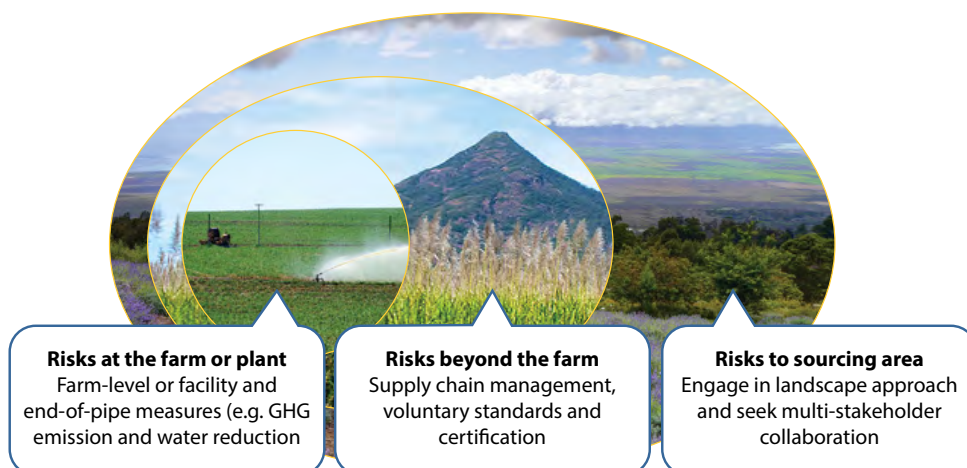
State of Knowledge

With approximately 60 percent of the world’s remaining arable land, Africa is poised to achieve significant economic growth through agricultural development and other rural land uses (AGRA, 2013). However, risks related to the management of land and water resources threaten the viability of this growth and the inclusivity of its potential benefits to local people (WWF, 2011; KPMG, 2012). Recently, agriculture has re-surfaced at the top of policy and development agendas across Africa with growing recognition of the potential to promote economic growth while contributing to increased food security, poverty reduction, and environmental conservation.

The African agricultural sector is also attracting the private sector, given rising global demand for agricultural commodities such as palm oil, cocoa, forest products, and minerals. Between 2008 and 2020, consumer products, natural resources, agriculture, and infrastructure in Africa are projected to generate a combined potential revenue of USD 2.6 trillion, or a sustained compound annual growth rate of four percent (WEF, 2013). With this growth, companies relying on national and global value chains such as cocoa, with 67 percent of global supply in West Africa, have found themselves more exposed to decreasing resource security and extreme events such as droughts and their consequences for food production. Similarly, risks to company brands, particularly international brands, are exaggerated by the clearing of high conservation value areas, conflicts with local communities, corruption, and poor governance (Deininger et al., 2011). Small- and medium-size enterprises (SMEs) in production areas face the same risks as larger companies and also lack reliable access to information, financing, and energy.

Business Participation in Integrated Landscape Initiatives

To date, the response of agricultural businesses and the food industry to the risks they face in agricultural landscapes has largely focused on securing commodity supplies and developing sustainable sourcing strategies for specific value chains. The business case for the private sector to take a broader role in ILIs is based on concerns about investments, loss of shareholder value, and consumers’ demand for sustainably produced food, fuel, and fiber. Yet, there are few cases where cost-benefit analysis has been undertaken for landscape-scale interventions or demonstrated a large enough return to catalyze private sector investment.



Addressing risks at various scales (source: Kissinger et al., 2013)

There are good examples of private sector investment in sustainable commodity production. The African Cocoa Initiative (WCF, 2014) in Cameroon, Cote d'Ivoire, Ghana, and Nigeria focused on increasing productivity and farmer income in cocoa. Support for farmer certification schemes, such as Unilever's certified tea investments in Kenya, have incentivized good ecological and social management (Unilever, 2014). However, many of these initiatives promote changes at the farm or concession scale and are not easily adapted to the landscape-scale risks that can threaten long-term business success (e.g. cross-sectoral competition for water resources). A landscape approach to risk reduction and sustainable production is likely to be needed where risks operate at the scale of whole sourcing areas (Kissinger et al., 2013).

Africa has seen the emergence of multi-stakeholder ILIs that seek to simultaneously increase production, protect ecosystems, and improve livelihoods. These initiatives offer a new framework for defining the next agricultural green revolution in Africa, one that combines agriculture-based local and national economic development with explicit objectives for environmental conservation and food security. However, a 2013 review that identified 87 African ILIs in 33 of the 48 countries in sub-Saharan Africa found that private sector stakeholders were notably absent from most ILIs (Milder et al., 2013a). Of the 87 ILIs, which are predominantly led by civil society and government, agribusinesses were participating in only eight percent, logging companies in five percent, and mining companies in only three percent. More than 60 percent of leaders of African ILIs identified the need to reduce land degradation, improve sustainable land management, and increase farmer income as primary challenges—all issues of core concern to business.

Landscapes Approach Interventions and Support Mechanisms

The 2013 Landscapes for People, Food and Nature Initiative study titled, *Reducing Risk: Landscape Approaches to Sustainable Sourcing* conducted a global inventory of private sector participation in ILIs and examined the experience of a sub-group of companies. The table on the following page describes some of the major initiatives identified for the African continent.

Overview of Select Integrated Multi-Stakeholder Landscape Initiatives in Africa with Private Sector Involvement

Project Type	Name, Location and Partners	Risks / Business Engagement / Market Mechanism Interventions
Watershed—Regional partnership mitigating a jointly identified risk		
Integrated Landscape Initiative focused principally on watershed services	Lake Navaisha Initiative, Kenya (Kenya Government, WWF, Dutch Flower Industry, Community Groups)	Water security risks: Insufficient supply, climate change and population growth Business engagement: Developing a clear definition and management of the availability of water and the rules for its use in the different parts of the catchment; Participation in multi-stakeholder platform Market mechanism interventions: Conservation easements, subsidies
	Water Futures Partnership, South Africa (South African Breweries Ltd, SABMiller, WWF, GIZ)	Water security risks: Insufficient quality, unsustainable upstream practices and climate change Business engagement: Company calculates water footprints, conducts water risk assessment with local stakeholders/sectors, and sets targets and timeline; Integrated approach has resulted in mitigation of operational risk, reputational benefits Market mechanism interventions: Direct support for community development activities
Sourcing—Business or NGO led partnership mitigating regional risks		
Integrated Landscape Initiative focused principally on enhancing biodiversity	British American Tobacco Biodiversity Partnership, Uganda <i>Tropical Biology Association, Nature Uganda, Tree Talk, British American Tobacco-Uganda, community based organizations, and Fauna & Flora International</i>	Production risks to long-term quantity and quality: Unsustainable land use practices, natural area degradation Business engagement: Biodiversity risk and opportunity assessment tool (BROA) identified high priority area; Local communities and institutions to undertake landscape enhancement, restoration, and protection activities across the demonstration areas using agricultural best practices Market mechanism interventions: Direct support for best practice and community development activities
Integration of cocoa certification and sustainable forest management	Western Ghana, Juabeso-Bia landscape initiative <i>Olam, Rainforest Alliance, local government and community-based organizations</i>	Risk of climate change impacts on cocoa production Business engagement: Training farmers in the new SAN climate module; Creating linkages with forestry policies including REDD+ Market mechanism interventions: Eco-certification, REDD+
Policy—Government or International fund led Initiatives		
Agriculture Green Growth Approach	Southern Agricultural Growth Corridor of Tanzania (SAGCOT) <i>More than 30 governments, institutions, organizations and private sector partners</i>	Risks to natural resource base and social cohesion: Low productivity, unsustainable practices in region, soil degradation, poverty Business engagement: Facilitate the development of clusters of profitable agricultural business; Capitalize on new opportunities to apply sustainable production, processing, and supply chain practices Market mechanism interventions: Innovative financing strategies to support best practices
Landscape Restoration and Green Growth	Rwanda Nyungwe (Gishwati) <i>Rwanda Government and private sector actors, including the British-South African New Forest Company, local community groups, and international NGOs</i>	Risks to local economy and natural resource base: Deforestation, forest degradation Business engagement: Kick-start a forest industry, based on the harvesting of old pine-eucalyptus plantations, including wood processing chain linked to the government's national electrification program; Replanting with better ecologically adapted eucalyptus varieties, plus indigenous/exotic species mix Market mechanism interventions: Payments for ecosystem services

Consensus Actions

In the literature and discussion platforms researched, there are a number of commonly supported actions that can encourage business to more effectively engage in ILM in Africa.

Develop the Investment Business Case

Operationalizing business engagement requires shaping markets to achieve the multiple objectives of integrated landscape management (ILM) (Scherr et al., 2013). But business planning cycles are short and focused on reducing near-term risks while landscape processes are complex and landscape-scale interventions commonly address medium- and long-term risks.

Intended outcome: To make landscape approaches more easily understood, construct an ILM investment business case for SMEs and larger companies, and create easily applied models and methodologies for assessing the value of integrated landscape management for risk mitigation

Increase Uptake of Landscape Assessment Tools

Most standard business risk assessment tools are not designed to identify landscape-scale risks and opportunities. But there are many different types of tools available to businesses that are working with landscape managers to change the underlying financial incentives of landscape stakeholders. The recent Landscapes for People, Food and Nature in Africa conference showcased a range of relevant tools including the BROA Biodiversity Risk and Opportunity Assessment tool from the British American Tobacco Biodiversity Partnership and the Corporate Ecosystem Services Review from the World Resources Institute.

Intended outcome: To enhance understanding and application of landscape risk and opportunity assessment tools by businesses, increase private sector capacity to define priority actions and investments within multi-sector partnerships, and fine-tune tools so they are more compatible with existing business operations

Improve Business Capacity for Effective Engagement

While awareness of potential benefits of the landscape approach and capacity for engaging in multi-stakeholder landscape partnerships is low among the business community, interest is gaining. In addition to experimenting with landscape assessment tools, private sector practitioners and decision-makers need to be exposed to basic ILM concepts and to generate and share lessons about supporting multi-benefit agricultural landscapes through multi-stakeholder collaboration in key sourcing regions.

Intended outcome: To build business engagement and capacity through simple communication products that describe the landscape approach in business terms and which can be refined into more sophisticated knowledge products through convened dialogues (e.g. an African Roadshow to expand training and capacity building in ILM and business sustainability)

Introduce Landscape Labeling

Innovations are underway in agricultural markets, particularly through voluntary sustainability efforts such as third-party certified standards, businesses' internal supply standards, and eco-

tourism branding. Secondary markets for non-timber forest products such as mushrooms, honey, and medicinal plants offer viable models for SMEs that support alternative livelihoods and agrobiodiversity. Similarly, landscape labeling is a producer-driven approach that can provide financial incentives for practicing agriculture, fishing, or forestry in ways that help to sustain biodiversity and ecosystem services, while improving livelihood security (Hart et al., 2014). As public, private, and civic sector actors gain experience with this approach, landscape labeling could become a new way for businesses to certify sustainable production and enhance values derived in landscapes while reducing certification costs.

Intended outcome: To develop inclusive sustainability certification schemes that unlock the market potential for ILM and identify mechanisms establishing landscape labeling initiatives that bring diverse stakeholders – including smallholder producers – together

Create Public Sector Support for Private Sector Engagement

Effective local and national governments are crucial to functioning agricultural value chains. They are essential to creating lower-risk business environments, because they have significant influence over the existence and quality of infrastructure, policies, and rural advisory services.

Intended outcome: To provide guidance to local and national governments and develop frameworks and resources to assist them in delivering essential infrastructure, policies and services that will enable ILM in agricultural landscapes

“Springboards for Action”

Recently, a number of partnerships have developed in Africa to focus on large-scale, transformative change through agricultural development, with co-benefits for rural livelihoods, food security, and natural resource management.

- International public-private partnerships include Grow Africa, a joint initiative of the African Union Commission, the New Partnership for Africa’s Development, and the World Economic Forum, with renewed financial commitments by African heads of state of more than USD 13 billion in 2013. Grow Africa’s objectives include increasing private sector investment, partnership building, and expanding knowledge on agricultural best practices to smallholders at scale.
- The Southern Agricultural Growth Corridor of Tanzania has developed an ‘agricultural green growth’ investment strategy to infuse climate- and environmentally-smart practices into agricultural development, benefit smallholder farmers, and enhance adaptation to climate change, while decreasing overall carbon emissions (Milder et al., 2013b). The new Sustainability and Inclusion Strategy for Growth Corridors in Africa program, led by the International Union for Conservation of Nature, has the opportunity to mainstream these concepts within African green growth corridors.
- Launched in 2012, the New Alliance for Food Security and Nutrition is another catalytic public-private partnership, convened by the African Union Commission, United States Government, and World Economic Forum, aimed to stimulate and realize private sector investment in African agriculture, while contributing to improved farmer livelihoods and

food security. With new commitments by African and US firms of USD 7 billion at the US-African leaders summit in July of 2014, African companies and major multinationals are better positioned to address key development challenges.

- Initiatives are also underway to enhance small- and medium-sized enterprises in ILLs. In Zambia, Community Markets for Conservation (COMACO) is a new limited-by-guarantee non-profit company, stewarded by the Wildlife Conservation Society in close consultation with local, district, and national government agencies, community resource boards, and wildlife authorities. COMACO is pioneering a transformative model for community-based market approaches that develop synergies between conservation farming, wildlife preservation, and commodity markets for smallholder farmers in rural areas.
- The United Nations Environment Programme's (UNEP) Green Economy Initiative is supporting 'green business' and encouraging other sectors to achieve socially inclusive, efficient, and low-carbon growth that reduces loss of biodiversity and ecosystem services (UNEP, 2014). In Kenya, UNEP has partnered with the government in a multi-million dollar restoration initiative to reverse trends of deforestation in the economically and ecologically important Eastern Mau Forest Complex.
- New programs, such as the Sustainable Land and Water Program, led by the Sustainable Trade Initiative, that focus more explicitly on combining value chain approaches with integrated landscape management objectives and governance structures, will serve as incubators for supporting ILLs to engage more effectively with the private sector.

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