

Invest in Land or Invest in People?

Transforming Investment Models for
Agrifood Systems Transitions



Investing in land AND people is a must

- ▶ The climate crisis and pandemic have both primed the world to look at new ways of doing development and increased calls for transformational change.
- ▶ Transformative Land Investment is about creating sustainable food systems that empower vulnerable communities, inspire civic engagement and galvanize collaborative action and innovation.



Transformative, Responsible Investments



**Transformative
Land Investment**

- ▶ Social change through active ownership and promote businesses to invest in smallholders rather than compete with them.
- ▶ Civil society with the tools and information they need to be heard and make informed decisions.
- ▶ Developing business strategies among the global development community.



A collaborative project to protect land rights and promote sustainable development in the Mekong Region.

- ▶ Land is essential to the livelihoods and cultural identities of communities, however, various investments threaten the way of life for many smallholder farmers.
- ▶ Created alliances to collaboratively work as diverse agents towards similar goals.

Panelist



Land Equity International

Kate Rickersey



Serendipalm

Safianu Moro



IPSARD

Nguyen Anh Phong



Oxfam America

Romita Shah



GPSR

Stefano Savi



Critical role of business

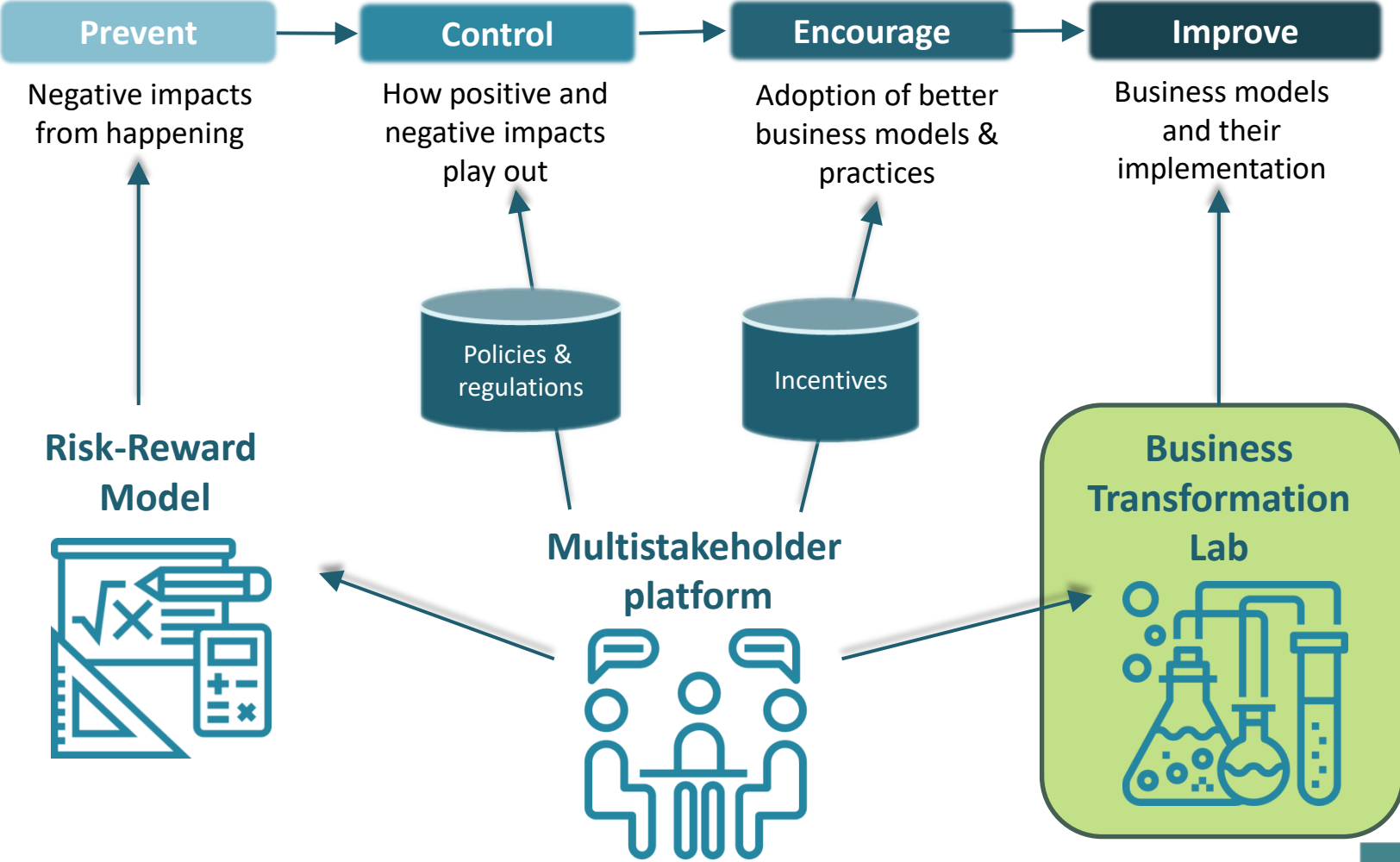
Opportunities

- Improve smallholder market access.
- Disseminate climate smart/agroecological practices and technologies.
- Increase smallholder competitiveness.
- Improve food safety.
- Strengthen infrastructure and connectivity.
- Shorten supply chains.
- Unpack land tenure issues.

Risks

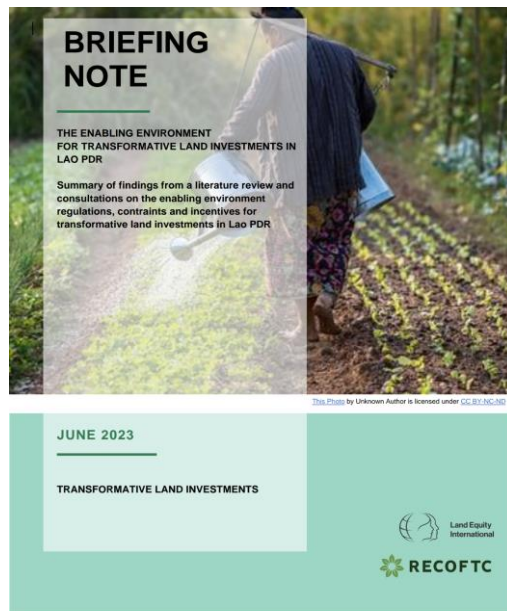
- Export market orientation.
- Focusing on the wrong commodities.
- Compete and not integrate smallholders.
- Exacerbate land conflicts.
- Poor integration local knowledge.
- Market concentration.
- Promote monocultures.

TLI transformation strategy



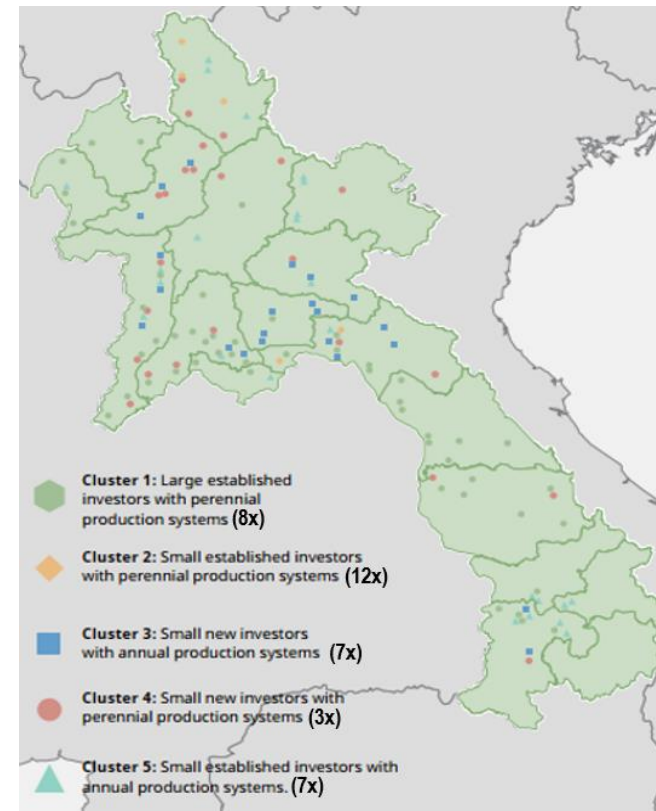
Analyzing and responding to the enabling environment for RAI

- ❖ Financial institutions analysis in draft: Constraints and opportunities for financial systems to support RAI in LBIs, and agri-food system In Lao PDR.
- ❖ Value Network Mapping with MTP, and others (Saffron Coffee, Lao-Thai Hua Rubber, Tapioca Starch, etc.).
- ❖ Community field surveys on perception and to inform options for improvement. Comprehensive tablet tool prepared.



LBI needs assessment

- ❖ 37 various land-based companies assessed covering: cassava, coffee, fruits, rubber, timber, etc.
- ❖ Main needs include: public-private partnerships, land acquisition and compensation, standards compliance, contract farming, etc.





Business Transformation Labs

- ❖ Technical support facility at the national-level available to agricultural and forestry LBIs.
- ❖ Assist investors identify bankable opportunities, and devise strategy for improving practices, policies and business models.
- ❖ Develop public and civic, financier partnerships with investors to deliver on strategy.
- ❖ Provide technical backstopping for implementation.

For whom?

Utility?

Government

Relieve service delivery burden; improved wealth creation and distribution.

Investors

More effectively support a sustainable food systems transition; reduced operational and reputational risk; resource and capability gaps closed; improved access to innovative and concessionary finance.

Civil society

More effectively engage private sector; more effectively support communities; improved access to funding.

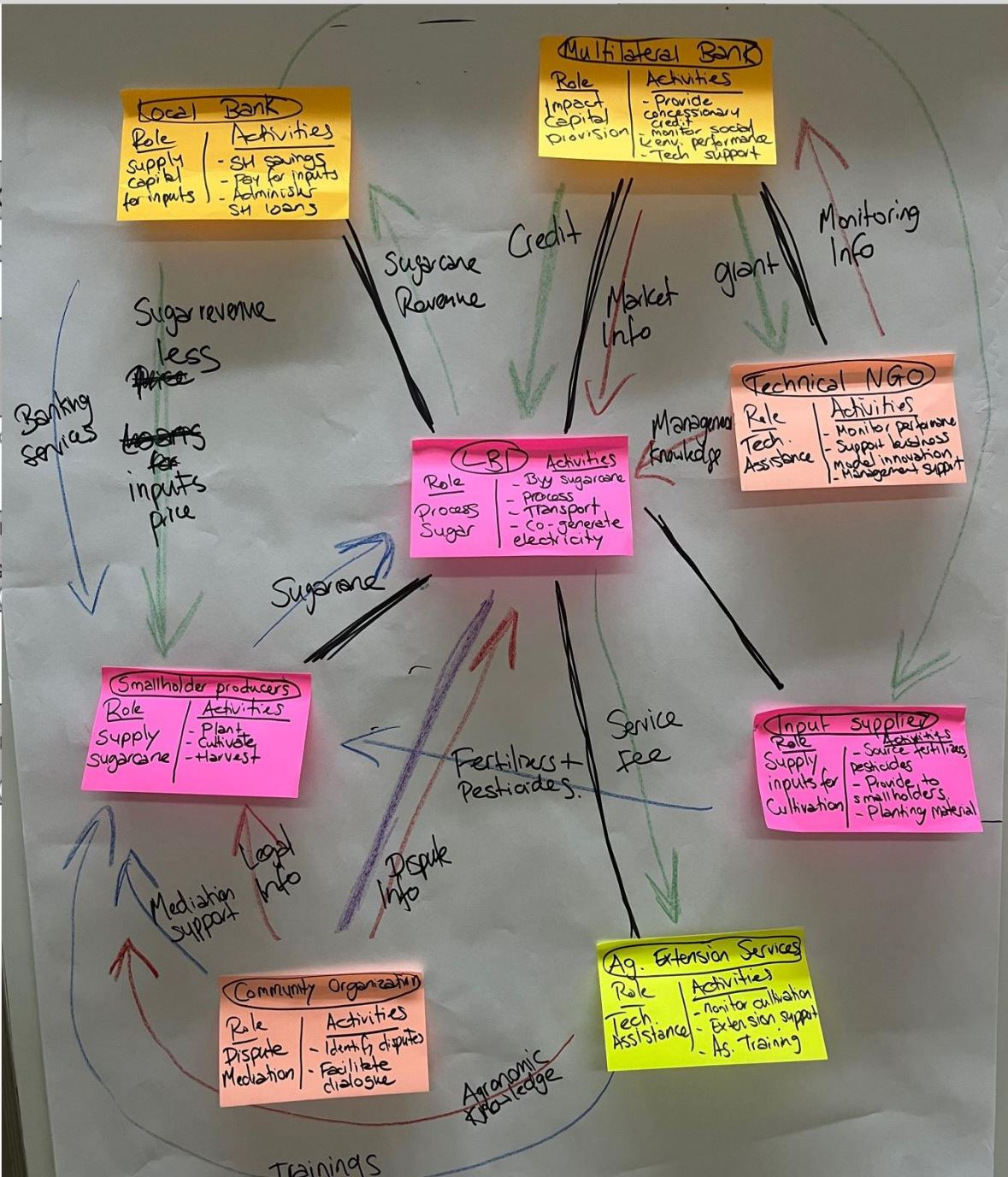
Host communities

Improved access to economic opportunities; improved productivity; more resilient to market and climatic shocks.



Transformative
Land Investment

Value Network Mapping Tool



❖ Network structure:

- High centrality of the company and vertical integration.
- Minimal local community and business engagement.
- Supporting partners play critical role.

❖ Value drivers:

- An important risk mitigation approach.
- Strong government support.
- Local value addition underpin the economic risk.

❖ Network outcomes and impacts:

- Minimal impacts on local communities.
- The Youth Inclusive Program and GESI strategy increase job opportunities but challenged with others.
- Benefit through CSR and infrastructural development, NTFPs collection, livestock raising.
- Local government and NGO support help reducing conflict.

FAMILY SOAPMAKERS SINCE 1858

DR. BRONNER'S

ALL  **ONE!**

In all we do, let us be generous, fair & loving to Spaceship Earth and all its inhabitants. For we're All-One or None! All-One!

Safianu Moro

Managing Director, Serendipalm Co. Ltd.

Asuom, Ghana





WHY SERENDIPALM STARTED PRODUCING PALM OIL



Vision: Creating employment for unskilled women – in a traditional industry -
at better condition – and benefit farmers

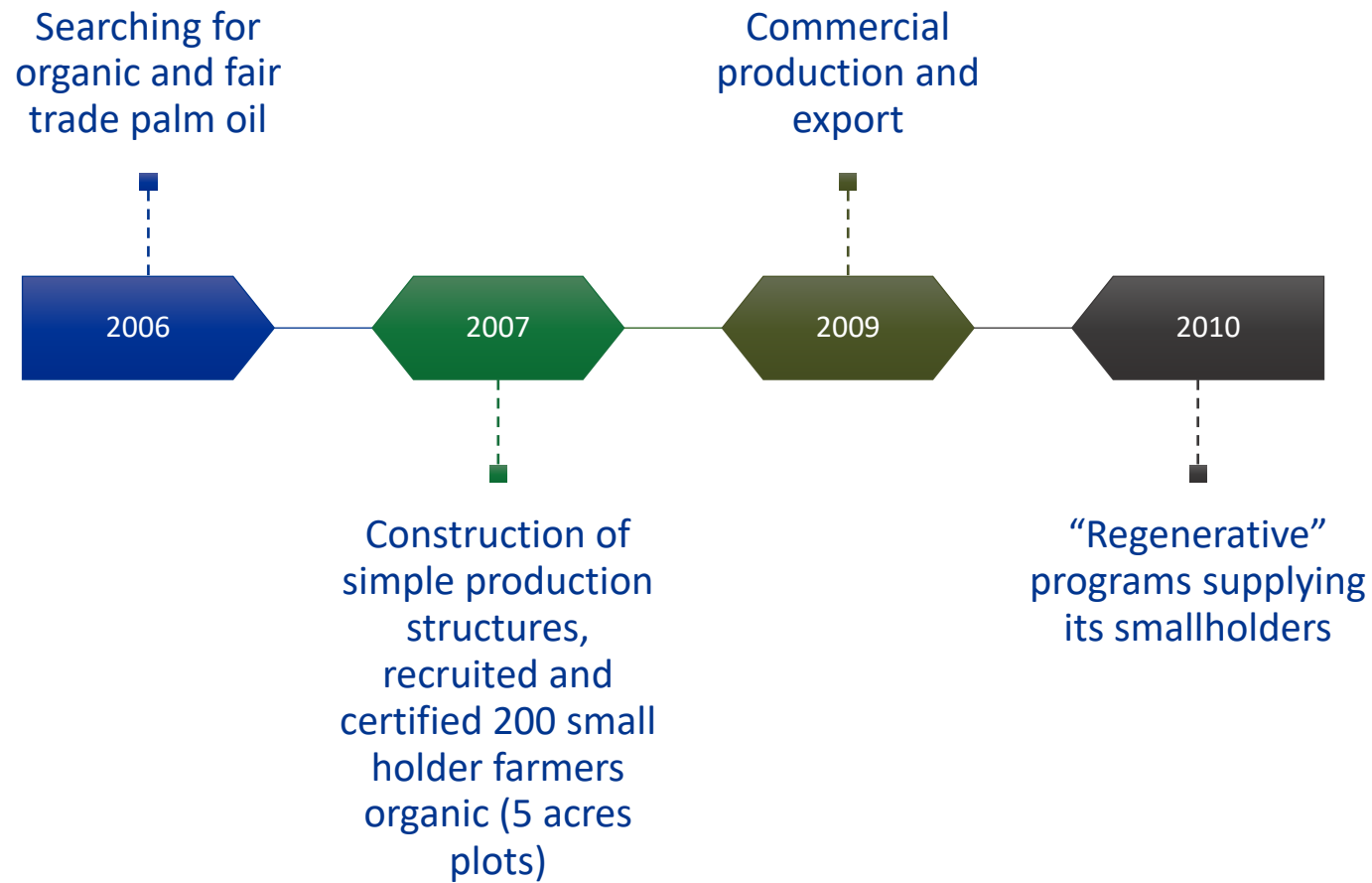
- DRB uses palm oil only in bar soap.
- Began looking for organic & fair trade sources in mid 2006.
- Explored Ghana option with small US-NGO *Fearless Planet*
- Certification: SPCL is certified Organic (EU, NOP, Naturland) and Fair trade (Fair for Life, Naturland fair), Hand-In-Hand and Regenerative Organic Certified (ROC).



SERENDIPALM: BRIEF PROJECT OVERVIEW

- Fresh Fruit Bunches (FFBs) and dried cocoa beans supplied by some 850 organic smallholder farmers around Kade/Asuom area and Bibiani.
- Largest employer in Asuom - staff of 459 including some 178 women and 40 professionals.
- Strong community engagement and impact
- Sells some 1000 MT/year of crude palm oil (CPO) to Dr. Bronner's and 2 high-profile organic/fair trade customers in Germany. Plans to produce 1200 MT in 2024.
- Currently expanding production of organic cocoa and replanting with mixed agroforestry systems incl. oil palm and cocoa.

SERENDIPALM STORY



AGRICULTURAL CHALLENGES – AND SOLUTIONS

We early on realized the poor yields of palm fruits → Serendipalm implemented several “regenerative” programs with its supplying smallholders since 2010:

Offered interest free farm maintenance and harvest knife loans to encourage more frequent manual weeding and pruning.

Organized collection and return to fields of organic production waste as mulch and manure.

Land tenure system – largely crop sharing

By 2022 trained over 1,000 farmers and farmworkers in the installation and operation of dynamic agroforestry plots

....REGENERATIVE SOLUTIONS



Planted over 200,000 oil palm seedlings for workers and farmers - financed by DRB and by KIVA.



Incentivized planting of leguminous cover crops



→ Increased average yield of palm fruits (FFB) from 3.2 to 4.5 metric tons per acre (40%)



No significant pest attacks on oil palms since 2013 – despite non-use of pesticides.



Empty fruit bunches and Palm Oil Mill Effluent.



Started dynamic agroforestry since 2017



Fruit Cleaning during Peak Season





NATIONAL PLAN ON FOREST ALLOCATION

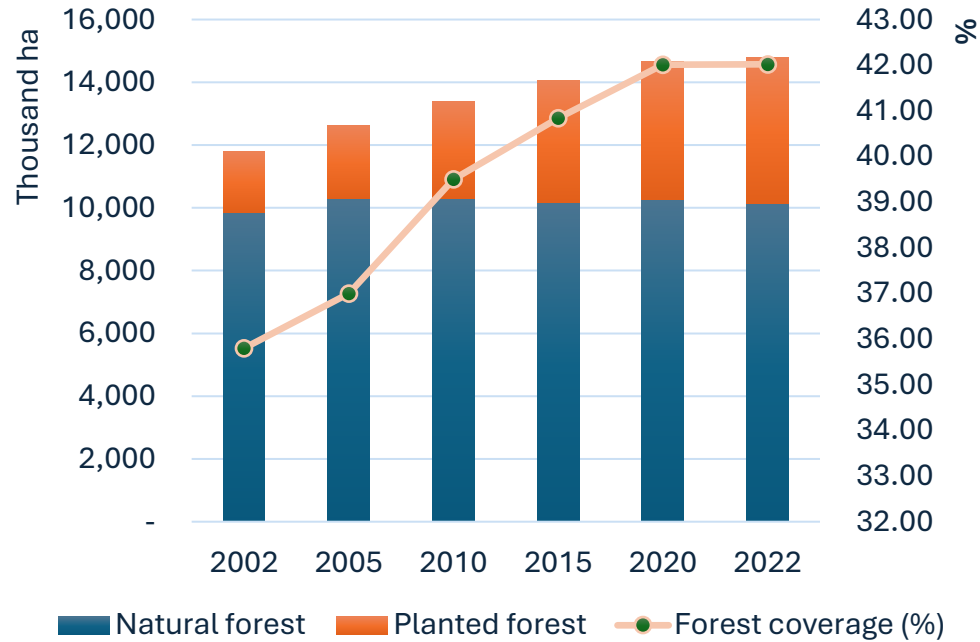
AND LEASING IN VIETNAM

Dr Nguyen Anh Phong

AGRO  **INFO**

Forest in Viet Nam

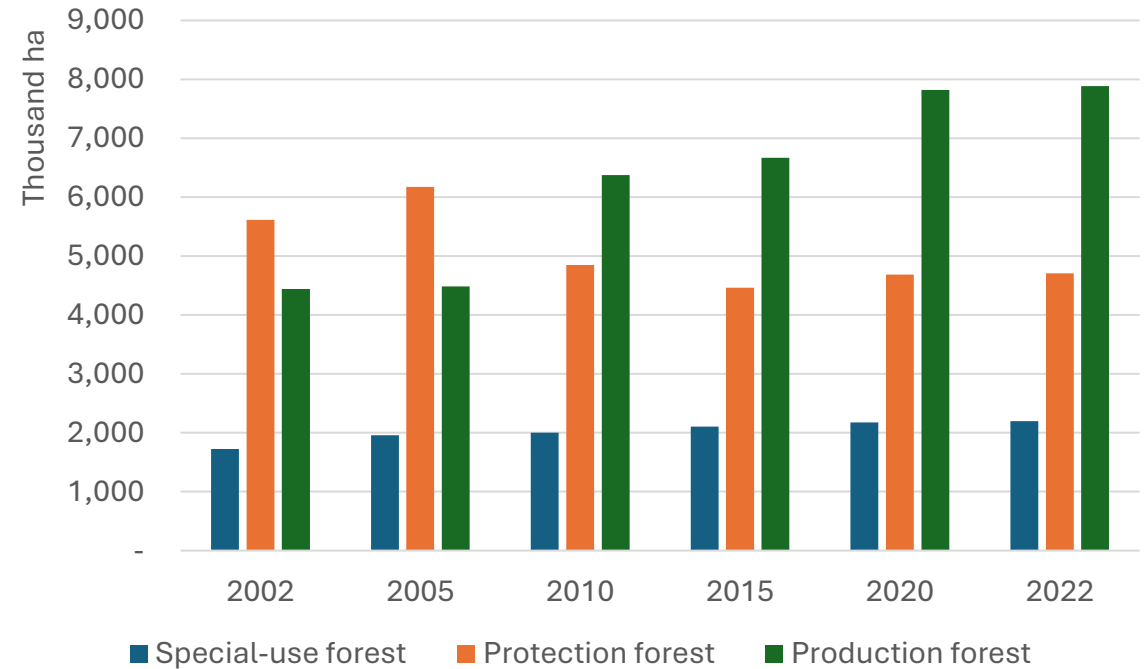
Total forest area in 2002 - 2022



Source: Forest Protection Department

- Forest coverage increased from 35.8% (2002) to 42% in 2022.
- Total forest area increased by 3 million ha from 11.8 million ha to 14.8 million ha in the period.
- The increased area comes from planted forest.

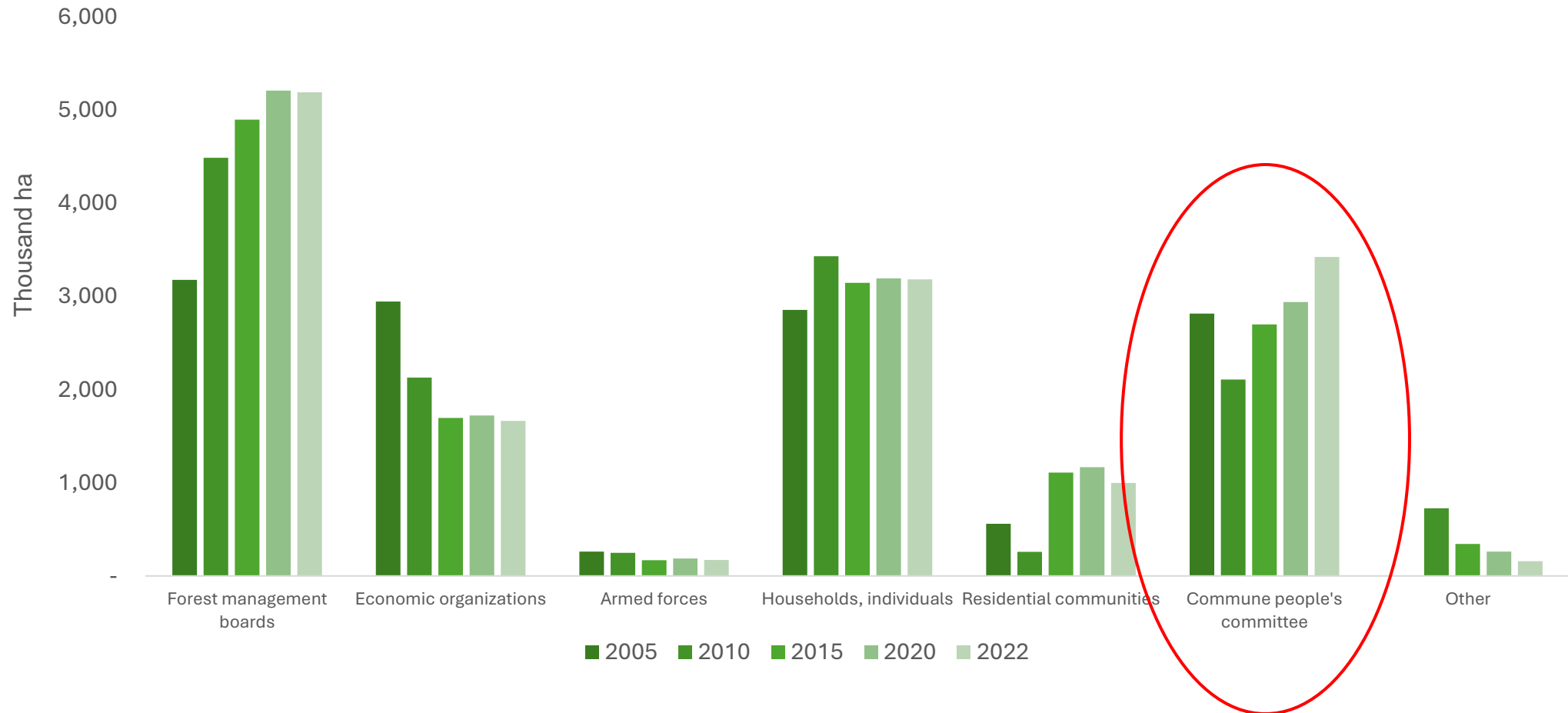
Forest types by functions



Source: Forest Protection Department

- In 2005 - 2015, the area of protection forest decreased by 1.7 million ha (-) 23%/year.
- Mostly due to conversions to production forests, hydroelectric and mineral projects, supplementing local production land funds etc.

Forest area (ha) by management entities in 2010-2022



- **23.13% assigned to Commune PC** remains unallocated, the forest quality is low, lack of forest management records, etc.

The National plan on forest allocation and leasing

- On June, 2023, the National Assembly: "... by 2026, ensure all land areas planned for forestry must be allocated and leased to real forest owners"
- On July 7, 2023 the Prime Minister assigned MARD to establish the national plan on Forest allocation and leasing on the period of 2024 – 2026.
- Department of Forest Protection (DFP) and IPSARD (with support of MRLG) drafting the National plan to submit the Government from Oct 2023 – June 2024.
- **Key recommendation had been integrated to the National Plan**
 - Request for provinces to implement the National plan: Ensure equality for all actors participating in forest management, protection and development; Prioritize forest allocation to local ethnic minorities; Village communities to manage forests based on customs; Households and individuals who contracted to protect forests to improve their lives, contributing to hunger eradication and poverty reduction in key forestry areas.



Roles of stakeholders

Ministry of Agriculture and Rural Development (MARD)

- Lead and coordinate with ministries, provinces and other stakeholders to implement the National Plan through policy and projects
- Implement activities to support National Plan;
- Propose and recommend to the Prime Minister issues affecting National Plan.

The Ministry of Finance

- Allocation of State budget to implement the Project based on MARD prioritisations.

Provincial People's Committee

- Issue policies to encourage and support forest allocation and lease, suitable to local actual conditions; Develop plans for forest allocation and lease; monitor and evaluate.
- Budget request to Provincial People's Council



Expected impacts for local forest dwellers and stewards stakeholders

- Forest allocation and leasing will help **people** who stay near forests **to improve livelihoods, promote social networks and social value of the community.**
- **Forest allocation and leasing will enhance the efficiency and productivity** of forestry land to its fullest potential in economic development, creating jobs and increasing income of forest owners and other stakeholders.
- Forest allocation and leasing will protect the existing natural forest area and increase the area of newly planted forests, **increasing forest coverage to promote protective features, limit erosion, and protect the environment.**

Transforming land investments

Centering smallholder farmers and communities in transformative large-scale land-based investments

World Bank Land Conference, May 2024



A woman is shown from the back, looking towards the right. She is wearing a colorful, patterned headscarf and a matching patterned dress. She is standing in a field of tall, green plants, likely corn. The background is a soft, out-of-focus green field under a bright, hazy sky. The overall mood is peaceful and contemplative.

LAND IS WHERE IT ALL BEGINS

Oxfam and land inequality

- Oxfam's overarching mission is to address inequality. Land is the original form of wealth inequality
- Oxfam works at the community, national, and international level in protecting and securing land rights
- Our programmatic work spans across nearly 40 countries supported with international advocacy and specific campaign actions
- Key issues include land rights for women and indigenous communities, land and climate change, land and conflicts



Behind the Brands and Land work

- Rural communities face increasing demand for their land from companies and investors
- OUS' work vis-à-vis land includes engaging the private sector to respect land-related human rights
- This work first began with the 2013 Behind the Brands campaign. We challenged and engaged food companies and subsequently agribusinesses to adopt better land policies and practices
- Specific campaign actions were complemented with on the ground programmatic work (see next slide for Malawi case study)



Case study: Malawi

- **Problem:** Large-scale land-based investment practices result in communities losing access to land and natural resources and their source of livelihood
- **Our Work:** Incubated a local-led multi stakeholder platform to advance responsible and inclusive land-based investment practices and partnered with local allies
- **Our impact is three-fold:** Contributed to advance and reform Malawi's land laws, protected rights of smallholder farmers in business-community land disputes, and engaged private sector to develop responsible and inclusive land-based investment policies and practices
- **Challenges:** limited players in Malawi advancing land rights and informational asymmetry





Global Platform for Sustainable Natural Rubber

The supply chain

- Natural Rubber is a key ingredient in tires and many other products
- 70% going to tire production
- 85% produced by smallholders, mostly in Asia
- Growing demand = sustainability issues to address





Where GPSNR fits

- **Truly multistakeholder:** Including all supply chain actors from smallholders to end users, and civil society organisations
- **Growth and reach:** GPSNR reached more than 200 members, representing over 55% of global natural rubber volume
- **Strong commitments:** Policy framework adopted to set ambitious social, economic and environmental commitments for GPSNR members
- **Implementation & reporting:** In 2021, members voted in standardised reporting requirements; In 2022, we started reporting processes and implement capacity building initiatives
- **On the path to risk-based assurance:** Given the diversity of the supply chain, members are working on a model of assurance that focuses on risks, through important pillars like commitment, strong due diligence and reporting, responsible sourcing and verification.

Our members

200+ members representing more than 55% of the global NR value chain

Manufacturers and other natural rubber makers or buyers



End users



Producers, Processors and Traders



206
Smallholders
across 12
countries.

Civil Society



Affiliate Members



The GPSNR policy framework

1. Commitment to **Legal Compliance**
2. Commitment to **Healthy, Functioning Ecosystems**
3. Commitment to **Respecting all Human Rights**
4. Commitment to **Community Livelihoods**
5. Commitment to **Increased Production Efficiency**
6. Commitment to **Systems and Processes** to Drive Effective Implementation of Policy Components
7. Commitment to **Supply Chain Assessment, Traceability, and Management**
8. Commitment to **Monitoring and Reporting** on Progress Towards, and Conformance with, Policy Components



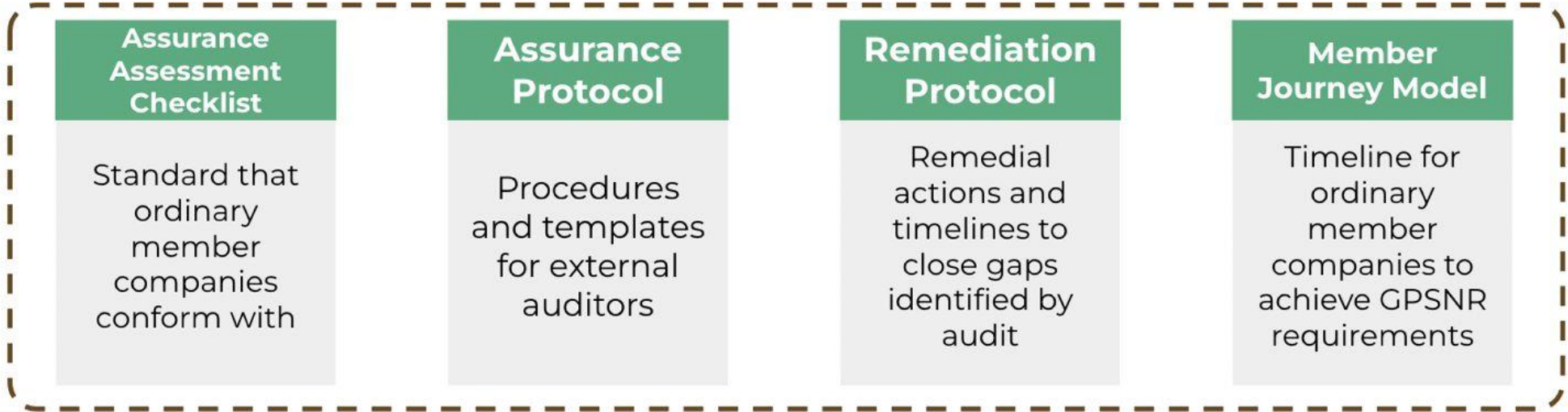
GPSNR Shared Investment Mechanism

Background:

- Mechanism for industry-scale investment in capacity building projects
- Shared mandatory contribution from all GPSNR manufacturers (>60% of global NR supply)
- Initial contribution obligation is USD \$0.5/MT of natural rubber sourced
- Annual total contribution of at least USD 2.75 million (year 1) for smallholder support

GPSNR Assurance Model

Mandatory



Due Diligence Manual (DD-01)

Guidance on how to construct a due diligence system and risk assessment concepts

ZSL

Implementation Guidance (DD-02)

Guidance on risk assessment for particular GPSNR policy components

ZSL

Risk Tool (DD-03)

Practical risk assessment tool for specifying risk and mitigation actions

asi assurance services international

National Risk Assessment (DD-09)

Country risk assessments to provide homogenous risk assess approach

EUROPEAN FORE INSTITUTE

Due Diligence Glossary (DD-07)

Glossary of terms used across all DDS documents

ZSL

Cert. Scheme Benchmark (DD-08)

FSC & PEFC crosswalk against Policy Components

Preferred by Nature



UPDATE ON CAPACITY BUILDING PROJECTS

INDONESIA



List of Projects:

- Two Good Agricultural Practices Coaching Projects
- One Disease Fighting Project
- Two Rubber Agroforestry Workshops

8,082

Total number of
smallholders coached

39%

of smallholders
coached are Female

19%

of smallholders
coached are Youths

THAILAND



List of Projects:

- One Good Agricultural Practices Coaching Project
- One Agroforestry Project

674

Total number of smallholders coached

47%

of smallholders coached are Female