Approaches for research and policy engagement on the transformations and governance of value chains and landscapes

Flagship 3

Pablo Pacheco
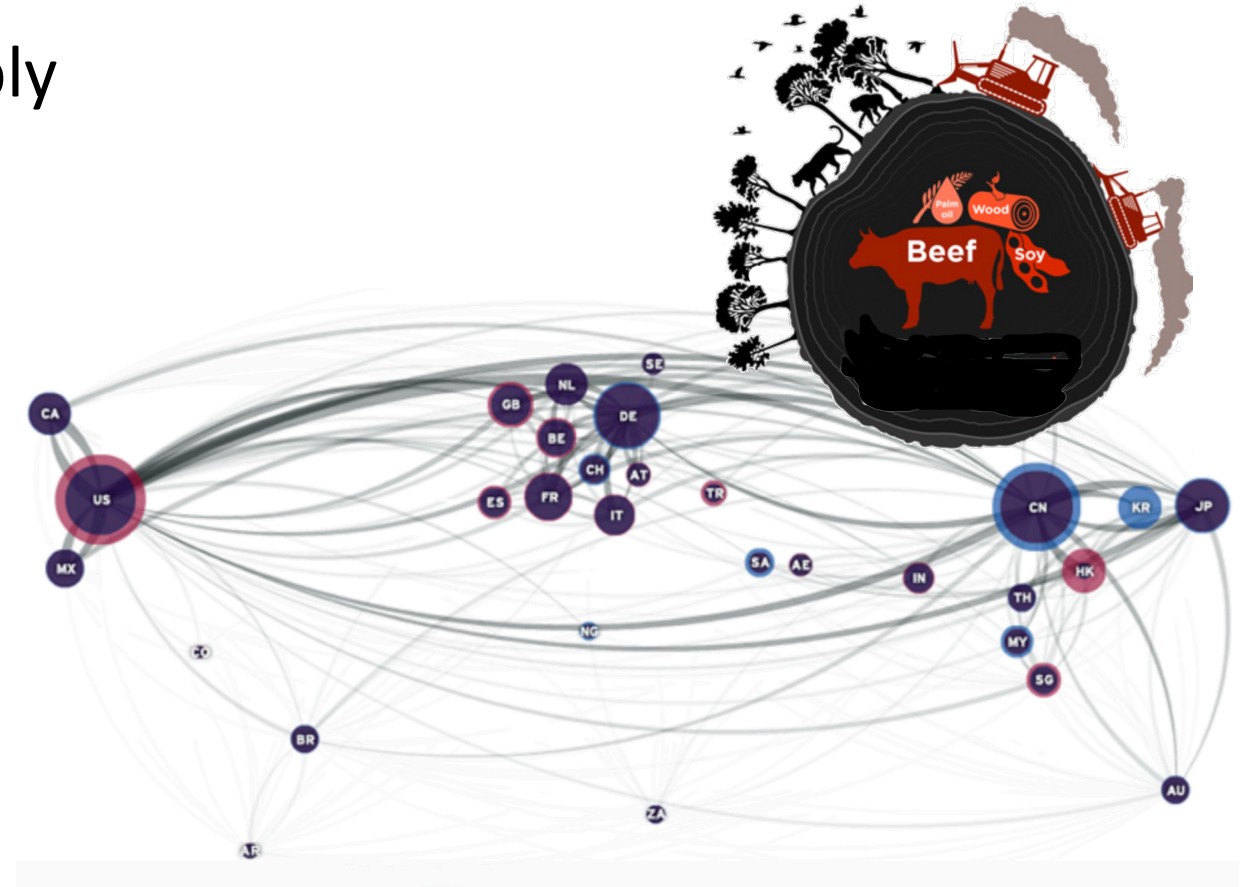
Bonn, 19 December 2017

Relevant international debates

- Sustainable commodity supply

- Zero deforestation

- Forest restoration

- Smallholder integration

- Responsible finance

- Financing landscapes

- Jurisdictional approaches
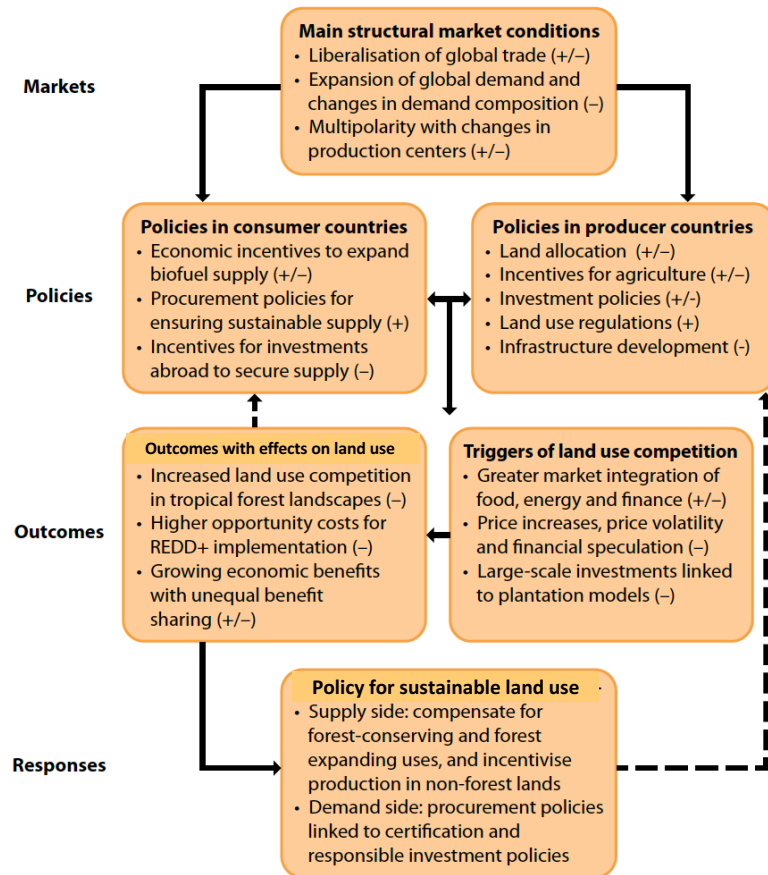
Approaches on value chains and landscapes

SUPPLY-CHAINS ORGANISATION

CONSUMERS
RETAILERS
MANUFACTURERS
TRADERS
PROCESSORS
PRIMARY PRODUCERS

VALUES OF PRODUCTS AND SERVICES

PAYMENT AND INFLUENCE

PROTECTED AREAS

FARMERS AND WORKERS
LOCAL POPULATION
REGIONAL CITIZENS

FARM LEVEL
LANDSCAPE LEVEL
REGIONAL TO NATIONAL LEVEL

SPATIAL ORGANISATION OF PRODUCTION SYSTEMS AND ECOSYSTEM SERVICES

Source: WWF 2016, based on Van Oorschot 2014

- Global value chains and investments lead to landscape transformation

- Land use trajectories linked to incentives and opportunity costs

- Trends of agribusiness expansion versus smallholder agriculture

- Value chain and market configuration and capture of land economic rents

- Disparate environmental externalities and [local/national] spillover effects

Global forces driving landscape transformation

Main structural market conditions
- Liberalisation of global trade (+/−)
- Expansion of global demand and changes in demand composition (−)
- Multipolarity with changes in production centers (+/−)

Markets

Policies in consumer countries
- Economic incentives to expand biofuel supply (+/−)
- Procurement policies for ensuring sustainable supply (+)
- Incentives for investments abroad to secure supply (−)

Policies in producer countries
- Land allocation (+/−)
- Incentives for agriculture (+/−)
- Investment policies (+/-)
- Land use regulations (+)
- Infrastructure development (-)

Policies

Outcomes with effects on land use
- Increased land use competition in tropical forest landscapes (−)
- Higher opportunity costs for REDD+ implementation (−)
- Growing economic benefits with unequal benefit sharing (+/−)

Triggers of land use competition
- Greater market integration of food, energy and finance (+/−)
- Price increases, price volatility and financial speculation (−)
- Large-scale investments linked to plantation models (−)

Outcomes

Policy for sustainable land use
- Supply side: compensate for forest-conserving and forest expanding uses, and incentivise production in non-forest lands
- Demand side: procurement policies linked to certification and responsible investment policies

Responses

Notes:
→ Core causality interactions
---→ Indirect interactions

Source: Adapted from Pacheco et al. 2012

- Changes in geographies of production
  - Global trade [competitiveness]
  - Investment opportunities
  - Expected financial benefits
  - Supply and demand policies
- Teleconnections of food and land use
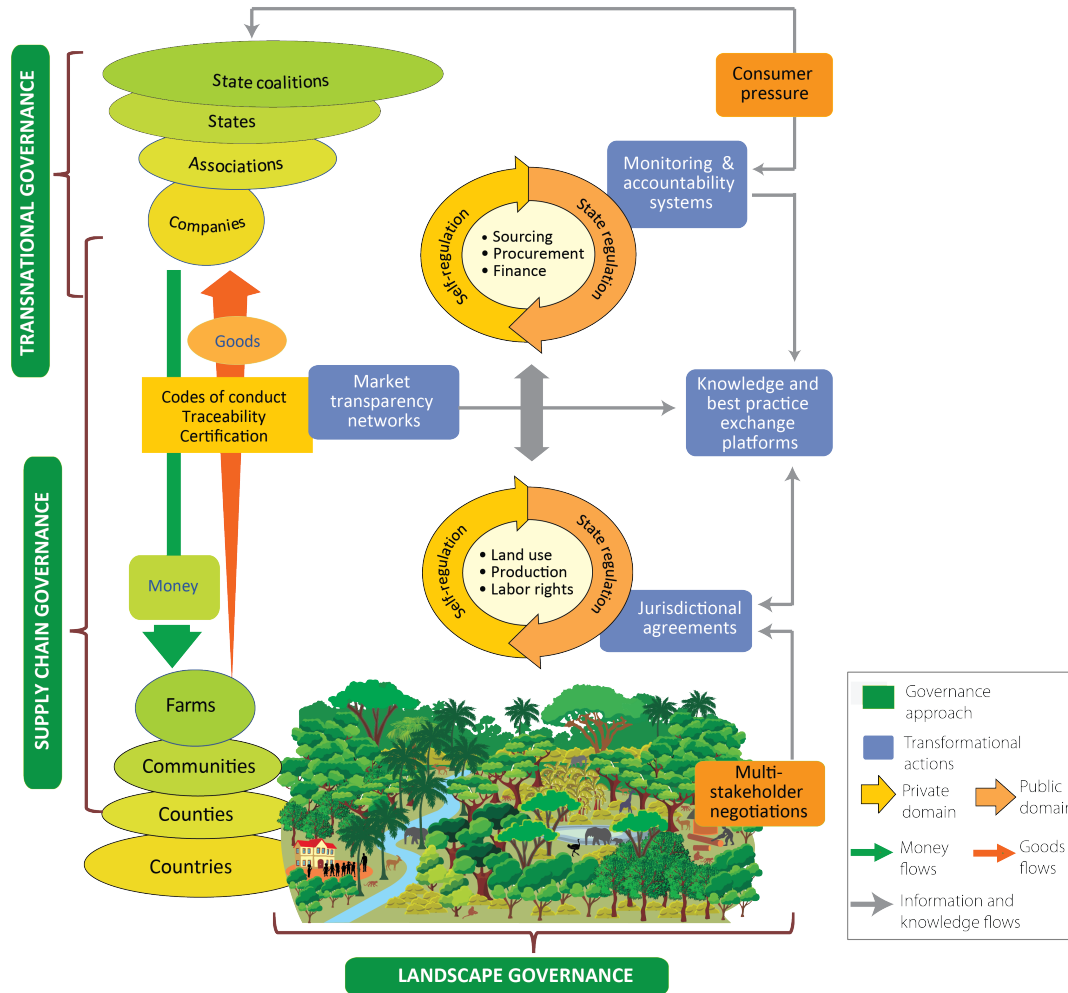- Indirect land use [leakage effects]

Global/local & state/non-state interactions

Source: Pacheco et al. 2017b

- Multiple governance arrangements
- Several sources of power & authority
- Diverse landscape configurations

- Efficiency, effectiveness and equity

- Differentiated impacts on land use
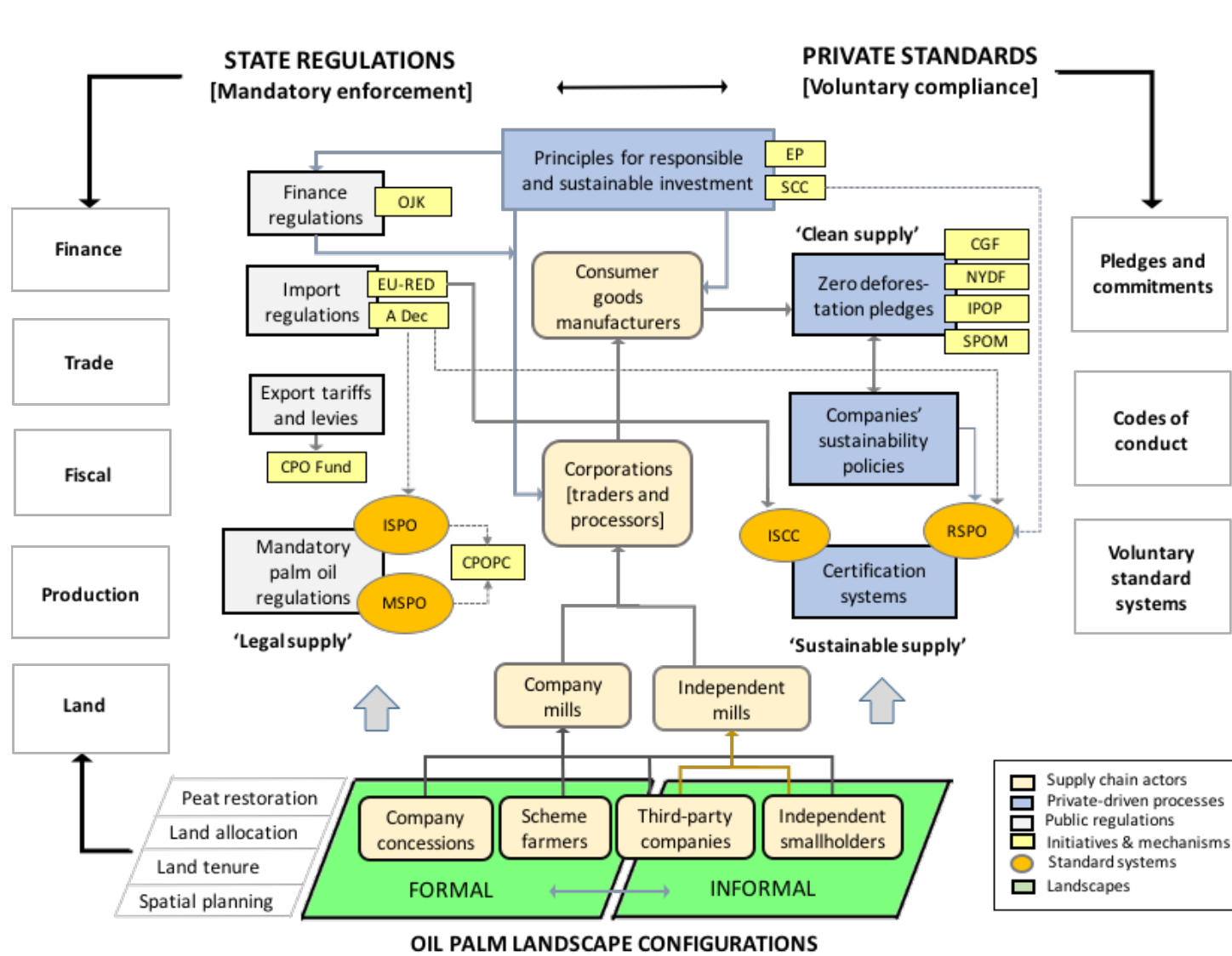- Associated distribution of costs, benefits, risks and opportunities

RESEARCH PROGRAM ON
Forests, Trees and Agroforestry

CGIAR

cifor.org/Forests-Trees-Agroforestry

Approaches to address performance gaps
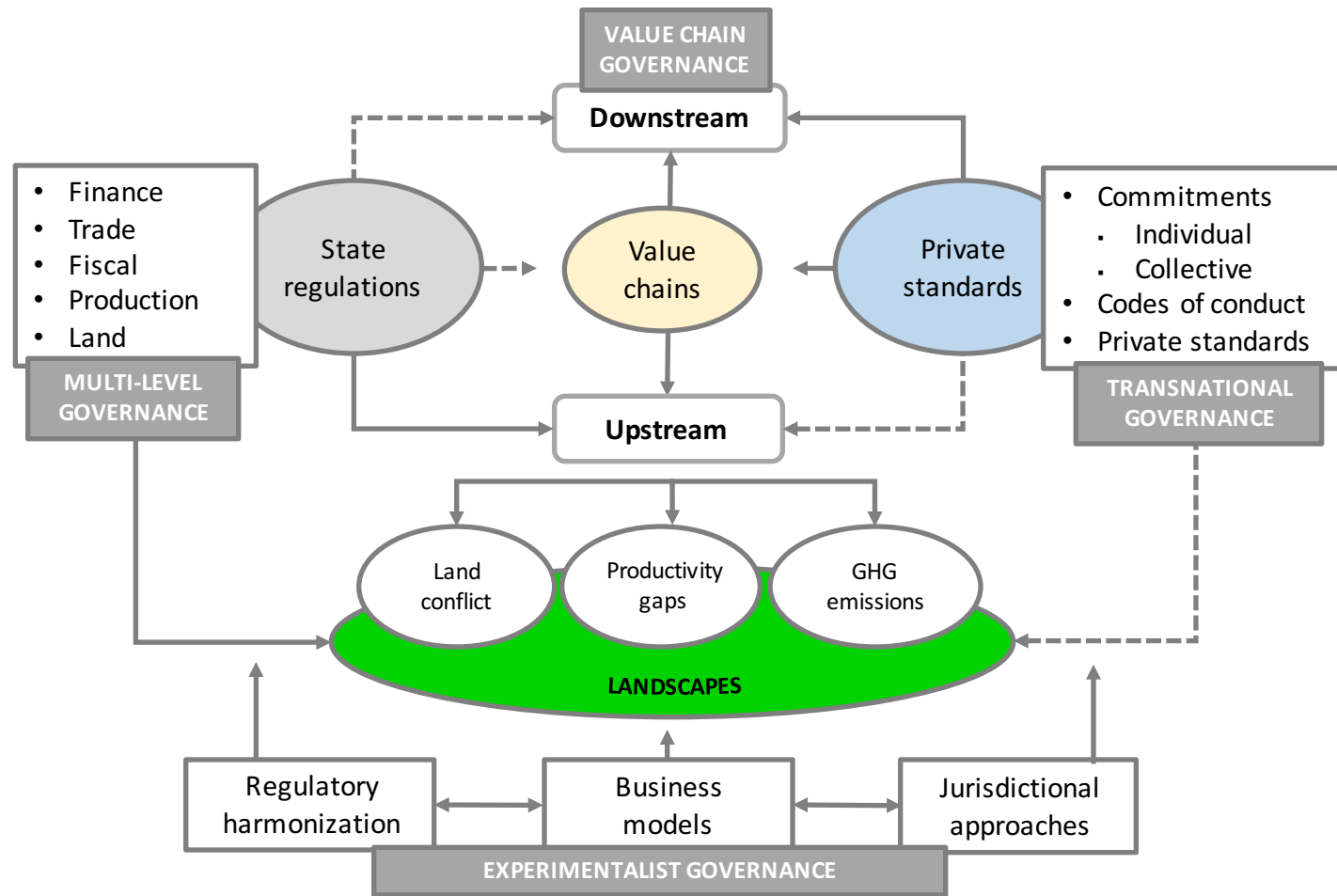
Source: Pacheco et al. 2017a

The case of palm oil
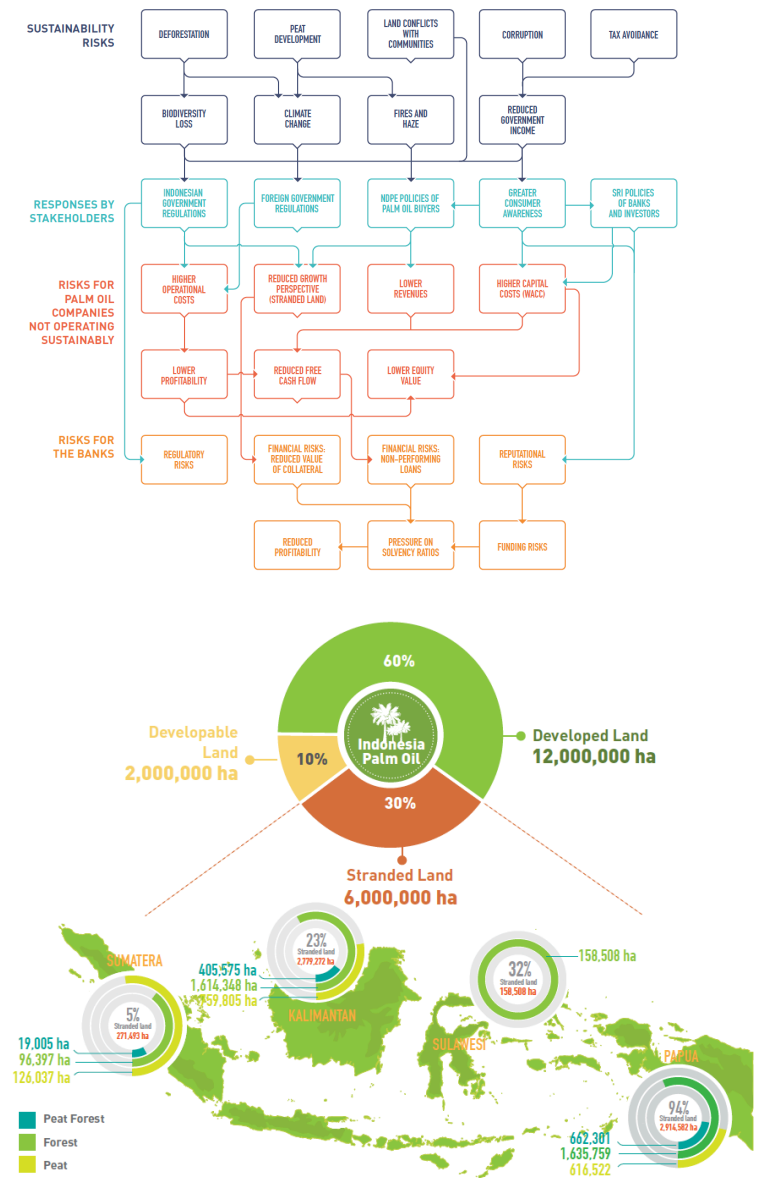
What is happening on the ground?

Atlas of deforestation and industrial plantations in Borneo
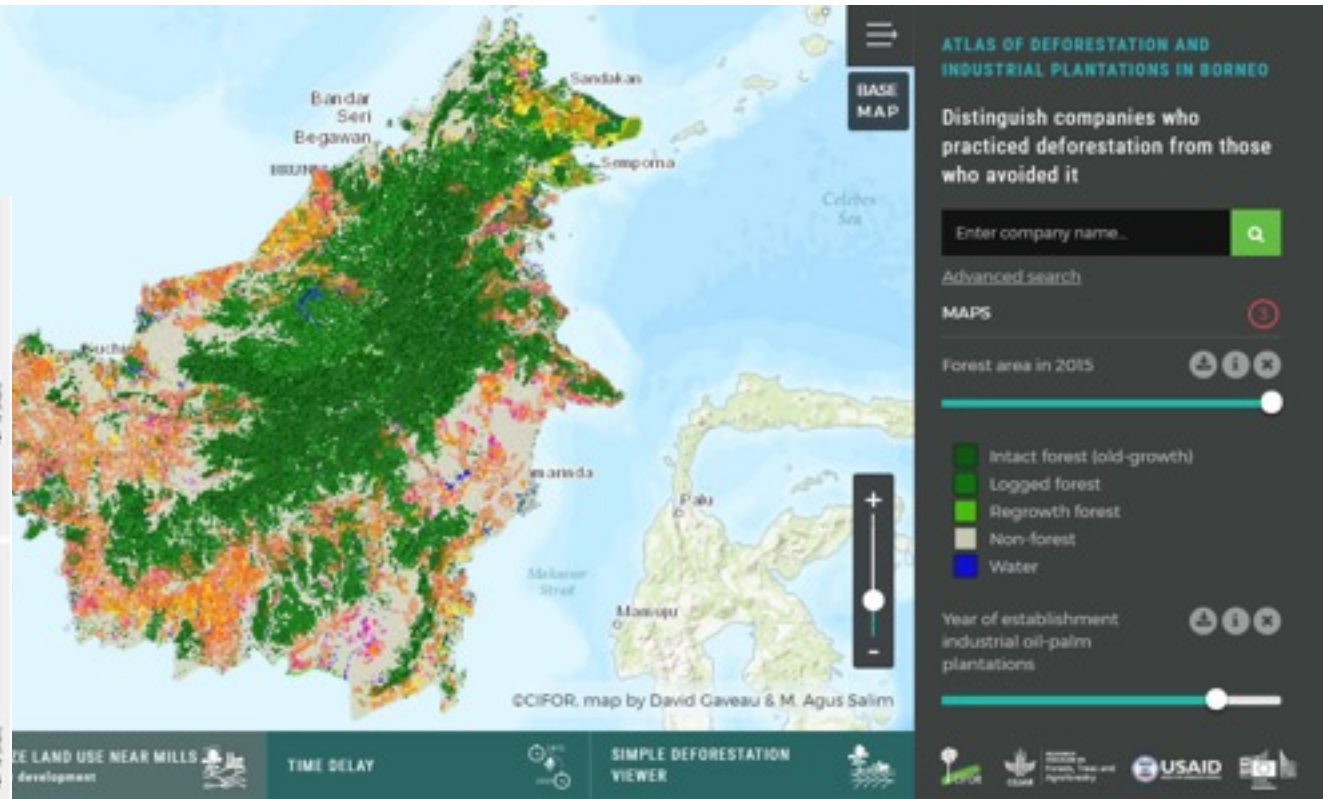
Deforestation 2001 - 2016: all forests vs. peat-swamps

http://www.cifor.org/map/atlas/

cifor.org/Forests-Trees-Agroforestry