

# Plantations for People: Thinking at a landscape level

**Think piece**

New Generation Plantations

Annual meeting 2015

[www.newgenerationplantations.org](http://www.newgenerationplantations.org)



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# Introduction



We live in a world of 7 billion people (and counting). Consumption is growing and a new global middle class is emerging – yet hundreds of millions of people still live in poverty, lacking food, water and basic services. Even today, we use nature’s resources faster than they can be replenished, and are seeing the consequences: climate change, sharp declines in biodiversity, water shortages, land degradation.

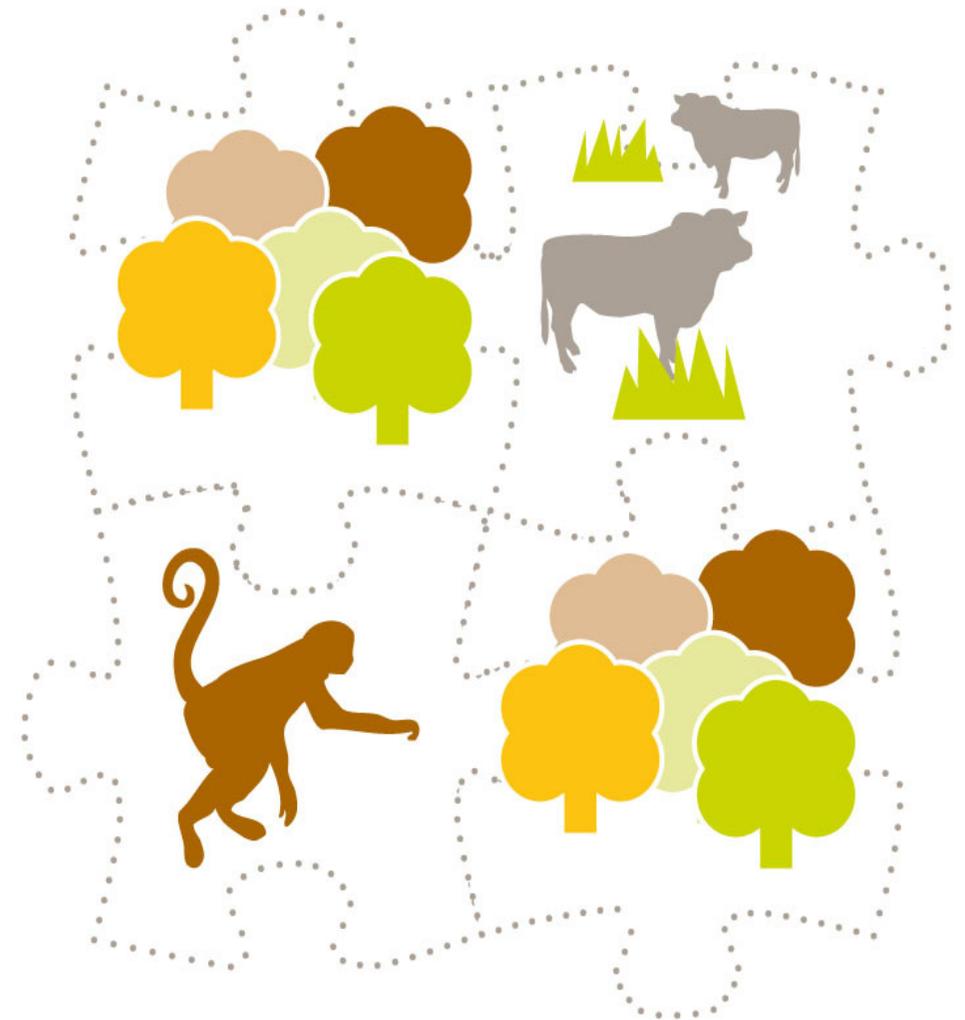
To provide enough for everyone while protecting the nature we depend on may seem like an impossible equation. Difficult, certainly – but not impossible. And we believe that plantations can be part of the solution: a new generation of plantations that efficiently produce materials people need, while making a positive ecological and social contribution within the landscapes where they are located.

## Why do we need a landscape approach?

Economic growth in the developing world coupled with the rise in global populations is placing pressures on land and its resources. This creates competition and conflicts and drives unsustainable use of both land and resources. Often, these problems are the result of a lack of joined-up thinking and planning: for example, agricultural expansion is pushing back the area covered by standing forests, even as large areas of degraded land that could be restored to production remain under-utilized. Meanwhile, conflicts may occur between different land uses and objectives – for instance, between commercial production, conservation, local livelihoods, and people’s needs for food, water and fuel.

Providing sustainable solutions to these conflicts requires comprehensive engagement with all land-use sectors – such as forestry, agriculture, mining, energy, water and infrastructure – as well as government and civil society. The emerging concept of “landscape approaches” can provide this. A landscape approach aims to balance the productive uses of land with environmental and social uses. This can increase production and improve livelihoods while maintaining and enhancing ecosystems and the services they provide, and ensuring natural resources are used sustainably.

The role of plantations within the wider landscape has become a key concern for the New Generation Plantations platform (NGP), and was explored in our last two study tours. In Brazil we looked at the interactions between plantations, neighbouring communities and other land-use sectors, while in South Africa the focus was on water stewardship and landscape resilience across an entire river catchment. Other sectors – such as beef, dairy, sugarcane and charcoal, as well as local communities and other businesses in the value chain – were involved in both study tours.



## What role can plantations play?

NGP wants to see plantations that benefit people and nature, based around the basic principles of ecosystem integrity, high conservation values, stakeholder involvement and economic development. It's increasingly apparent that a landscape approach is vital if we're to realize the potential of plantations to meet demand for forest products while making a positive contribution for people, ecosystems, climate and water security.

Well-managed plantations in the right places provide an efficient source of renewable raw materials. But as part of a landscape approach, they can provide further environmental and social benefits:

- Ecosystem conservation
- Sustainable intensification
- Climate change mitigation
- Socio-economic development



## Ecosystem conservation

Natural ecosystems provide vital services on which people and productive landscapes ultimately depend.

Many plantation companies are taking action to conserve and restore important ecosystems. In some cases they are obliged to by law: all land owners in Brazil, for example, must maintain natural vegetation on a proportion of their property, as well as around water courses. As a condition of FSC certification, plantation companies must protect and enhance areas of high conservation value. NGP participants run their own conservation and restoration initiatives beyond their legal/certification commitments.

Landscape-based approaches can multiply the impact of these efforts. In Brazil's Atlantic rainforest, NGP participants Fibria, Suzano, Stora Enso and Kimberly-Clark are part of the Sustainable Forest Mosaics Initiative in Brazil's Atlantic forest ([bit.ly/17aPoG8](http://bit.ly/17aPoG8)). The mosaic concept aims to fit together different land uses – such as plantations, agriculture and nature reserves – and balance social, environmental and economic needs within the landscape. The plantation companies are working together with local civil society organizations to restore and connect areas of native rainforest – so far, around 30,000 hectares have been restored, towards a target of 200,000 hectares by 2020.

Importantly, landscape-scale thinking is crucial for maintaining resilience – meaning that ecosystems continue to function and provide a full range of services, even in the face of changes and shocks such as the impacts of climate change. At the NGP annual meeting in Cape Town last year, WWF-South Africa's CEO Morne de Plessis described this as “keeping together the little things that ultimately hold the big things together”. In South Africa, for example, just 8% of the country's land area provides 50% its fresh water, which underwrites 75% of the economy. As large water users themselves, plantation companies have a responsibility to protect these crucial wetland areas.



*A mosaic of plantations and restored natural forest in the Atlantic forest, Brazil*

### **Resilient landscapes**

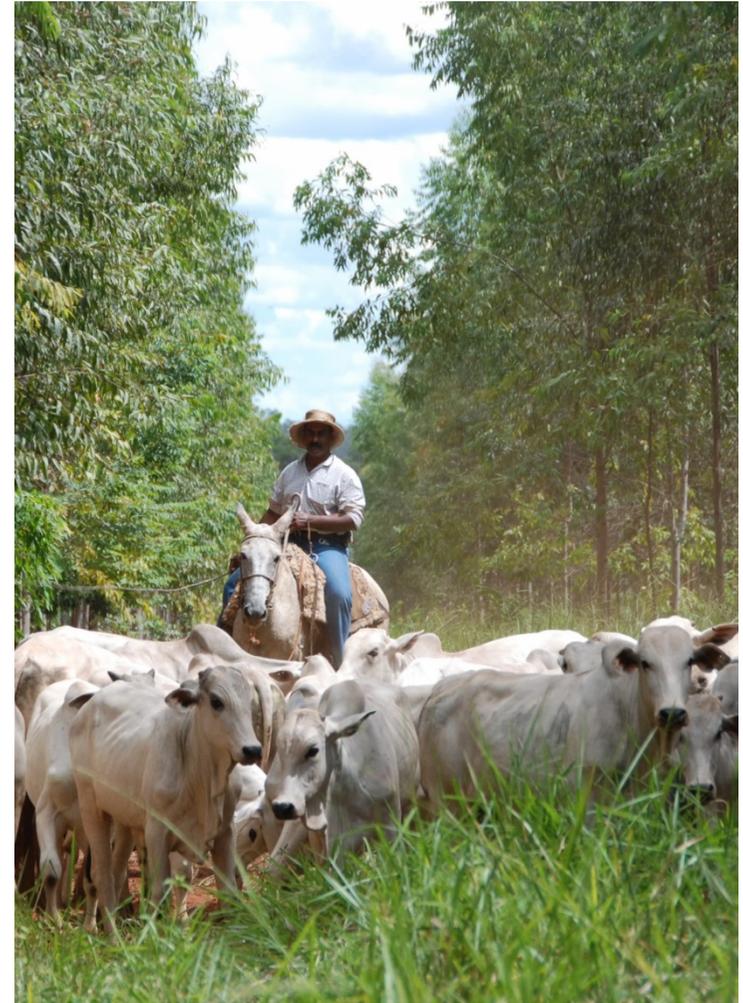
provide goods, services and other values to society, without compromising the functionality of the social and ecological systems that provide the foundations of our societies and our economies.

## Sustainable intensification

As pressure on land and ecosystems mounts over the coming decades, we will need to find ways of doing more with less. Plantations are highly efficient way of producing wood: they account for only 7% of total forest cover, but provide about 60% of commercial wood. Improved silviculture techniques and tree breeding programmes (including, potentially, the use of biotechnology) offer the potential to further increase yields.

With landscape-scale planning, plantations need not compete with natural ecosystems or food production – and can, in fact, benefit both. The FAO has identified 2 billion hectares of degraded forest land and another billion hectares of degraded agricultural land globally. There is great potential for expanding mosaic landscapes that bring part of this land back into production while restoring forests and other ecosystems alongside.

As well as helping to restore natural ecosystems through mosaic approaches, plantations can regenerate tired pasture. On a study tour to Mato Grosso do Sul in Brazil, NGP participants visited a farm where cattle now graze between rows of eucalyptus. The trees provide shade – improving the animals' welfare and meaning they grow faster and fatter – as well as reducing erosion and improving soil quality. The farm supports two cows per hectare – against an average of 0.3 on degraded land in the state – along with 400 trees. Farmers can earn as much from their timber as from beef – effectively they double their income, while producing more from the same area of land. Similarly, NGP participant companies in Uruguay have agreements with local cattle producers to enable grazing within their plantation concessions ([bit.ly/1FSke2k](http://bit.ly/1FSke2k)).



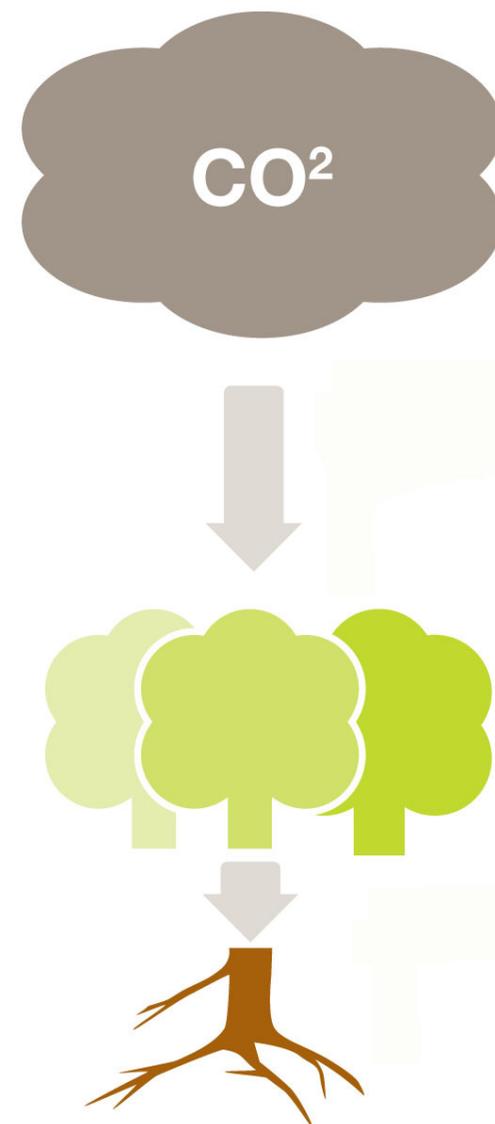
*Integrated eucalyptus plantations and cattle grazing in Mato Grosso do Sul, Brazil*

## Climate change mitigation

Plantations in the right places can help to mitigate climate change by sequestering carbon. A number of NGP participants actively monitor the carbon stocks in their plantations and conservation/restoration areas, and have had some success selling credits through voluntary carbon markets – for instance, Veracel (a joint venture between Stora Enso and Fibria) has used the sale of carbon credits to help finance forest restoration efforts in the Atlantic rainforest ([bit.ly/17GmnDe](http://bit.ly/17GmnDe)). The China Green Carbon Foundation ([www.thjj.org/en](http://www.thjj.org/en)) aims to increase the country's forest carbon stocks through afforestation projects, which are funded by businesses and individuals buying carbon credits.

Further opportunities for developing plantations could exist as part of REDD+ landscapes. REDD+ (which stands for reducing emissions from deforestation and forest degradation) is an international mechanism backed by the United Nations Framework Convention on Climate Change (UNFCCC). It's designed to provide developing countries with financial incentives for protecting and conserving forests. While the scheme was originally focused on avoiding emissions from deforestation and degradation, it's been expanded to include the role of conservation, sustainable forest management and the enhancement of forest carbon stocks through forest restoration and afforestation, including plantations (this is what the + part of REDD+ refers to). REDD+ payments will be based on results, which means countries need to be able to measure carbon savings.

The Green Climate Fund ([gcfund.org](http://gcfund.org)) will serve as the primary channel for public sector finance for REDD+: it has not yet begun disbursing funds, but more than US\$10 billion has been pledged by governments including the US, UK, Japan, Germany and France. While it's not yet functioning as a global mechanism, a number of initiatives are under way to prepare countries for REDD+, funded by multilateral and bilateral development agencies and voluntary carbon markets. The scope of these varies; while some only provide payments for avoided deforestation or degradation, others include afforestation, reforestation and regeneration projects, which may include timber harvesting. Recipient countries are free to decide how they define "forests", which will determine what sorts of plantations may be eligible for publicly funded REDD+ projects.



Where plantations are eligible for REDD+ funding, they will need to conform with UNFCCC guidance to ensure they have a net positive impact on the climate. For example, they must not replace natural forests, and should only be planted on degraded land with a lower carbon density. The species planted should not be invasive or have a negative impact on surrounding ecosystem goods and services.

The NGP principles of maintaining ecosystem integrity and protecting and enhancing areas of high conservation value will help to ensure that plantations in REDD+ landscapes fulfil these criteria. Similarly, involving surrounding communities in REDD+ decision-making and providing opportunities for them will increase buy-in. This in turn will contribute to a more stable, less risky environment for investors.

Plantations have the potential to create social and environmental advantages for REDD+ initiatives. As well as sequestering carbon themselves, they can act as a buffer against deforestation or forest degradation, and provide livelihood opportunities for local people. For instance, a REDD+ project may prevent communities from harvesting forest products such as fuel wood from natural forests; plantations could provide a sustainable alternative.

## **REDD+ resources**

Global Canopy Programme (GCP) website:  
[www.threddesk.org](http://www.threddesk.org)

The Little Book of Legal Frameworks for REDD+:  
[www.globalcanopy.org/materials/little-book-legal-frameworks-redd](http://www.globalcanopy.org/materials/little-book-legal-frameworks-redd)

GCP community-based forest monitoring:  
[www.forestcompass.org](http://www.forestcompass.org)

WWF REDD+ website:  
[www.reddcommunity.org](http://www.reddcommunity.org)

CIFOR website:  
[www.forestclimatechange.org](http://www.forestclimatechange.org)

## Socio-economic development

Plantations often exist in poor, marginalized rural areas. This social landscape is every bit as important as the physical one. Plantation companies create jobs in places where they are much needed and often run corporate social responsibility projects in neighbouring communities. But they can do far more than this.

In many countries, the plantation industry still faces strong opposition from civil society, and levels of trust are often low. However, in recent years, companies have made significant efforts to redress problems resulting from past poor practices, and to transform their presence into a positive force for social development within the landscape.

Increasingly, forestry is expected to address social issues – from strengthening civil society organizations, helping local enterprises to develop and improving food security to providing leisure and learning opportunities. Land rights are a significant issue in many countries, particularly in the case of indigenous people with claims on land leased or owned by plantation companies; while ensuring that affected people give their free, prior and informed consent to any new developments, plantations companies also need to see how they can address and make amends for past injustices. It's imperative that companies get to know the social context in which they operate, understanding the needs and aspirations of local people and seeing how they can work together to achieve them.



*More than 2,000 hectares of Fibria's forest plantations have been converted to family farming.*

NGP participants have demonstrated a range of ways of supporting social development in the landscapes where they operate. In South Africa, Mondi has transferred large areas of land into community ownership as a result of post-Apartheid land restitution policies, and is training communities to take over the running of the plantation operations ([bit.ly/1vyBrlb](http://bit.ly/1vyBrlb)) . Where possible, the company employs local contractors, and provides support to local people to set up and grow businesses, particularly within the forestry value chain.

In Brazil, Fibria has invested more than US\$50 million in a new strategy for supporting rural development in the landscapes where it operates. After years of bitter conflict, the company now enjoys good relationships with neighbouring communities, and has helped to boost household incomes and local food production ([bit.ly/17aRyWo](http://bit.ly/17aRyWo)).

A number of NGP participants source wood from local smallholders (or “outgrowers”), providing them with technical assistance and helping them gain FSC certification ([bit.ly/1DY3Wpx](http://bit.ly/1DY3Wpx)). Companies have also helped communities to increase and diversify their incomes through supporting initiatives such as tree nurseries, vegetable growing and honey production.

Key to this is the concept of “creating shared value”. Instead of thinking about trade-offs (what can they afford to do or give up in order to keep local people on side?) businesses aim to work with local people for their mutual benefit. The concept has the potential to encompass all links in the value chain, from retailers and customers to banks and insurers. Ultimately, all of them affect and are affected by what goes on within the landscape.

## **Creating shared value:**

*“Policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. Shared value creation focuses on identifying and expanding the connections between societal and economic progress.”*

## Critical challenges

Working at a landscape scale compels us to step outside our comfort zones. It's not enough for companies to run their plantations efficiently and responsibly: they need to be part of a wider effort to improve the way landscapes are managed, to the benefit of people living within those landscapes.

Companies need to look critically at how their actions affect society, particularly within rural landscapes, and what they can do to take responsibility for their impacts. This requires new partnerships, new business models and new ways of thinking.

Some of the critical challenges revolving around finance and governance are outlined on the following pages. We look forward to discussing these questions – and the role that NGP can play – during the NGP annual meeting.



## Finance

Plantations have the potential to become powerful agents for inclusive, green development in rural areas – as a number of NGP participants have demonstrated. Investments in conservation and community development also make business sense, reducing social and environmental risks and strengthening the company’s long-term viability. But there’s a limit to what private companies can do: while many are increasingly looking at their “triple bottom line”, the financial bottom line remains the main driver.

- How can investment be channelled through forestry into supporting community development and resilient landscapes? What safeguards, such as certification, are needed for investment funds to ensure they are enabling plantations that are socially, environmentally and economically fair and sustainable? Is investing in locally controlled forestry part of the solution?
- How can large buyers or processors influence the way plantations are developed on the ground? What about banks and insurers? Many companies now have deforestation policies – but can they go beyond these to facilitate sustainable intensification, progressively improve farmers’ productivity, strengthen ecosystem resilience and enhance rural livelihoods?
- How can plantations maximize the opportunities offered by REDD+? What examples can plantations provide to support socially and environmentally sound REDD+ project implementation?



## Governance

A successful landscape approach requires genuine collaboration between all users of the landscape. This includes both the “vertical” – the value chain demands and external influences that affect the landscape – and the “horizontal”, or what’s actually happening on the ground. Too often in the past, land-use decisions have been taken in a vacuum, without properly considering the implications for the wider landscape. In addition, local communities are often marginalized or excluded from decision-making.

- How can plantation companies encourage effective inclusive governance– “the right decisions made by the right people in the right places”? What can they do to empower local and indigenous people in natural resource decision-making?
- What type of legal, financial and tax/fiscal incentives could encourage the development of sustainable plantations and the creation of shared value under a landscape approach? How can regulatory or policy frameworks be used to create enabling environments for environmentally and socially beneficial plantation developments? How could REDD+ facilitate these better governance arrangements?
- What can the plantation industry do to support governance changes (e.g. public-private partnerships, joint governance, participatory land-use planning, partnering with NGOs and civil society to empower local people in decision-making, forming landscape coalitions to address identified risks)? And what are the governance challenges faced by plantation companies (e.g. lack of clarity from the legal regulatory system on tenure arrangements)?





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GENERATION  
PLANTATIONS** *platform*

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