



BSR Conference 2009
Reset Economy. Reset World.

Global Land-Use Policies: Development, Implementation, and Performance

Breakout Session Summary
Thursday, October 22, 2009 | 9:45 a.m.-noon

Speakers

- » **Sarah Connick**, Biodiversity Manager, Corporate Health, Environment, and Safety Department, Chevron
- » **Juan Gonzalez-Valero**, Head of Corporate Sustainability, Syngenta International AG
- » **Mark Murphy**, Vice President, Corporate Affairs, Cargill
- » **Ferdinando Villa**, Research Professor, Gund Institute for Ecological Economics, University of Vermont
- » **Stacey Smith**, Managing Director, BSR (moderator)

Highlights

- » Developing a global land-use policy is difficult because challenges are regionally-specific and because supply chain structures are so diverse. Another impediment is having the necessary tools to determine the value of a piece of land, taking into account the value of its ecosystem services, value to society, and value to the person managing that land.
- » While tools for determining land-use “value” are not perfect, the same discussions occurring at the theoretical level are also taking place at the regulatory level. There are resources and opportunities for companies to begin understanding now how they can integrate global land-use policies into their operations.
- » Partnering and engaging with all actors involved is essential to understanding the range of perspectives and potential implications of land-use decisions. An important first step is making sure the people who make land-use decisions are in the conversation.

Memorable Quotes

“In thinking about the value of a piece of land, traditionally, we’ve thought about the commercial or financial value. Now we’re at a point where we’re thinking about the underlying value of the ecosystem services that the land provides ... and this will influence the way we consider the tradeoffs of decisions we make about that land.” —Stacey Smith, BSR

“You have to work with ecosystems on one side, which is very difficult, and society on the other side, which is very difficult. And you have to go through a path from nature to well-being that may or may not intersect with the economy. It’s very complicated.” —Ferdinando Villa, Gund Institute for Ecological Economics, University of Vermont

“In land-use management, the underlying principles are resource efficiency, transparency, and understanding the embedded value that the commodities produced from this land give us as a society.” —Juan Gonzalez-Valero, Syngenta International AG

Overview

Smith began the session by setting the backdrop for this conversation about why and how we should begin thinking about global land-use policies. Companies relying on natural resources are under increasing pressure to find solutions to the imbalances between the supply and demand for



those resources and what they are used to produce. At the same time, stakeholder groups and governments worldwide are demonstrating changing attitudes about how to conserve and protect the environment—from boycotts of leather from the Amazon to the granting of environmental constitutional rights in Ecuador.

The top land-use questions on the minds of audience members ranged from legal rights and social implications to resolving the limits of agricultural outputs and sustaining business to how to incentivize growers to protect land in the short term when the return on investment may be long term.

Villa started by offering the academic perspective and approach to land use through ecosystem services (environmental benefits that have economic value) and tools. The academic community is focused on providing real, science-based definitions of the relevant services, and developing conceptual frameworks and tools to map and evaluate land use in a way that is quantifiable and actionable. Villa highlighted the importance of taking an interdisciplinary approach to understanding the natural resources, people, and broader systems involved, and he discussed the barriers to making this interdisciplinary approach the default.

Connick, Murphy, and Gonzalez-Valero all spoke about the tensions between constrained supply and increasing demand, and how their respective businesses—all largely dependent on natural resource availability—are responding. Murphy commented on the constant battle his company faces to choose between feeding the world and saving the planet—customers want both. In the agricultural sector, these questions of scale lead companies to focus on intensification and maximizing resource efficiency and the productivity of cultivated land. At Chevron, increasing demand for energy is driving the company to look for energy sources in new places. While Chevron does not have a global land-use policy, it does comply with government land-use policies and recognizes its role in contributing to the communities where they operate, which includes protecting their environment. Connick emphasized the need for additional facts and tools to really understand the long-term implications of land use, and to be able to develop the best solutions: “It’s an emerging science, and for us, it’s really important to have something science-based that will have some longevity.”

In addition to the difficulties in resolving the resource demands and constraints noted by panelists, crafting a global land-use policy is also difficult because of the unique complexities of the markets and geographies in which they work (understanding the global pressures and local needs), and the lack of adequate technology.

However, Villa also commented that although the tools and methodologies may not be finalized, conversations about these issues are beginning to take place at the regulatory level. While there is still uncertainty about how to incorporate land-use and ecosystem services into decision making at the corporate level, companies have the opportunity now to begin learning from and piloting what has already been developed. They can engage with stakeholders, communities, and producers to build their understanding of the challenges and potential implications of decisions. This type of data gathering and stakeholder collaboration will be critical to actually implementing these concepts into company supply chains.

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