

# Leveraging Nature as the foundation of resilient societies

# Recommendations for post-COVID 19 recovery plans

## **Key recommendations**



Prioritize investments in ecosystem restoration, sustainable agriculture, and future proofed infrastructure – in domestic recovery packages but also in ODA and foreign investments





Apply the "Do no harm" principle to prevent harmful impacts of investments and loans

- Maintain existing environmental regulation and initiatives
- Ensure transparency and sound monitoring of recovery packages

The COVID-19 outbreak demonstrates the vulnerability of humanity to events around the globe, and our shared dependence on immediate and effective responses. It also shows that degrading nature endangers people, regardless of where they live.

The link between planetary and human health has never been so clear. Deforestation and other land use changes are indeed the number one cause of virus spillover from wild animals to people.<sup>1</sup> The planet is facing a deeper and longer-term crisis, rooted in several interconnected global challenges, from future pandemics to the impacts of climate change.

Government recovery plans to rebound from COVID-19 are an opportunity to implement solutions that rebuild lives, spur economic activity, accelerate the transition to a more resilient and sustainable society – to "build back better" – while preventing future outbreaks.<sup>2</sup> The European Union and several European governments are poised to take that path, with several announcements in favor of a "green recovery".<sup>3</sup>

This strong political will must now be reflected in concrete measures. During previous crises, the economic success of different stimulus measures was often determined by how quickly they delivered tangible impacts and by the short- and long-term return for every dollar

<sup>&</sup>lt;sup>1</sup> <u>https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5960580/</u>

https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7095142/

https://www.nature.com/articles/s41467-017-00923-8

<sup>&</sup>lt;sup>2</sup> <u>https://ipbes.net/covid19stimulus</u>

<sup>&</sup>lt;sup>3</sup> <u>https://www.euractiv.com/section/energy-environment/news/green-deal-will-be-our-motor-for-the-recovery-von-der-leyen-says/</u>

https://www.euractiv.com/section/energy-environment/news/merkel-reaffirms-support-for-raising-eus-2030climate-target-by-50-55/

invested. According to leading economists,<sup>4</sup> some of the most significant gains in job creation and long-term economic performance come from investments that protect and enhance natural capital – leading to lower risk of pandemics, increased food security and climate mitigation and adaptation.

Specifically, highest return and multiple co-benefits can be achieved through ecosystem restoration, sustainable agriculture and future-proofed infrastructure.

### **Ecosystem restoration**

**Social and economic potential:** Restoration projects support as many as 33 jobs per \$1 million invested (Edwards et al. 2013), which compares favorably to estimates generated for other industries (Garrett-Peltier and Pollin 2009).<sup>5</sup> Restoring ecosystems can also secure cobenefits for local communities, such as food safety, clean water and air, climate mitigation and adaptation, as well as medicines and energy.

**Recommendation**: Develop large-scale restoration projects and put in place incentives for restoration

#### Examples:

- Government-sponsored restoration programs, which have the potential to directly create jobs
- Incentive programs for ecosystem conservation and restoration, with a specific focus on incentives for vulnerable populations
- Domestic carbon markets/Emission Trading Schemes/carbon taxes that mainstream climate action, generate revenue for the government and include natural climate solutions that deliver important co-benefits

#### CI case study: Kruger-to-canyon rangelands, 14,878 hectares, South Africa

The exclusion of natural grazers (mainly elephants) from savannah rangelands has led to the proliferation of woody trees in areas that used to be relatively open savannah grasslands. This increase in tree coverage threatens the native biodiversity, decreases the water supply in a water limited ecosystem, and kills native grasses. Restoration in this context requires thinning the trees, encouraging grass regrowth, and reintroducing grazing regimes that maintain the ecosystem in order to provide a maximum of ecosystem services and biodiversity habitat. To do this, Conservation International uses conservation agreements (incentives to land managers in exchange for their help improving land management) to mobilize application of ecologically sound rangeland practices within communal rangelands of the landscape.

Project impacts for people:

- 18 permanent jobs created for youth
- 30% increase in income (in line with market value)
- 75 livestock farmers trained and engaged in conservation agreements.

<sup>&</sup>lt;sup>4</sup> <u>https://www.smithschool.ox.ac.uk/publications/wpapers/workingpaper20-02.pdf</u>

<sup>&</sup>lt;sup>5</sup> <u>https://curs.unc.edu/files/2014/01/RestorationEconomy.pdf</u>

# Sustainable Agriculture

**Social and economic potential:** Employment in agriculture represents more than 26% of employment in the world.<sup>6</sup> In developing countries, the share of agricultural employment often exceeds 50% of employment. Smallholders and local communities are particularly dependent on this sector for their livelihoods and food security. At the same time, sustainable agricultural practices can deliver on climate mitigation and adaptation, as well as biodiversity preservation. "Climate-friendly agriculture"<sup>7</sup> is one of the key recovery policies that can deliver both economic and climate goals, with rural support spending being of particular value in lower and middle income countries (LMICs).<sup>8</sup>

**Recommendation:** Invest in the uptake of sustainable agricultural practices and the development of deforestation-free supply chains and markets.

#### Examples:

- Put in place rural support schemes to facilitate the transition to sustainable agriculture
- Support capacity building of smallholder farmers for sustainable agriculture
- Put in place incentives for companies and farmers to transition to sustainable agricultural practices (including low-interest loans, payments for ecosystem services)
- Support market access for sustainable and deforestation free agricultural commodities

#### CI case study: Alto Mayo sustainable landscape, 1,165,782 hectares, Peru

Alto Mayo is a mosaic of protected areas, indigenous territories, farms, and forest remnants that make up the northeastern Peruvian Amazon, a region with some of the highest deforestation rates in the Amazon biome. CI's goal is to reduce primary forest deforestation (mostly linked to unsustainable farming practices) by 50%, increase connectivity, and improve the livelihoods of 14,000 people by 2028.

Project impacts for people:

- 1,600 smallholder farmers received continuous technical assistance on best agricultural practices, and on organizational, financial and entrepreneurial capacities
- 2 cooperatives established
- Mean productivity improved from 9 to 24.6 quintals/hectare
- 88 jobs created in 2019 rangers, technicians, administrative jobs
- Through conservation agreements: 400 families with improved food security through the provision of biogardens and promotion of diversification of income sources with trainings on dragon fruit growing and beekeeping

<sup>&</sup>lt;sup>6</sup> <u>https://data.worldbank.org/indicator/SL.AGR.EMPL.ZS</u>

<sup>&</sup>lt;sup>7</sup> https://www.smithschool.ox.ac.uk/publications/wpapers/workingpaper20-02.pdf

<sup>&</sup>lt;sup>8</sup> https://www.smithschool.ox.ac.uk/publications/wpapers/workingpaper20-02.pdf

# Future-proofed Infrastructure

**Social and economic potential:** Infrastructure construction is labor intensive in the building phase and, when the projects are supporting transition to a more sustainable future, they add additional economic value. One model suggests that every \$1 million in spending generates 7.49 full-time jobs in renewables infrastructure, but only 2.65 in fossil fuels (Garrett-Peltier, 2017). Additionally, various studies show that green-gray infrastructure, which conserves ecosystems and uses them to achieve infrastructure goals, are more cost efficient – often costing anywhere from 15-80 percent less<sup>9,10</sup> and delivering benefits (social, environmental, economic) up to 23 times traditional gray infrastructure.

**Recommendation:** Invest in infrastructure that is low-impact, will hold up well to climatic changes and that emphasizes green-grey approaches.

#### Examples:

- Prioritize investments in green-grey infrastructure
- Provide incentives for companies that fund or deliver infrastructure with low environmental impact and that use green-grey approaches
- Institute rigorous environmental impact assessments and economic analyses on alternative approaches for any infrastructure development

#### CI case study: Green-gray coastal infrastructure in the Philippines

In the Philippines, CI is combining the wave attenuation and flood control value of restored wetlands with the benefits of engineered structures to stabilize the coastal zone and attenuate waves through beach accretion. The combined solution is more comprehensive, robust, and cost-effective than a purely conventional approach, providing numerous co-benefits and generating both monetary and nonmarket benefits that enhance the economic efficiency of infrastructure investments.

Project impacts for people:

- Approximately 380 people employed in construction activities, with an investment of  ${\sim}\$300{,}000~\text{USD}$
- Improved livelihoods for 7 local communities

**Beyond domestic recovery plans**, official development assistance and foreign investments should also support these areas, so that developing countries can enhance the resilience of their economy and society in a sustainable way.

<sup>&</sup>lt;sup>9</sup> Cost and Benefits of Marshes, 2013

<sup>&</sup>lt;sup>10</sup> <u>https://www.epa.gov/sites/production/files/2015-</u> <u>10/documents/2008 01 02 nps lid costs07uments reducingstormwatercosts-2.pdf</u>)

# Conditions for a "green recovery"

The following are key overarching conditions for the recovery plans to deliver positive impacts on people, nature and climate:

- 1. Apply a "Do no harm" principle so that investments and loans do not support environmentally harmful activities, or activities that threaten the rights and livelihoods of Indigenous Peoples and Local Communities e.g. following a "sustainability checklist"<sup>11</sup> for assessing economic recovery interventions;
- 2. Maintain existing environmental frameworks refrain from postponing, loosening or terminating existing environmental laws, regulations and initiatives;
- 3. Ensure the transparency of recovery plans, including through public consultation, with a specific focus where applicable on the participation and Free, Prior and Informed Consent (FPIC) of Indigenous Peoples and local communities;
- 4. Monitor and report on the impacts of the investments, including other indicators than GDP, to measure environmental and social impacts.

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Climate change and biodiversity loss, just like pandemics, do not know borders. This crisis triggered extraordinary global solidarity and cooperation and showed that considerable means could be mobilized in a very fast and powerful way. Let us not miss the opportunity to rethink the way we address global challenges in light of this hardship, or to prevent future ones from occurring. Ambitious global action to address the major interlinked challenges of climate change, biodiversity loss and sustainable development is more necessary than ever.

<sup>11</sup> e.g. the sustainability check list initiated by the World Bank:

http://pubdocs.worldbank.org/en/223671586803837686/Sustainability-Checklist-for-Assessing-Economic-Recovery-Investments-April-2020.pdf