

DONOR AND PARTNER REPORT



Global Landscapes Forum
The Investment Case

6 June 2016, Royal Society, London

landscapes.org



Executive summary

Building on the huge success of the inaugural event, the second edition of Global Landscapes Forum: The Investment Case took place at the Royal Society in London on 6 June 2016. The invitation-only expert symposium brought together 320 leading thinkers from public and private finance, the corporate sector, policy, research and civil society.

A step forward from the 2015 edition, the 2016 event presented expert clusters on the newest landscape finance tools and trends, real-life case studies and three pitches of investment opportunities ready to scale up.

The event was coordinated by the Center for International Forestry Research (CIFOR) together with the European Investment Bank, the United Nations Environment Program (UNEP), the World Bank (through PROFOR), Credit Suisse, Tropical Forest Alliance 2020 (TFA 2020) and Unilever. The International Union for Conservation of Nature (IUCN) and responsible investment company Mirova lent their expertise as strategic partners.

More than 30 organizations, banks and companies – among them ADM Capital, Dalberg and the Climate Bonds Initiative – shaped the agenda as hosts of sessions, knowledge-sharing stations and presenters of pitches. Participants included high-level decision makers from Standard Chartered, HSBC, BNP Paribas, The Body Shop and Kingfisher.

The day was structured into three segments: expert clusters in the morning to discuss emerging tools and trends in landscape finance, an afternoon round of case study sessions drilling down on concrete examples and a Dragon's Den session in which a high-level jury of finance experts assessed three investment pitches. All breakout sessions included interactive knowledge-sharing elements and the exhibition area offered moderated exchanges around hot topics throughout the day.

Outcomes from all sessions fed into a concise document outlining five key areas for action along with next steps. But during the day, real deals already were being

By the numbers

91%

of survey participants rated the event as successful or very successful

255%

increase in website views during the pre-event campaign

94%

said the event helped build bridges to other sectors

4.5
million

Twitter account impressions of event news

10
White Papers

with the newest science and case studies published, accessed by 73% of participants and read 2,352 times online

made – from concrete support for investment pitches to companies interested in sustainable sourcing reaching out to policy makers from exporting countries.

Participants agreed that:

- **Investment pipelines are under way.** While we are still far from linking the available USD 200-300 billion a year to projects on the ground, many initiatives now specifically address the gap between global funds and local farms. Common ground is emerging.
- **Risk is an opportunity.** While investors, project developers and governments alike bemoan the risky terrain that landscape finance constitutes, the factor “risk” is now recognized as a key ingredient for translating sustainable landscapes into bankers’ lingo.
- **We need to act faster, but above all smarter.** Innovative, credible and bankable projects exist, but they need to be tested and developed faster. Financial technology such as bitcoins and more rigorous systems for gathering, assessing and sharing data are crucial in making this leap.

The challenge

The year 2015 has marked a major milestone in global environment and development policy by setting the agenda for the future. First, world leaders identified the Sustainable Development Goals as a core part of the 2030 agenda during the UN General Assembly in New York. Three months later, governments approved the Paris Climate Agreement as successor to the Kyoto protocol.

But these agreements cannot succeed with the help of governments alone. Civil society, the finance sector and businesses play a crucial role in designing the conditions for success – among them the millions of smallholder farmers and foresters who are estimated to produce over 70% of the world's food.

“Of the various wedges that we have in the climate policy arena, the land use one is the one that probably has the biggest implications for the other Sustainable Development Goals.”



Marco Albani

Director of TFA2020, hosted at the World Economic Forum

Currently, smallholder farmers and foresters face severe challenges when trying to access capital, processing opportunities or marketing channels. New initiatives such as private sector zero deforestation commitments encourage more sustainable land use. At the same time, their potential impact on smallholder farmers needs to be better understood.

Financial service providers have a big role to play in improving land use practices and livelihoods for rural communities. Their regulations, investment choices, risk strategies, business partnerships and day-to-day practices shape land-use practices on the ground. More and more financial institutions and investors are recognizing this responsibility – both driven by concerns about reputational risks and out of enlightened self-interest.

“Today, there are very high interest rates for smallholders to access capital, especially in developing countries like my own. Interest rates are about 45% in Malawi. It's sad that farmers need to accept these bad rates because they desperately need the access to finance.”



Zwidi Jere

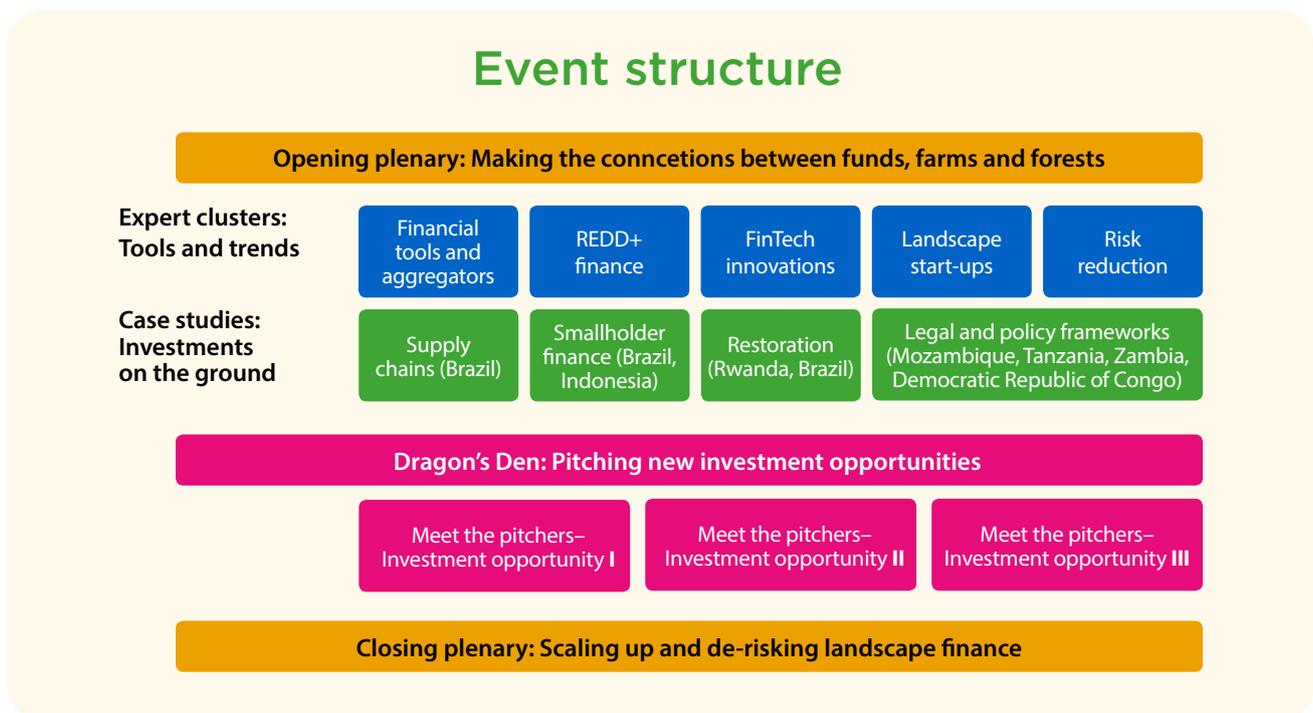
Managing Director of Total LandCare, working with smallholders in eastern and southern Africa

In 2015, the inaugural Global Landscapes Forum: The Investment Case set out to tackle the disconnect between the global world of finance and the landscape level. The expert symposium helped find a common language and set an agenda of priority issues.

In 2016, sessions took the discussions a step further by presenting real solutions and exposing them to inputs and feedback from fellow experts gathered at the event. New topics tackled during the second Forum ranged from the role of blockchains in land management to investment models taking landscape approaches to the sea.

Sessions and flow

The Forum featured four types of sessions, all geared toward maximizing engagement and productivity. All session hosts could draw on professional support for knowledge management and facilitation within their sessions.



High-level plenaries brought together leading thinkers and innovators to stimulate discussions throughout the day. In the opening plenary, decision makers from public and private finance, policy and smallholder networks made the connections between funds, farms and forests. Reflecting on the day's outcomes, the closing plenary identified strategic interventions for de-risking and scaling up landscape finance.

A **set of expert clusters** assessed the newest tools and trends in the landscape finance arena. All expert clusters were selected and then further approved by a cross-sectoral selection committee representing the event's Coordinating Partners.

At the end of the process, the committee identified five topics as the most pertinent issues shaping land-use finance today:

1. Connecting financial tools and landscapes: **Aggregators** and strategic interventions
2. Diversifying financial instruments to realize **REDD+**
3. **Financial system innovations** – How blockchains, mobile banking and the Internet of Things impact landscapes
4. Thinking medium before we think big: The role of program-related, angel and venture capital in financing **landscape start-ups**
5. **Risk reduction** measures for private sector investment in landscape restoration.



Following expert clusters laying out the bigger picture, a set of **case studies** allowed participants to dive deep into on-the-ground examples and the nuts and bolts of implementation.

In the lead-up to the event, the selection committee chose case study sessions based on the innovation factor of proposed solutions, regional diversity and the potential adaptability of cases to other contexts. Four case studies made the final cut and entered discussions in London:

1. Catalyzing financial sector involvement in **deforestation-free supply chains** (Brazil)
2. **Smallholder finance** – evidence from the tropics (Indonesia, Brazil)
3. Removing barriers for investing in **landscape restoration** – what works where? (Rwanda, Brazil)
4. Mapping the **legal and policy landscapes** for investments in Africa (Mozambique, Tanzania, Zambia, Democratic Republic of Congo).

As a 2016 innovation, the Forum featured a **Dragons' Den**, in which three presenters pitched concrete investment opportunities to a jury of investment experts. Following the short, engaging pitches and initial feedback from the high-level jury, Forum participants could follow up with in-depth questions around the investment opportunity of their choice in three parallel **breakout sessions**.

Forum organizers developed this dynamic format as a direct response to feedback following the 2015 Forum, where investors called for increased discussion around real, investable projects.

The complete event program, with full session descriptions, is available at <http://www.landscapes.org/london-2016/agenda/>.

To facilitate an open working atmosphere, expert clusters and case studies were set up in working group style. Each room also featured “democracy walls” to allow for non-verbal inputs, and discussions in several sessions were documented using sketchnoting techniques.

All sessions were targeted to an expert audience, with no time set aside for general introductions to the topics. To ensure that participants attended expert clusters sufficiently prepared, session co-hosts jointly drafted White Papers that outlined current knowledge, open questions and next steps related to cluster topics.

“ I was very impressed by the caliber of the presentations I've seen... how we can really showcase that there can be concrete, positive and competitive financial returns from investing in that field, in sustainable landscapes, is something that I was happy to see.



Ayman Cherkaoui
Advisor to the Environment
Minister of Morocco

Speakers

Global Landscapes Forum: The Investment Case is unique in connecting land-use decision makers across sectors and regions. The Forum's speaker lineup reflected this diversity.

Plenary sessions hosted a wide range of thinkers and practitioners – from representatives of smallholder farmer networks to the managers of multi-billion dollar climate funds.

Within breakout sessions (expert clusters and case studies), session hosts were encouraged to keep formal speaker interventions to a minimum. A senior facilitation expert and his team of Youth in Landscapes volunteers supported this shift in emphasis to knowledge sharing (more on facilitation below).

Following is a list of the Forum's plenary speakers, whose high-level interventions framed the day.

Opening plenary: Making the connections between funds, farms and forests

Moderator



Daniel Nepstad
Executive Director, Earth
Innovation Institute

Opening remarks



Peter Holmgren
Director General, CIFOR

High-level speakers



Chris Botsford
CEO, ADM Capital



Enda Ginting
Assistant Deputy, Office of the President
of the Republic of Indonesia



Andrea Ledward
UK Board Member, Green Climate
Fund; Head of Climate Change and
Environment Department, DFID



Zwide Jere
Managing Director, Total LandCare



Chris Knowles
Head of Climate Change and Environment
Division, European Investment Bank

“ The discussion and expertise from the panel made the opening plenary the most valuable session.

Participant, corporate sector





Dragons' Den: Pitching new investment opportunities

Moderator



Benedicte Cocquyt
Financial Advisor and Finance
Change Management

High-level jury



Thomas Heller
Chairman of the Board,
Climate Policy Initiative



James Cameron
Chair, Overseas Development Institute;
Founder, Climate Change Capital



Elvira Lefting
Managing Director, Finance in Motion

Pitchers of investment opportunities



Gautier Queru
Landscape Degradation Neutrality Fund Manager,
Mirova Responsible Investment - pitching the
Landscape Degradation Neutrality Fund



Oliver Hanke
Chief Investment Officer, NatureBank -
pitching Sustainable Cocoa Investments
in the Dominican Republic



David Barley
Investment Director, Althelia Ecosphere -
pitching the Sustainable Ocean Fund

“ The Dragons' Den was the most valuable session for me – it gave an insight into what investors are looking for from projects.
Participant, civil society ”

Closing plenary: Strategic interventions for scaling up and de-risking landscape finance

Moderator



Eric Usher
Head, UNEP Finance Initiative

Closing remarks



Peter Holmgren
Director General, CIFOR



Paola Agostini
Global Lead for Resilient Landscapes,
World Bank

High-level speakers



Debra Tan
Director, China Water Risk



Mark Burrows
Managing Director and Vice Chairman,
Global Investment Banking, Credit Suisse



Mark Campanale
Founder, Carbon Tracker Initiative



Jeff Seabright
Chief Sustainability Officer, Unilever

“ The closing plenary gave a great summary, an honest evaluation of what the day did and didn't achieve.
Participant, government ”

To see a list of speakers from all sessions, go to:
www.landscapes.org/london-2016/speakers/.



Oliver Hanke of NatureBank pitches his investment model in the Dragons' Den.



Enda Ginting (government of Indonesia) and Zwide Jere (supporting farmers in eastern and southern Africa) discuss how to make finance work for smallholders.

Knowledge sharing and engagement

With a high-caliber pool of 320 experts in senior decision-making positions attending the Forum, organizers did everything to harness participants' knowledge and ideas.

All breakout sessions were fully geared toward maximum engagement by employing selected knowledge sharing and facilitation techniques. After sessions were chosen by the Coordinating Partners' selection committee, a senior facilitation expert stepped in, offering individual support to session hosts.

Two conference calls and countless bilateral phone calls and email exchanges resulted in individually tailored session scripts, providing organizers with a detailed rundown for the day of the event. While a range of facilitation methods were used, the underlying philosophy stayed the same: Sessions should provide a hub for exchange, in which each voice is important and each idea heard.

Session hosts were encouraged to treat speakers as providers of discussion incentives rather than sole authorities on the topic. Youth volunteers selected through a competitive process and trained in a facilitation method boot camp co-led the implementation of interactive methods: from 1-2-4-all exercises to World Cafés, from SWOT Analyses to talk show-style debates.

The success of these measures depended to a high degree on session hosts' openness to carrying out the script on the day of the event. Participants' comments following the event clearly indicate that

“**Networking is still the most valuable part of such sessions... Great to have smaller table discussions, this allows to learn more about each other's business.**

Participant, corporate sector, attended a World Café-style session

“**Panelists focused too much on promoting their own projects. Stronger facilitation may help bring discussions further next time.**

Participant, research, attended a session with seven plenary speakers

sessions following the event's facilitation philosophy carried higher value – for participants, speakers and organizers alike.

Outside the breakout sessions, organizers transformed the entire venue into a space for brainstorming. Over the day, three time slots were dedicated to informal networking and guided knowledge sharing. These slots saw seven launches of new initiatives and accompanying audience discussions led by youth volunteers.

The unprecedented attention given to facilitation and engagement led to a highly interactive event, perceived very favorably by participants.



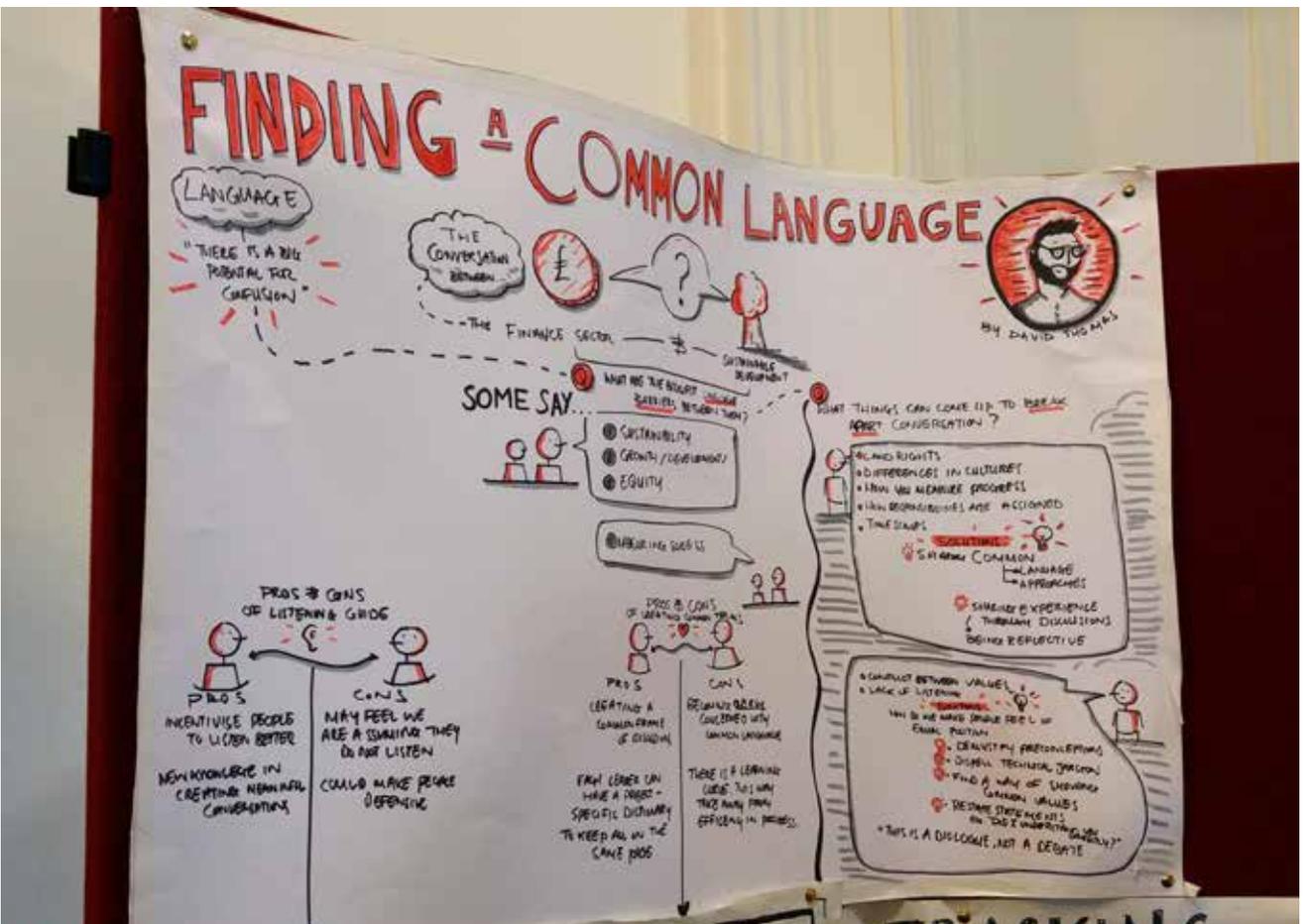
stated that interactive methods were valuable or very valuable. No one perceived them as “not valuable at all”.



Expert clusters and case studies were centered around interactive exchange.



Seven landscape innovators launched their initiatives as part of the knowledge sharing activities.



Sketchnote on finding a common language between investors and the landscape level. (Photo: David Thomas, Danaqa Ltd.)

Fresh methods, young minds: Young landscape entrepreneurs in action

By using the channels of the Youth in Landscapes Initiative, organizers reached out to thousands of young professionals and advanced-level students with a background in land-use finance or sustainable development. Through a competitive application process, nine were selected to join the Forum as youth volunteers.

Together, they represented the full spectrum of issues under discussion at the Forum, from global food security policy to environmental assessment and climate change economics. In a one-day intensive boot camp, youth volunteers equipped themselves with facilitation skills to complement their technical background.

Over the course of the day, youth volunteers supported session facilitation, guided knowledge-sharing sessions and documented conversation highlights through sketchnoting.

Youth volunteers were a vital factor behind the success of the event, and session hosts, speakers and participants fully recognized the value they added to discussions. As an immediate result, the following opportunities emerged for members of the youth team – and only one month after the Forum:

- A **traineeship** with Mirova Responsible Investing to work on the Landscape Degradation Neutrality Fund
- An **internship** with CIFOR to support research for the High-Level Panel of Experts on Food Security.

“ I thought it was a great session with some really vibrant and dynamic discussions.

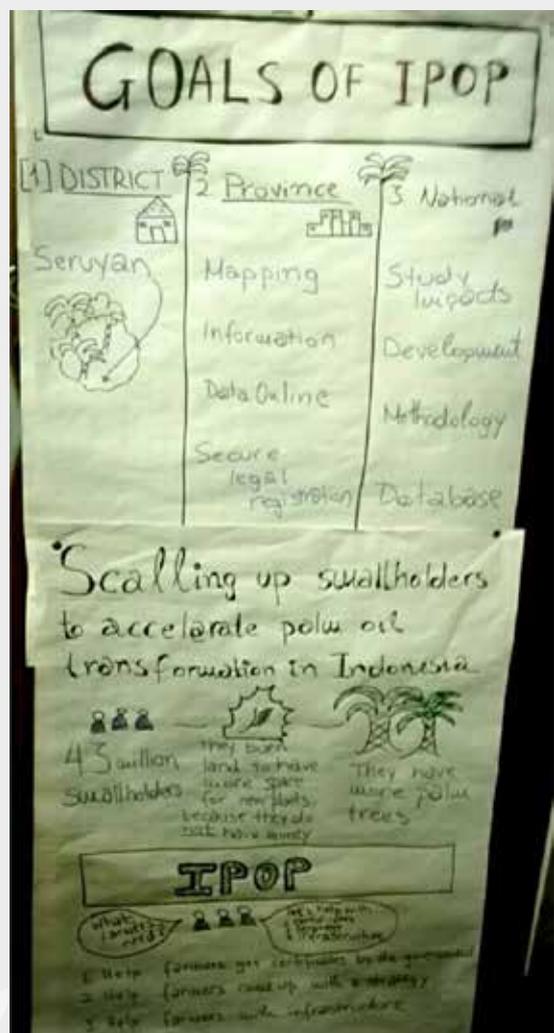
Annelies Sewell, Junior Researcher (Biodiversity & Finance), Netherlands Environmental Assessment Agency

“ It was really interactive! My favorite moment during the event was the exhibition part, where I had to sketch-note the conversation about the case of the ‘Indonesia Palm Oil Pledge’ (IPOP). The conversation was so interesting and so informative... all of the participants were happy to share their knowledge and advice to me during networking. I cannot wait to collaborate with CIFOR again!

Mariefi Kamizouli, MSc student in Environmental Economics & Climate Change, London School of Economics & Business



Where there's youth, there's selfies



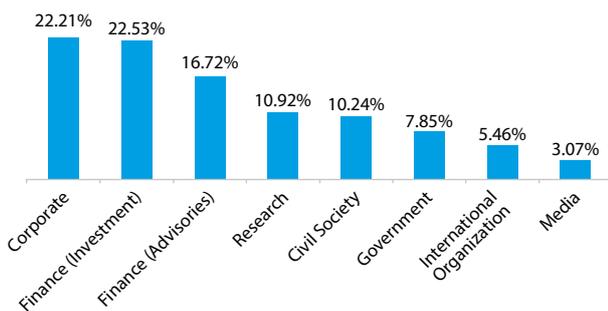
Participants and feedback

Based on the overwhelming interest organizers received in the lead-up to the inaugural event, the maximum number of participants was increased from 100 to 300. In the end, a total of 320 experts participated in this second Forum – including speakers as well as session and exhibition hosts.

Participation within expert clusters and case studies was limited to 60 people each, divided into different discussion groups, in order to keep the interactive character of the event.

After the event, organizers collected feedback through an online survey to assess the event's impact. In addition, organizers analyzed registration data to learn more about participants' professional backgrounds.

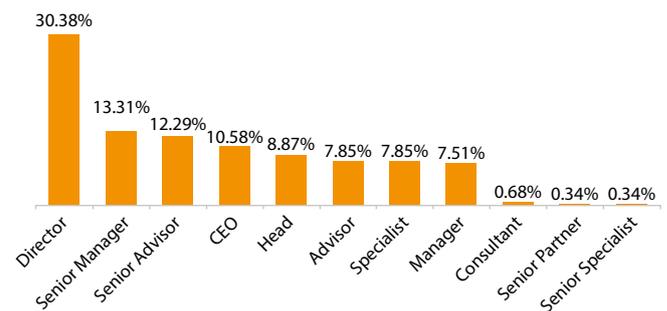
Participants by type of institution



As in the previous year, the **mix of participants** was among the event's biggest assets – making the Forum one of the few development events attractive to the private sector:

- **62.11%** of participants work in the **finance and corporate sector** (21.84% finance and investment, 16.72% finance and development advisories, 23.56% corporate sector); research and civil society were evenly represented with around 10% each; governments, international organizations and media were between 3 and 7% each)

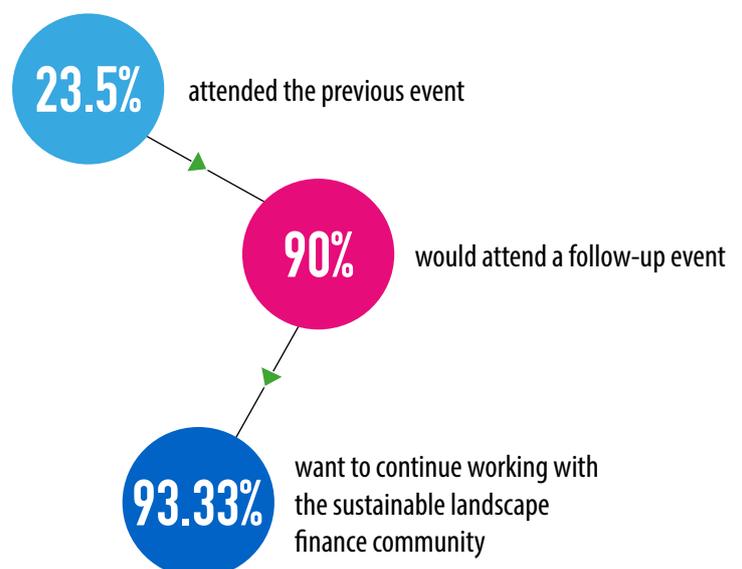
Participants by position



Speaking to the level of the event, the majority of participants are in leadership positions within their institutions:

- Almost half are **directors (30.38%), CEOs (10.58%) or heads (8.87%) of organizations**
- A quarter (**25.6%**) are **senior managers or researchers**.

This success is driven by the Forum's ability to reach stakeholders outside its normal constituency:





A deeper look at the perception of individual sessions also reveals an overwhelmingly positive picture: In the survey, participants expressed their appreciation of speakers' expertise and the quality of presentations.

But most importantly, they valued each other and their specific experiences: Smallholders learned about the expectations of angel investors, civil society representatives benefited from the insights of restoration companies and social entrepreneurs exchanged views with supply chain experts.

“ I think it's been a great Forum. And I think what's really positive about it is they've got a lot of people from different angles looking at problems.

And so you put the problem on the table and you've got a lot of different people giving a lot of insight and coming up with some really interesting solutions.

And in five years people will say, gosh, that was really the starting point, right here at CIFOR.



Chris Botsford
CEO, ADM Capital

Key results:

91%

rated the Forum as “successful” or “very successful” – only one person thought the Forum was “not very successful” and no person selected “not successful at all”

94%

said the Forum helped them build connections to other sectors

91%

said the Forum facilitated new partnerships for them

84%

stated that the new interactive methods in sessions were “helpful” or “very helpful”

73%

of participants read the White Papers and 100% of those who read them found them “helpful” or “very helpful”

Top 5 – Most valued expert cluster and case studies:

1

Case study

Removing barriers for investing in landscape restoration – what works where? (Lead: IUCN)

2

Expert cluster

Connecting financial tools and landscapes: Aggregators and strategic interventions (Lead: Clarmondial)

3

Case study

Smallholder finance – evidence from the tropics (Lead: CIFOR)

4

Case study

Catalyzing financial sector involvement in deforestation-free supply chains (Lead: TFA2020)

5

Expert cluster

Risk reduction measures for private sector investment in landscape restoration (Lead: World Bank)

Global Landscapes Forum: The Investment Case

is a learning event. Based on feedback from 2015 participants, organizers decided to implement additional measures to increase knowledge sharing and interactivity – leading to significant improvements, as survey numbers and anecdotal feedback show.

Survey comments and direct remarks gathered in 2016 will again help in improving the Forum:

1. Some participants indicated that while each session was valuable, the day as a whole was too crammed. In the future, organizers will consider going back to a two-day format.
2. Not all sessions decided to make use of interactive methods or support persons such as the youth volunteers and the expert facilitator. In the future, organizers may make these processes mandatory.
3. Sessions with a heavy focus on plenaries and high numbers of speakers received more negative feedback. Organizers may introduce a cap on the number of speakers for the next event.

In terms of concrete topics, participants suggested the following new issues for consideration:

1. measuring risks and uncertainties
2. views of institutional investors and green bond issuers

3. role of mass media in accountability
4. social aspects of land-use interventions, taking on a poverty and gender perspective.

Following an impactful 2015 launch, the Forum further improved its survey ratings in 2016. Nevertheless, more work is needed to increase the number of important stakeholders such as representatives of large financial institutions, pension funds and government finance authorities.

After the successful introduction of interactive methods, guided knowledge sharing and investment opportunity pitches, these tools will remain a cornerstone of the event's design.

“ This is a really good Forum because none of us can do these things by ourselves – we need to focus on what we are experts in and form alliances for the rest.



Karla Canavan

Director of Sustainable Finance,
Bunge



Communications and outreach

With the event itself limited to selected participants only, CIFOR carried out a broad communications campaign to reach and engage participants that could not take part in the discussions in London themselves.

A dedicated event page – www.landscapes.org/london-2016 – featured event updates as well as expert blogs, the White Papers and relevant publications before the event. Following the Forum, the site was quickly converted into an online archive providing easy access to event outcomes, news and media coverage, presentations and video recordings.

Key communication tools included the following:



Website

A dedicated event page was set up on www.landscapes.org, a collaborative, unbranded platform.

- The page was visited 21,248 times in the weeks around the event by at least 5,000 unique visitors.
- Visits in the pre-event campaign went up 255% compared to 2015.
- White Papers prepared by session hosts before the event were read 2,352 times – up 57% compared to 2015.



Facebook

The Global Landscapes Forum Facebook account was used to share stories and facts about land-use finance worldwide. Posts reached 18,345 people and were shared, liked and commented on 150 times.



Twitter

220 tweets were sent from @GlobalLF about the event, potentially reaching 4,576,500 people.



Videos

Speaker interviews, an event video news package and recordings of the plenary sessions – including the Dragons' Den – are all accessible online. Clips were watched 2,227 times in the month following the event.



Presentations

Eight presentations from the event were made accessible on Slideshare. They have been viewed 1,015 times in total. Since session hosts were discouraged from using PowerPoint, presentations were only admitted and published in exceptional cases.



Media outreach

Organizers used targeted lists to share media advisories with thousands of journalists before the event. Several journalists attended the Forum, including from the BBC, Devex and Responsible Investor. The event was covered in 18 media articles – spanning outlets from Morocco, the United States, Germany and Tanzania, among others.

From the #InvestLandscape Twittersphere...





Outcomes and next steps

At the end of the intensive full-day discussions, participants agreed that significant steps had been taken since the expert Forum last convened in 2015:

The landscape approach and integrated thinking about land-use investments have taken root in the finance community. Investors seeking responsible investment opportunities are **more aware of the interconnectedness between land use, local livelihoods and environmental protection**. While the energy sector still features more prominently in sustainable finance portfolios, climate and poverty impacts of forestry and agricultural practices – as well as the immense opportunities emerging with restoration – have gained in prominence. Recent private sector-backed large-scale initiatives like 20x20 in Latin America and AFR100 in Africa are manifestations of this new awareness.

“ If we are talking food, as we learned from Marie Antoinette, we are talking revolutions. And if we talk about livelihoods we are talking about mass migrations.



Chris Knowles

Head of Climate Change and Environment Division, European Investment Bank

The inaugural Global Landscapes Forum: The Investment Case was praised by several participants for its role in finding a **common language between bankers and those working at the landscape level**. Where previously there had been confusion around the meaning of terms such as “equity”, a shared basis has emerged. In the Dragons’ Den, project developers tested the financial viability of their pitches with investment experts – a learning exercise for both sides as well as the audience.

“ This Forum would not have been impossible ten years ago. When I was in Liberia working on forests, we were trying to do partnerships – there was the public sector and the NGOs, but the private sector was largely absent. That’s no longer the case.



Paola Agostini

Global Lead for Resilient Landscapes, World Bank

These shifts in investor thinking and the relationship between finance and conservation are accompanied by **unprecedented global commitments**. Both the Paris Climate Agreement and the Sustainable Development Goals highlight the interdependence of environment and human well-being. They are also universal in their outlook, overcoming the old divide between developing and developed countries. This is a clear call for reassessing rich countries’ production and consumption patterns – including the impacts of financial flows on livelihoods and ecosystems elsewhere in the world.

“ When I spoke last year at this very conference, I talked about a cresting wave and that you had a long period of the trough. It was about to break. Well, I think it broke in Paris during the COP21.



Mark Burrows

Managing Director and Vice Chairman, Global Investment Banking, Credit Suisse

Still, a lot remains to be done. Based on session summaries and notes from plenary discussions, the organizers identified five main areas for action:

1. New **business models, financial instruments and regulations** at different scales
2. **Technology** to make sustainability simpler and cost effective
3. **Risk mitigation** and trust building – for investors and their customers

4. Access to good **quality data** and regular use
5. Communication of **alternative value propositions** – beyond just the monetary.

For more details on the five action areas as well as success stories and concrete next steps, see the Forum Outcome Statement: <http://www.landscapes.org/publication/glf-london-2016-outcome-statement/>.

Sneak peek.... What participants are up to after the Forum

Numerous participants used the online survey and direct email exchanges to share connections and initiatives formed at the Forum:

“ I met with a woman representing a large consumer goods company and we talked about how they could improve their product sourcing in my country.

Policy maker

“ I learned [from the Dragons’ Den] how to pitch my own project in the future.

Finance advisor

“ I am working with a few developers and advisers on zero-deforestation sustainable commodity projects in an African country.

Project developer, corporate sector

“ I have engaged with contacts met at the Forum to explore potential collaborations and knowledge sharing. Some of the ideas shared around structuring financing will also be something we consider applying in our day to day work.

Economic consultant

“ I asked tough questions for Lord Nicholas Stern and Governor Mark Cardy at embassy events later that week about the land use economic incentives.

Donor





Cover photo by Sirsendu Gayen; content photos by CIFOR

Coordinating partners



Strategic partners



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Session hosts

