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# Policy recommendations

## How to mitigate the negative macro-effects from agro-energy production

These recommendations are based upon findings from stakeholder consultations in Brazil, Indonesia and the Netherlands that were carried as part of the project on the 'Identification of macro-effects of biomass production in dialogue with civil society organisations in producing countries' (2008-2010).



- *Societal change* as a result of migration, impoverishment/ prosperity, loss of employment through conversion of small-scale, labour-intensive to large-scale, displacement of people without land tenure and the changed power position of women and/or rural people;
- *Changed service provision* from agricultural extension services, agricultural innovation & technology institutes and local energy provision.

### Monitoring macro-effects

**GOVERNMENTS** Governments across the world should work towards a harmonised approach on reporting on sustainability indicators for the production and use of agro-energy crops. These should include changes in the prices of food and land, loss of nature, changes in vegetation and types of crops grown. The Global Bioenergy Partnership (GBEP) is a useful initiative for moving towards such a harmonised approach. In addition, governments across the world should ensure the implementation of public reporting and transparency on the production and use of agro-energy crops.

### Measures

These macro-effects are difficult to assess and measure and it is especially difficult to assess the *causality* between these parameters and the production of agro-energy crops.

Although monitoring the parameters discussed above can provide important information, it does not provide a safeguard against negative macro-effects. As such much more focus should be placed on risk analysis and preventative measures. Policies and support schemes from governments should stimulate the private sector to adopt these measures so as to avoid negative macro-effects. Two strategic types of intervention can be identified:

- Monitoring the macro-effects, which is a task mainly for governments and, possibly, UN-like institutions, as well as CSOs who can act as watchdogs for (unexpected) negative impacts;
- Mitigation of negative impacts. This requires efforts from governments and the private sector and support from CSOs.

**CORPORATE SECTOR** Producers of agro-energy crops should work towards transparency of their environmental and social practices.

Agro-energy processors and buyers should ask for full transparency from their suppliers.

**CIVIL SOCIETY** CSOs in producing countries should monitor the implementation of national agro-energy policies and report grievances in discrepancies with the national agro-energy policy and/or any breaches of commitments or duties that arise from international conventions such as the Convention on Biological Diversity.

CSOs in both producing and consuming countries should advocate transparency on agro-energy policies, legislative frameworks and public reporting on

### What are macro-effects?

The macro-effects of agro-energy crop production are those that are difficult to establish at the individual company level and that only become visible at the regional, national and, sometimes even, at the supranational level. The macro-effects of agro-energy can manifest themselves in various ways, e.g.:

- *Land use change* as a result of the relocation of food production and cattle breeding, deforestation, changes in vegetation-types and infrastructural changes (roads, ports, canals);
- *Land tenure aspects* through changed property relations and land prices;
- *Food security* as the availability of food and food prices for rural and/or urban people change;
- *Loss of biodiversity* and depletion of natural resources;

agrofuels and agro-energy crops production, feedstocks and areas designated for agro-energy production/ processing. CSOs should highlight cases of violations of human rights, environmental law and international conventions and should advocate following up of national and international conventions and agreements.

### Mitigation of negative macro-effects

**GOVERNMENTS** Governments in producing countries should develop national agro-energy policies and implementation policies. These should be based upon a participatory agro-ecological zoning and/or land use planning that takes into account ecosystem services and biodiversity values as well as social and cultural values of the area (i.e. they should be based on the Ecosystem Approach<sup>1</sup>). In addition they should enforce a comprehensive Environmental and Social Impact Assessment (ESIA) with a separate protocol for the assessment of human rights.

Governments in consuming countries should refrain from adopting policies that stimulate the import of agrofuels and generation of agro-energy until the sustainability (including the indirect effects of production) can be guaranteed: quality should precede quantity. Governments should prioritise the use of agro-energy feedstock that puts low claims on scarce resources: land, water and nutrients throughout the entire lifecycle and which can therefore be regarded as having a lower risk of causing indirect impacts. In addition, these governments should favour “low risk” agro-energy through tax incentives, supportive programmes for biomass from agricultural and industrial wastes and residues (i.e. used cooking and frying oils, domestic agricultural residues or advanced feedstock like algae). Governments should also stimulate a mix of sustainable energy provision: integrating the *local* production and use of biomass together with wind, solar and geothermal energy.

Governments across the world should work towards the strategic enforcement

of existing laws on the protection of biodiversity and land (use and property) rights (not only in connection with agro-energy crop production, but for all agricultural production).

Governments should, individually and/ or collectively, support research for development of an ‘indirect land use change penalty’ on greenhouse gas emission calculations to discourage the use of “high risk” agro-energy crops. Governments should support the use of voluntary schemes that include principles and criteria that minimise the risk of negative macro-effects of agro-energy crop production such as, the Round Table of Sustainable Biofuels (RSB).

**CORPORATE SECTOR** Companies in producing countries should comply with (voluntary) schemes of sustainability criteria such as the RSB that seek to minimise the risk of negative macro-effects of agro-energy crop production.

Companies should not invest in agro-energy crop production in countries where human rights and the land tenure of local and indigenous people are not observed and respected. Agro-energy buyers should not buy from such countries.

Producers, processors and users of agro-energy crops should support (voluntary) moratoria on production in critical areas such as High Conservation Value Areas and peat land forests and prioritise biomass feedstock that puts low claims on scarce natural resources like land, water and nutrients throughout the entire lifecycle and which can therefore be regarded as having a lower risk of causing indirect impacts.

**CIVIL SOCIETY** CSOs in producing countries should be a watchdog and monitor the local development of agro-energy crop production, communicate this with local people, local and national authorities and inform CSOs in consuming countries.

CSOs in consuming countries should advocate for policy recommendations on the base of the information obtained from CSOs in producing countries.

CSOs should monitor the implementation of national agro-energy policies and highlight breaches with the policy or strategy.

CSOs should engage in multi-stakeholder dialogues focussing on agro-energy developments and ensure the participation or representation of marginalised groups in such multi-stakeholder processes. In addition, CSOs should be a discussion partner and bridge builder to engage government and private sector in addressing sustainability. CSOs should inform companies and governments about human rights and environmental issues.

<sup>1</sup> The Ecosystem Approach is a strategy for the integrated management of land, water and living resources that promotes conservation and sustainable use in an equitable way, see <http://www.cbd.int/ecosystem/>

#### FOR MORE INFORMATION, CONTACT:

Both ENDS: Nathalie van Haren (nh@bothends.org), Karen Witsenburg (kw@bothends.org)  
IUCN National Committee of The Netherlands: Carl Königel (carl.konigel@iucn.nl), Danielle de Nie (danielle.denie@iucn.nl)

#### Project team:

- Both ENDS - The Netherlands
- IUCN National Committee of the Netherlands
- 4 Cantos do Mundo - Brazil
- ECOA - Ecologia e Ação - Brazil
- Mater Natura - Instituto de Estudos Ambientais - Brazil
- Repórter Brasil - Brazil
- Sawit Watch - Indonesia

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