

**Asia Pacific Land Use Forum 2017
Summary Report**

**Bangkok, Thailand
23 Nov 2017**

Background

The Asia Pacific Land Use Forum (APLUF) was conceived by Credit Suisse in order to explore through discussion potential opportunities for collaboration to bring scale to land use planning and management solutions.

The inaugural APLUF was held in Bangkok, Thailand on 23 November 2017. APLUF17 aimed to bring together select representatives from local and international NGOs, research and development agencies, and regional banks and investors to focus on major environmental and social land use issues, primarily in the Greater Mekong Sub-region (GMS).

The key objectives of APLUF17 were for:

1. Local and international NGO participants to take stock of key issues, current and future activities
2. Regional banks and investors to understand their levels of awareness and interest in these same key issues

Asia Research and Engagement provided planning and preparation support and all facilitation for APLUF17.

Post-event feedback rated the overall quality of experience at APLUF17 as 8.4/10.¹

Suggested topics and focal areas for future Forums included:

- ☐ Most participants agreed that **greater private sector participation** would be beneficial, particularly regarding successful sustainable land use models in Asia
- ☐ **More representation from finance institutions** to share insights on how issues raised during the Forum are addressed and where key challenges remain
- ☐ The **creation of focus groups** for specific sectors and/or land use challenges
- ☐ Given participant diversity and mutual interests, **additional time for networking** would be valuable

Our sincere thanks to delegates from the following organisations for their participation and contributions to APLUF17:

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| ☐ BBL Asset Management | ☐ RECOFTC – The Center for People and Forests |
| ☐ Equitable Cambodia | ☐ Stockholm Environment Institute |
| ☐ Food and Agriculture Organization | ☐ United Nations Development Programme |
| ☐ Global Witness | ☐ US AID – Green Invest Asia |
| ☐ Inclusive Development International | ☐ Wildlife Conservation Society |
| ☐ International Union for Conservation of Nature | ☐ World Wildlife Fund (Thailand) |
| ☐ Lestari Capital | ☐ Zoological Society of London |

¹ Based on feedback from seven participating organizations (as of 12 January 2018)

1. Delegate Expectations

Delegates were keen to learn more about the following:

- Drivers of land use change
- How different sectors and groups view land use issues and their major drivers
- What strategies and approaches people use to address these issues
- Common grounds on land use issues
- Practical solutions to solving problems
- Opportunities for potential collaboration
- Good partnership arrangements for such collaborations
- What financial institutions are prioritising
- How banks can be involved in the development sector
- On-the-ground updates
- The kinds of projects companies and banks are willing to engage in
- Trends and risks in the ASEAN region

2. Horizon Scanning of Risks

Delegates were asked to list the risks, problems and issues that they have observed in the GMS. They were then asked to number the issues and place the correspondingly numbered flag on a map of the GMS. Finally, each table was asked to present the top two risks, problems or issues that they felt were the most pressing.

This is the final list of top risks in no particular order:

- Inconsistent government policies (even within ministries)
- Recognition of customary land rights (Cambodia, Laos, Myanmar)
- Large scale infrastructure development, especially hydropower (Laos, Myanmar)
- Large scale agricultural land use concessions (Cambodia, Laos, Myanmar)
- Lack of access to information even where information is available
- Lack of strategic land use planning
- Non-existent supply chain due diligence (banks, investors, companies)
- Pressure on land use from businesses with short term, unsustainable vision
- Insufficient tools & regulatory framework to encourage sustainable land use investment

Discussion and Observations

- Teams generally resisted isolating risks to specific geographic areas, in some cases because the risks applied to multiple different regions/ countries
- The tables were asked to present their top two risks, leading them to choose risks with widescale geographic impact
- While many risks were interrelated, the top two risks identified by each table rarely overlapped thereby creating a diverse snapshot of the risks and issues observed in the GMS
- It was noted that climate change and population issues were not prioritised

3. Trend Prioritization

The group was given a list of eight trends affecting the GMS and asked to identify further trends. Subsequently, each table was asked to prioritise the trends based on the probability of occurrence and likely impact. Each table then presented their top positive trend and top negative trend.

Top 5 Positive Trends (In no particular order)

- Private sector recognition of materiality of sustainability issues is increasing
- Improvement in information sharing, IT, social media
- Marginally increased awareness of corporate responsibility for sustainable supply chains
- Social media – increased access allows the public to make better informed decisions
- Increased understanding by government of the interconnectedness of sustainability issues in land use planning

Top 5 Negative Trends (In no particular order)

- Conspicuous consumption is becoming worse
- Shrinking workspace for civil society
- The shift in the Chinese economy from production to services, so that they are looking outward for supply
- Corruption – sustained and not going away
- Climate change and population growth

Discussion and Observations

- Majority of trends were plotted within the top right-hand quadrant of the prioritisation tool
- There was a gradual realisation by the tables that most trends would be quite prominent, and would resultingly end up in the top right-hand quadrant
- There was also a recognition across the group that the probability of occurrence, the potential impact and the type of impact (positive/negative) of trends were functions of actions taken

4. Leaf Analysis

Each table was provided with a leaf template. They were then asked to pick a risk, problem or issue that was identified in the horizon scan that they would solve. This was done for the purposes of contextualizing the leaf analysis. Two tables chose to assess ESG due diligence in supply chains, one chose to tackle the issue of large-scale land use change and the last chose the lack of access to information.

Key Factors

The first task was to identify key factors in providing a solution. The initial factors provided to the group were "Finance" and "Collaboration with other interest groups". The tables then selected four further factors relevant to the problem they sought to solve. The interpretation of the key factors were left to the tables.

Certain notable themes emerged from the choice of key factors. Nearly all the tables identified dealing with challenges presented by laws, regulations and government policies as being a key factor. Other factors include challenges related to information, communication and technical capacity.

Challenges and Solutions

The tables were first asked to identify hurdles that they faced with respect to each factor and then to identify solutions. Emphasis was placed on solutions that were practical and working now in a geography, rather than ideas for the future.

Laws, Regulations and Government Policies

The challenges noted by delegates ranged from the absence of regulatory frameworks, conflicting laws and ambiguous government policies, to issues related to enforcement.

Solutions that were observed to have worked in overcoming these challenges included the creation of localized standards which could be scaled up later and working with a private sector industry leader to drive the adoption of the standards. An NGO also shared their experience of using extra-territorial mediation to address problems that were sufficiently severe and lacked adequate local remedies. However, it was noted that all other legal options had to be exhausted before this avenue could be considered.

Information and Technical Capacity

A common challenge faced by most was the availability, accessibility, and quality of information relevant to addressing the issue being solved. While the nature of the challenge, and by extension the corresponding solution remains case specific, certain wide-ranging solutions were floated.

For example, one challenge raised was that the relevant information might be readily available but not in a format that is readily useable by most stakeholders. Big data tools are now readily available to translate the data into the appropriate formats. For example, identifying where companies or other large organisations are failing in their responsibilities, so allowing media and social media scrapes to exercise a stronger monitoring function.

Another challenge raised was ensuring the quality and integrity of information needed to comply with supply chain standards. Blockchain-based solutions were proposed and these are currently being explored and implemented in several fields. The solutions leveraged on the traceability and immutability of the Blockchain to secure information and provide an end-to-end view of a product and/or commodity's lifecycle.

Communication

A challenge that was identified when collaborating with private sector stakeholders was the fixation on KPIs that the private sector tended to have. While a number of solutions were observed to have worked, a common theme was the creation of appropriate platforms for all stakeholders to air their views, and for all parties to obtain a deeper understanding of each other's perspectives, challenges and objectives. In essence, having deeper communication instead of purely having more communication was identified as being a key solution to this commonly-faced challenge.

5. Reflections

The day began with two exercises that were broadly familiar to most delegates; the horizon scan of risks and the prioritization of trends. It then moved on to a brief sharing session where Credit Suisse shared their views on working with the development sector, as well as brief future plans. WWF complemented this by sharing their experience and perspective of engaging with the finance and banking sectors. The remainder of the Forum focused on solutions through the leaf analysis exercise.

The brief sharing session was a highlight for most NGO delegates as it provided a better understanding of how finance and banking can contribute to land use issues. Delegates were heartened to learn that elements of the finance and banking sectors spoke the same language as the development sector, and shared the same concerns. NGOs were also pleasantly surprised to learn that the finance and banking sectors were keen to engage and discuss land use and due diligence issues, as well as push ESG standards – though there was a notable absence of Thai banks from the room.

The focus on surfacing challenges and practical solutions during the leaf analysis was also warmly received by delegates. They enjoyed the focus on practical solutions that are ongoing or completed as opposed to potential ideas. Challenges that might not be solved by one group were sometimes addressed by other groups and many found this useful.

Further, there was a rich variety of solutions put forward. One delegate observed that while the workshop focused on the GMS, many solutions came from around the Southeast Asian region and sometimes globally. The delegate also mentioned that there were many examples within GMS that could be more strongly emphasised.

Lastly, delegates were keen to attend the forum again and there was a general desire to have greater participation from local banks in future forums.

Appendix 1 – Regulatory support for sustainable finance



Regulators – support in 2017

Country	Banking Initiative	Stewardship Code	ESG Disclosure Requirement
China	Green Credit Guidelines	-	Central SOEs
Hong Kong	-	Principles for Responsible Leadership	Listing rule
India	Responsible Finance Guidelines	SEBI voting guidelines	SEBI rule
Indonesia	Roadmap/ 8 leading bank commitments	-	Company law
Japan	Financial Action Principles	Principles for Responsible Institutional Investors	Ministry of Environment – Environment reporting guidelines
Malaysia	Sustainable and Responsible Investment (SRI) Sukuk framework	Malaysian Code for Institutional Investors	Listing rule
The Philippines	-	Under Discussion	Guideline only
Singapore	ABS Guidelines on Responsible Financing	Singapore Stewardship Principles	Listing rule
South Korea	-	Stewardship Code	National regulation
Taiwan	-	Stewardship Principles for Institutional Investors	Large/ high risk companies
Thailand	-	Investment Governance Code	Listing rule

Source: Asia Research & Engagement, AIGCC

Appendix 2 - Agenda

Time	Duration	Activity
08:30-09:00	30min	Registration
09:00-09:30	30min	Welcome remarks & Ice Breaker
09:30-10:45	1hr 15min	Session 1 <ul style="list-style-type: none"> a. Discuss risks/problems in the GMS b. Table maps c. Consolidate and chart
10:45-11:00	15min	Morning tea break
11:00-12:00	1hr	Session 2 <ul style="list-style-type: none"> a. Review trends b. Discuss trends and drivers c. Prioritize trends
12:00-13:30	1hr 30min	Networking Lunch
13:30-14:00	30min	Special Session: Sharing by CS and WWF
14:00-15:15	1hr 15min	Session 4: Leaf analysis (pt 1) <ul style="list-style-type: none"> a. Discuss challenges and solutions
15:15-15:30	15min	Afternoon tea break
15:30-16:30	1hr	Session 5: Leaf analysis (pt 2) <ul style="list-style-type: none"> a. Group discussion of solutions b. Next Steps
16:30-17:00	30min	Reflections and Closing remarks

Activity Set Up

There were 4 tables used, with a limit of 6 delegates per table. Delegates were encouraged to form groups with people they did not know/not from the same organisation. This was done to promote multiple perspectives at each table.

Further, delegates were encouraged to move tables at the end of each session. As such, the vast majority of delegates rotated through two or more tables through the course of the day.