Towards inclusive business models for soil health: six perspectives on value

Executive summary

Healthy soils underpin Europe's food security, climate resilience, biodiversity, and cultural heritage. Yet, despite policy momentum such as the EU Mission *A Soil Deal for Europe*, progress towards sustainable soil stewardship is slowed by fragmented definitions and competing priorities. Building on the Total Economic Value framework, six complementary perspectives capture the diverse ways soil health generates value: 1) productivist, 2) ecosystem services, 3) resilience, 4) non-use, 5) intrinsic, and 6) social. Each perspective has distinct motivations, beneficiaries, and policy needs, from market-based payments to legal protections and community empowerment. No single approach can address all perspectives effectively. A multi-perspective policy mix is needed to align incentives, avoid over- or under-subsidisation, and ensure fair, long-term stewardship of Europe's soils.

Healthy soils are essential for Europe's food security, climate resilience, biodiversity and cultural heritage and thus benefit all of society. However, potential benefits are distributed among many actors while the land managers who need to invest in soil health face most of the costs and risks. In addition, the availability of public funds like the Common Agricultural Policy, is limited, so that private capital is needed to make investment happen.

Hence, a coordinated policy effort is required to combine these different interests into value propositions that satisfy the needs of and generate value for all actors involved. To develop an operational framework that combines all these elements, requires first a better understanding of the types of values that are generated, which is the main aim of this policy brief.

To achieve this, we draw on the Total Economic Value framework, a tool for categorising the multiple ways nature generates value. By contextualizing the TEV framework for **soil health-based business models (SHBMs)**, we identify six interlinked perspectives driving investment in soil health.

1. **Productivist** – soil as productive capital improving yields and reducing costs
2. **Ecosystem services** – soil as a provider of public goods (e.g., carbon sequestration, water regulation)
3. **Resilience** – soil as insurance against environmental and economic shocks
4. **Non-use value** – protecting soil for future generations and societal well-being
5. **Intrinsic value** – recognizing soil's inherent worth beyond human utility
6. **Social** – soil health as a driver of inclusive governance, equity, and innovation.

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Policy implications

No single instrument can address all perspectives effectively. A **multi-perspective policy mix** is essential to align incentives, avoid over- or under-subsidization, and ensure equitable benefits.

The diversity of perspectives on soil health means that different actors respond to different types of incentives, and policy must be tailored accordingly. From a **productivist perspective**, adoption of soil health improving practices may be constrained by delayed financial benefits, insufficient returns, or limited access to credit. In these cases, **transitional subsidies**, **permanent supplementary income** streams, or **government-backed loan guarantees** can help overcome adoption barriers.

Within the **ecosystem services perspective**, payments for ESs are a key tool but require robust measurement, verification, and market mechanisms. **Hybrid payment models**, combining practice-based incentives with performance-based rewards, can address uncertainties in delivery. It is also important to recognize that **maintaining existing ecosystem service stocks** can be as valuable as creating new ones, yet current schemes often fail to capture these ongoing costs.

The **resilience perspective** faces coordination challenges, as benefits are widely shared, but responsibilities are diffuse, leading to free-riding and underinvestment. **Risk-sharing agreements**, **coordinated funding mechanisms**, and **public co-investment** can ensure that resilience-building practices are adopted even when they do not provide immediate financial gains.

From the **non-use value** and **intrinsic value perspectives**, market-based approaches are generally insufficient. These require **legal, cultural, and educational interventions** such as integrating soil protection into environmental law, promoting public awareness, and supporting cultural practices that strengthen stewardship ethics.

Finally, the **social perspective** benefits from institutional support for **local governance platforms**, **peer-to-peer learning networks**, and **participatory research**.




Flexible funding is essential to sustain grassroots initiatives over time.

Conclusion

The aim of this policy brief was to sketch out the various perspectives and values related to soil health and that need to be taken into account when designing incentives for land managers to invest in soil health. Healthy soils generate diverse economic, ecological, and social benefits, but these values are not addressed by any single policy instrument. A one-size-fits-all approach risks inefficiency and inequity. Instead, policies should combine targeted incentives, legal protections, and institutional support tailored to the different ways soil health creates value.

To operationalize this multi-perspective framework for concrete projects requires the identification of financing gaps and

project-related risks on the one hand and the various possibilities for addressing these gaps and risks by combining instruments such as grants for technical assistance, concessional loans and first-loss equity with other risk management instruments, ultimately to leverage commercial loans or equity investments.

The nature of gaps, risks and instruments is very context specific, with context referring to sectors and geographies, which means that such operational frameworks may be built from common principles but need to be adapted to cater for local conditions.

At the same time, such frameworks should be built to be inclusive but to avoid over- or under-subsidization due to overlapping or misaligned value perspectives.

Coordination across sectors is essential to prevent free-riding, ensure fair benefit distribution, and balance short-term returns with long-term resilience. By embracing this multi-perspective approach, policy can foster business models that mobilize diverse stakeholders, scale sustainable practices, and secure Europe's soils for future generations.

Key take-aways

Soil health policy must match diverse value systems. Economic, ecological, and social perspectives require different instruments and timelines, making a multi-perspective approach essential.

Long term resilience depends on coordinated action. Cross-sector partnerships, fair benefit-sharing, and adaptive governance are critical to ensure that soil health gains are sustained over decades.

Incentives for land managers	Provide transitional subsidies for early adoption of soil health practices, permanent supplementary income streams where returns are insufficient, and government-based loan guarantees to ease access to finance.
Ecosystem service markets	Standardise measurement and certification for soil-based ESs (e.g., carbon, biodiversity, water) and promote hybrid schemes rewarding both practices and verified outcomes. Include compensation for maintaining existing ES stocks.
Resilience investment	Establish coordinated risk-sharing mechanisms involving supply chain actors, insurers, and public agencies, and co-invest in resilience-building practices and infrastructure.
Legal & cultural protection	Integrate soil protection into environmental law, explore rights-of-nature approaches, and invest in educational and cultural programs that build stewardship ethics.
Community empowerment	Provide flexible funding for community-led soil health initiatives, create platforms for peer learning and participatory research, and ensure genuine local leadership is protected from tokenism.