



Koronivia intersessional workshop – 13 October 2021

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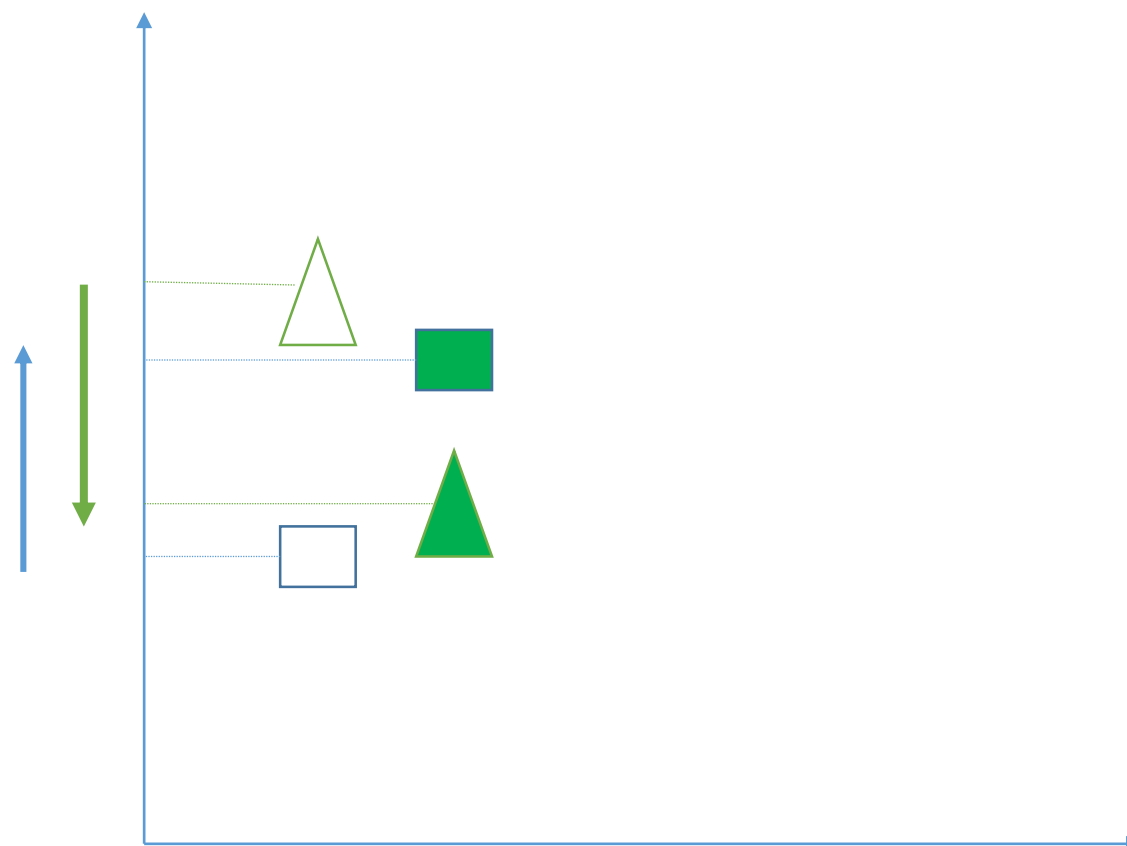
I The remit:

Strategies and modalities to scale up implementation of best practices, innovations and technologies that increase resilience and sustainable production in agricultural systems according to national circumstances



The Proposal: True Value Accounting

Financial/Economic flows



2021

2050

Time

-  Pro-biodiversity option
-  Monocrop (or an alternative)
-  Pro-biodiversity option with externalities included
-  Monocrop with externalities included



II Origins of TEEB and TEEBAgriFood



The visible and invisible flows of agricultural production

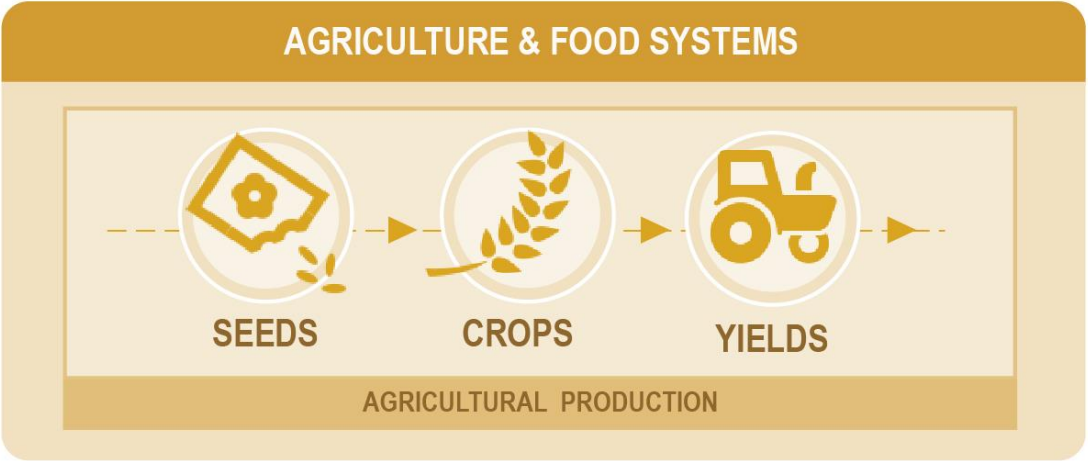


Drying red chillis under the sun provides one of the few sources of employment for women in an area of Bangladesh.

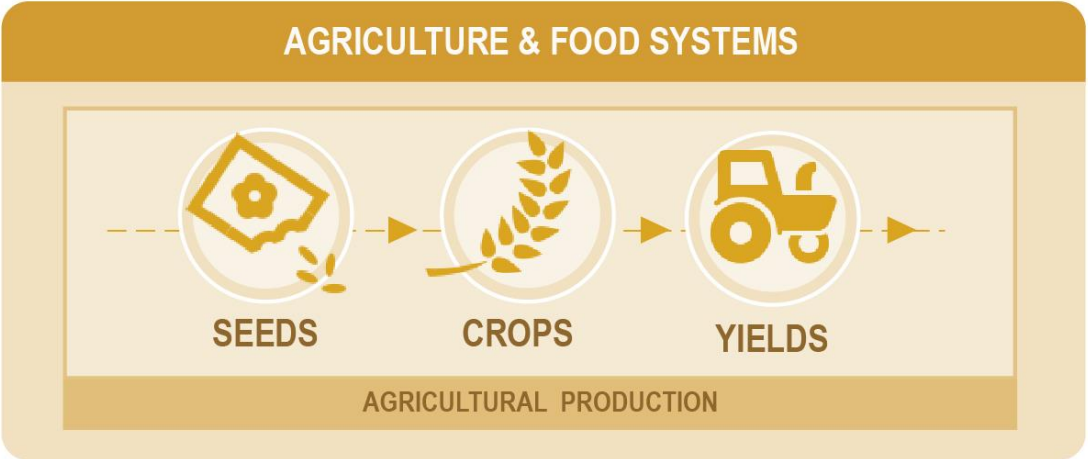
Fix food metrics

For sustainable, equitable nutrition we must count the true global costs and benefits of food production, urge **Pavan Sukhdev**, **Peter May** and **Alexander Müller**.

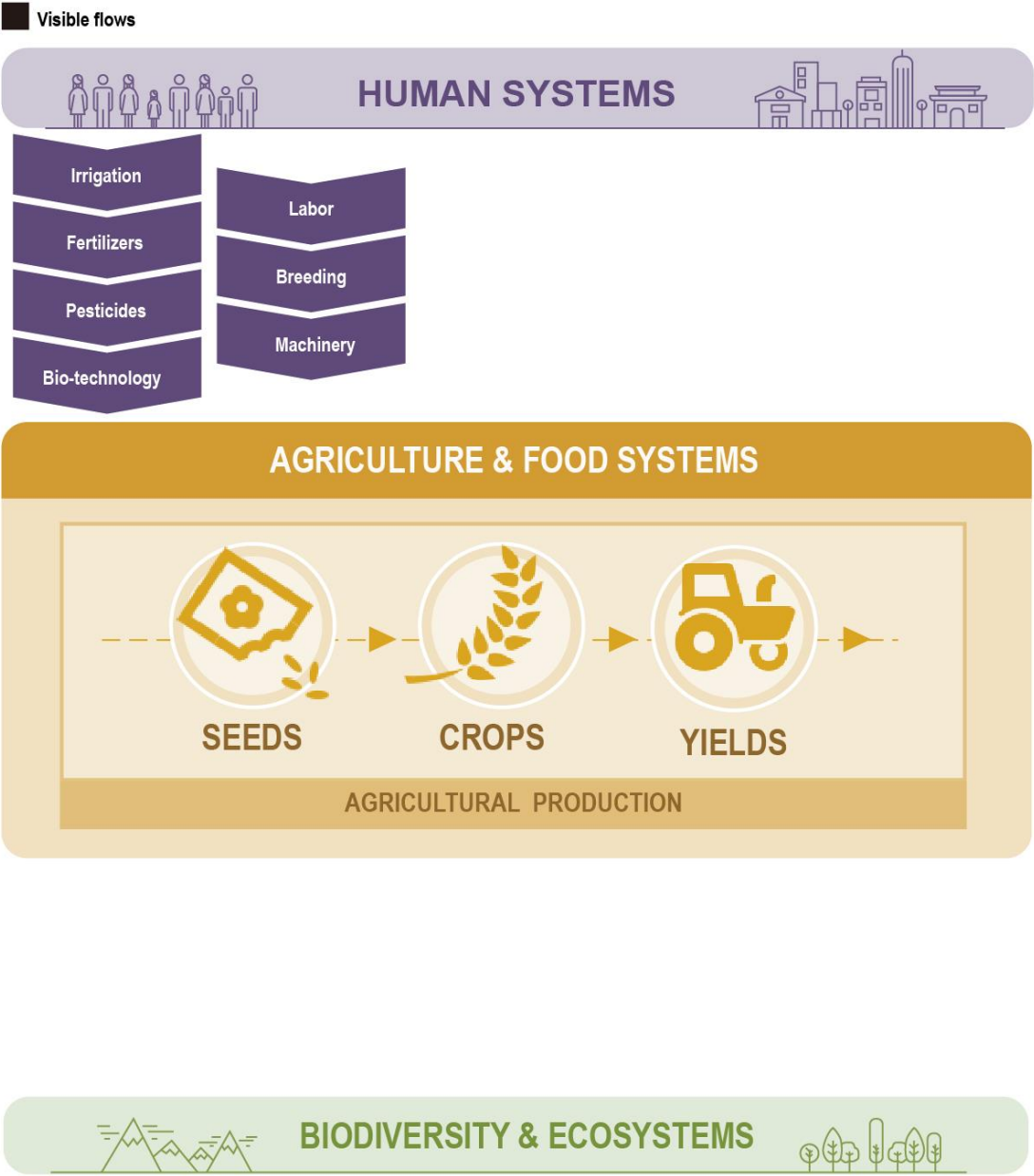
The visible and invisible flows of agricultural production



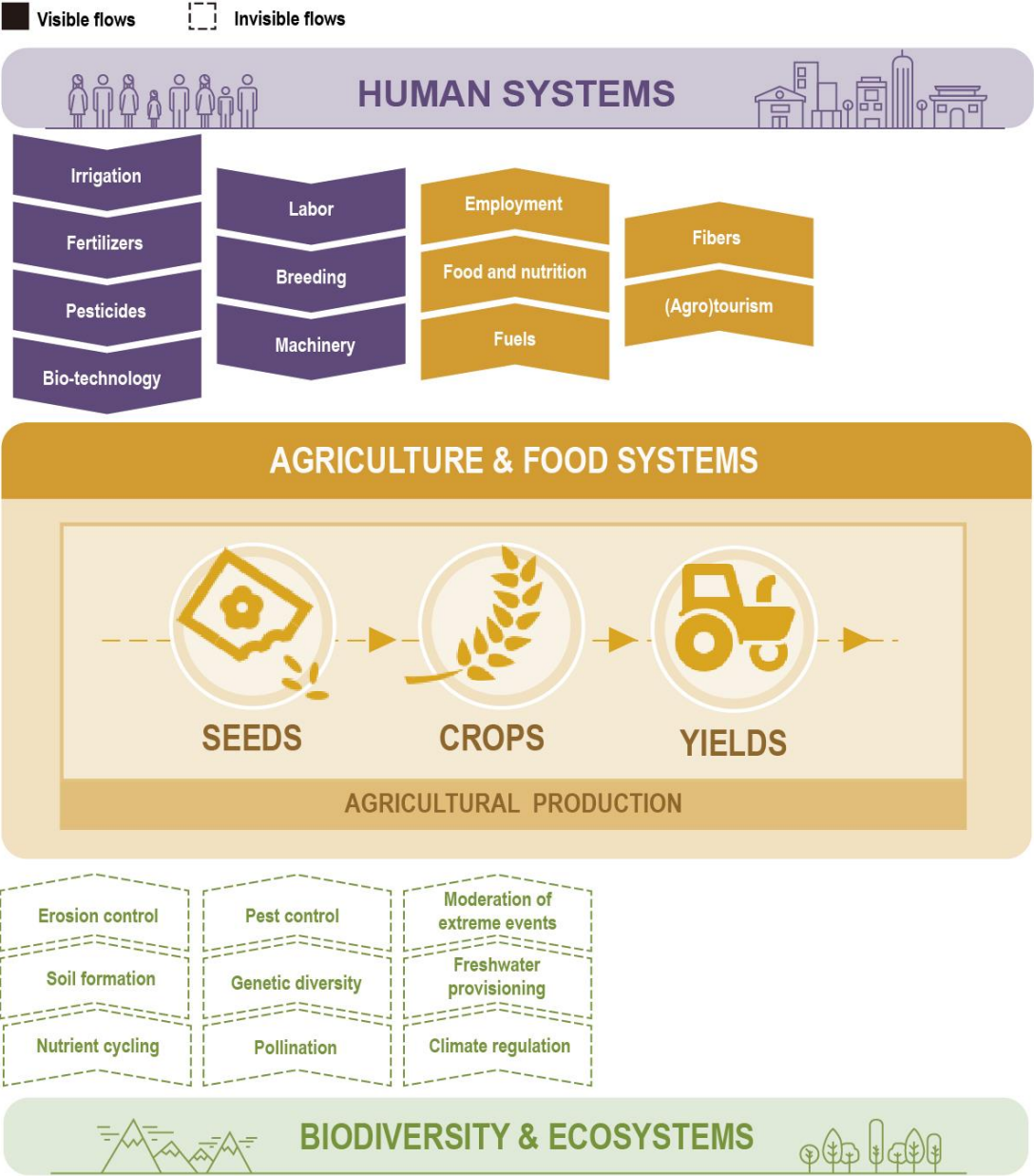
The visible and invisible flows of agricultural production



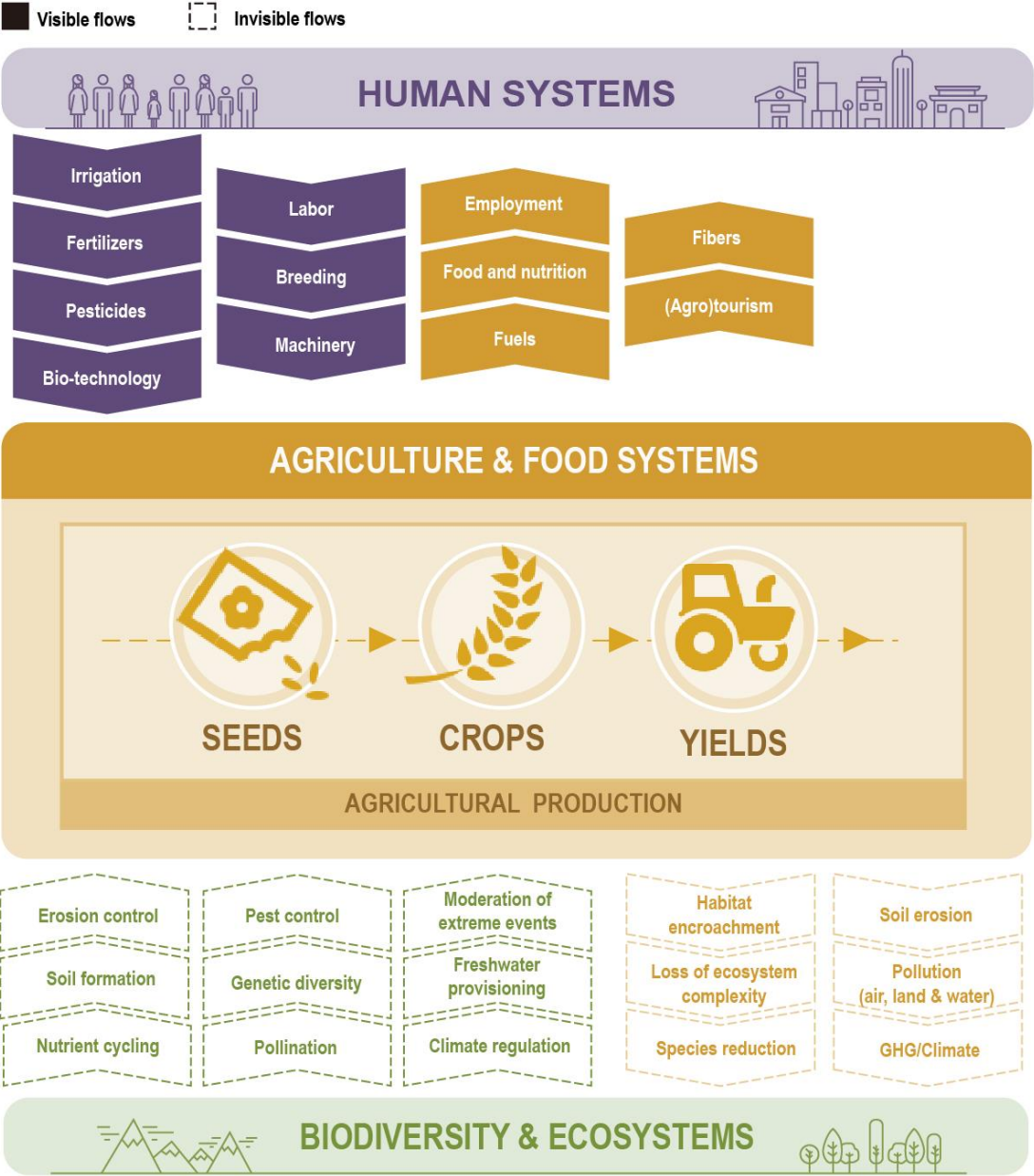
The visible and invisible flows of agricultural production



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The visible and invisible flows of agricultural production

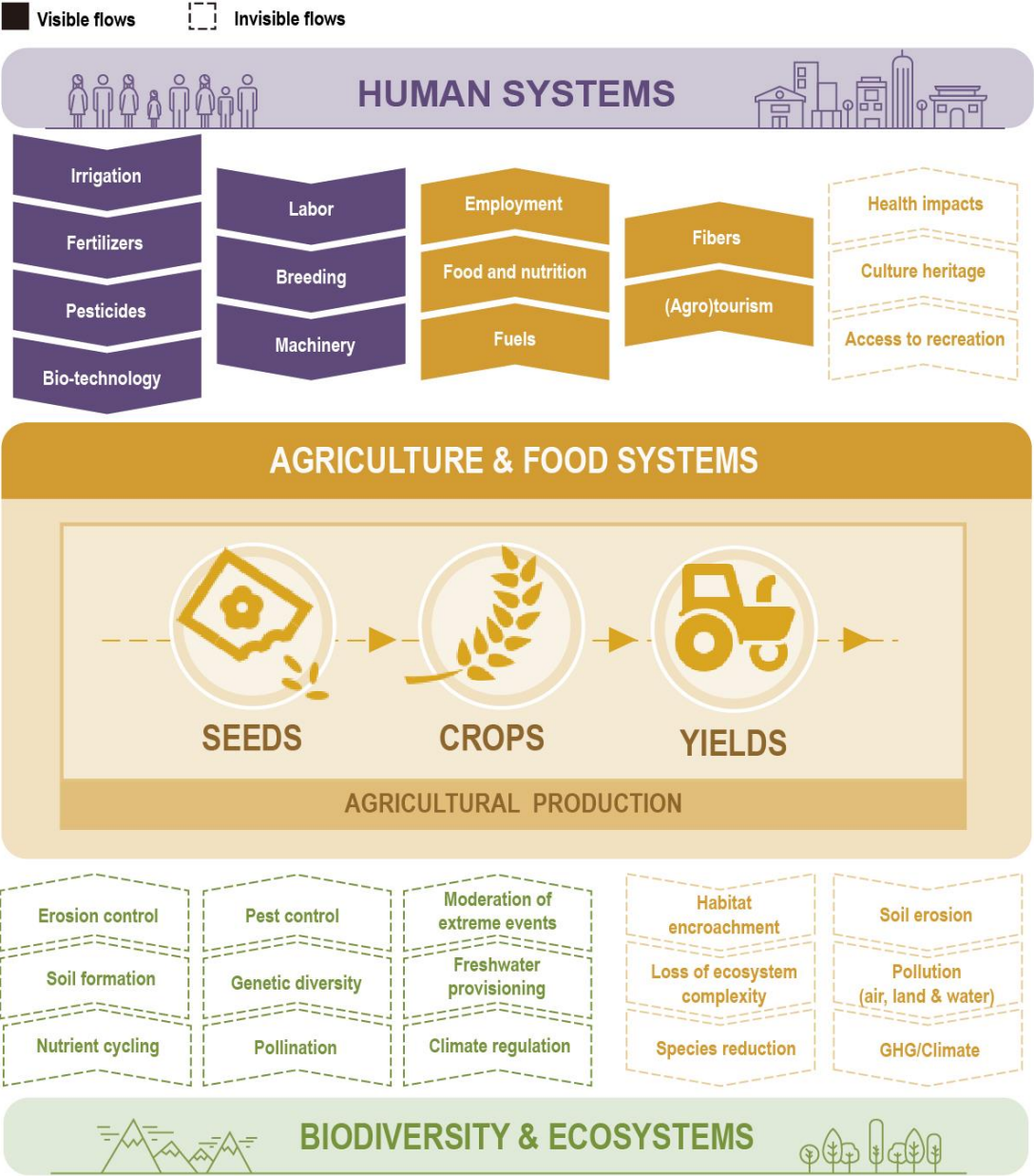
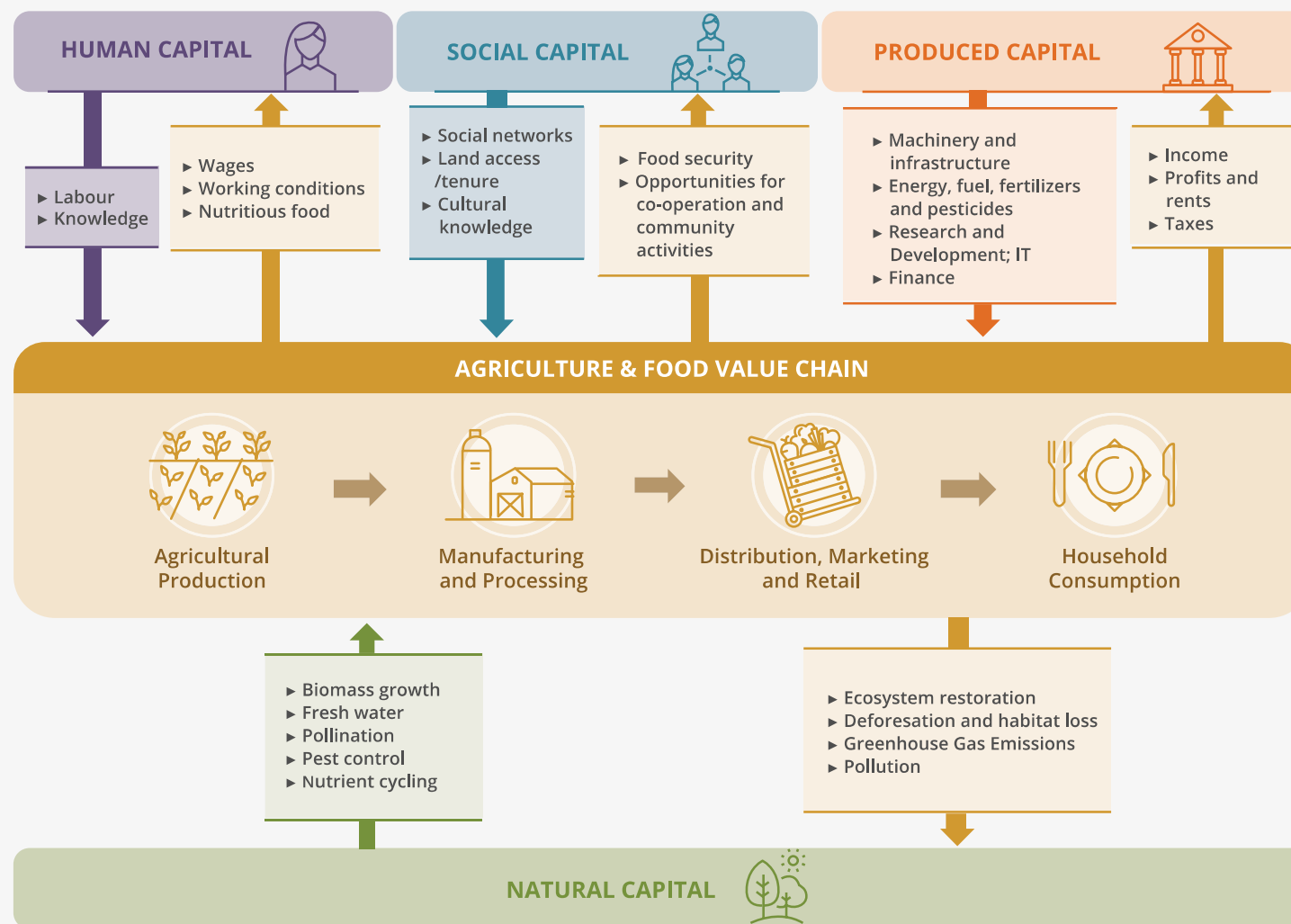




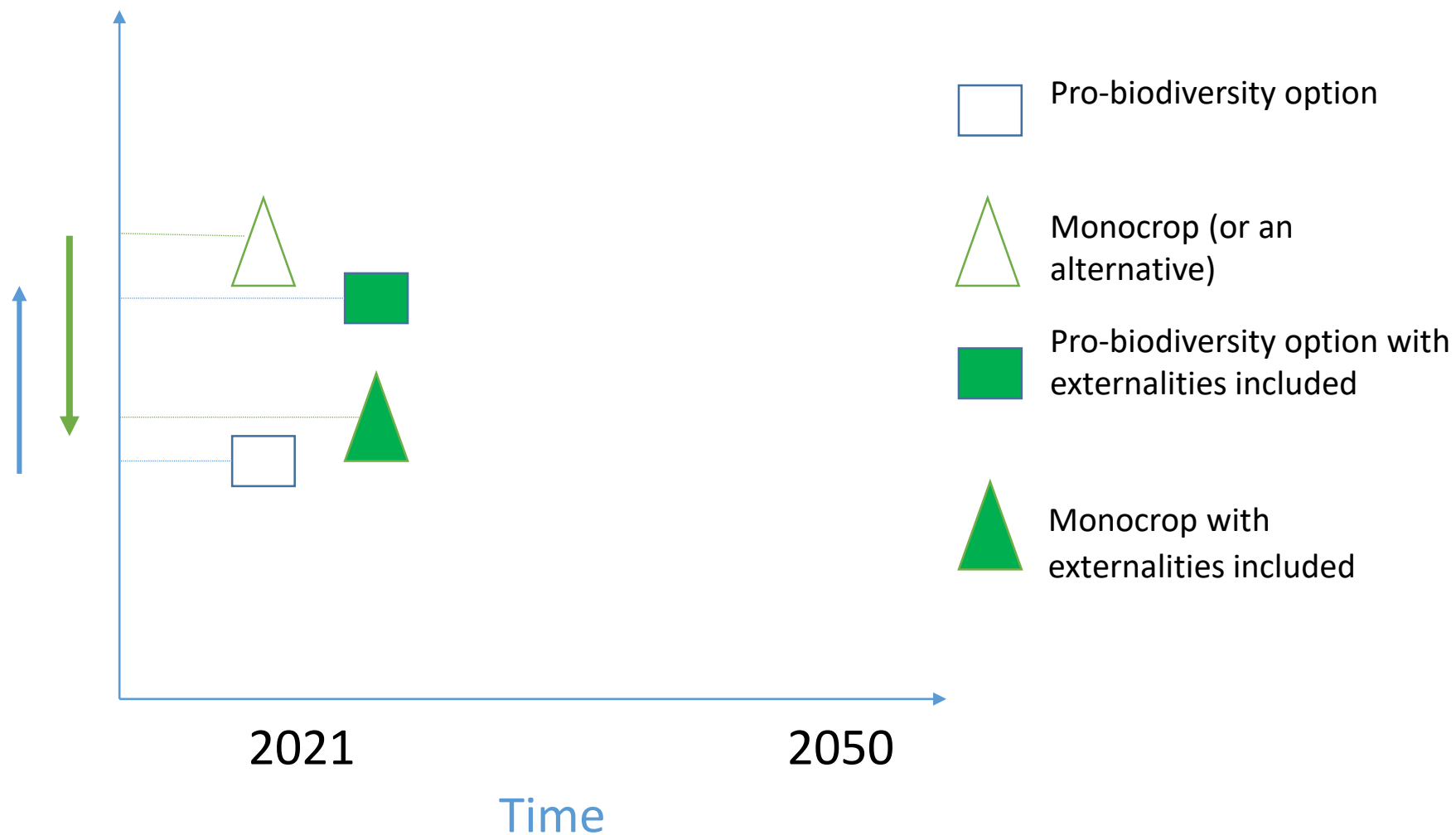
Figure 2.1 Capital stocks and value flows in eco-agri-food systems (Source: Hussain and Vause 2018)





The TEEBAgriFood core proposal

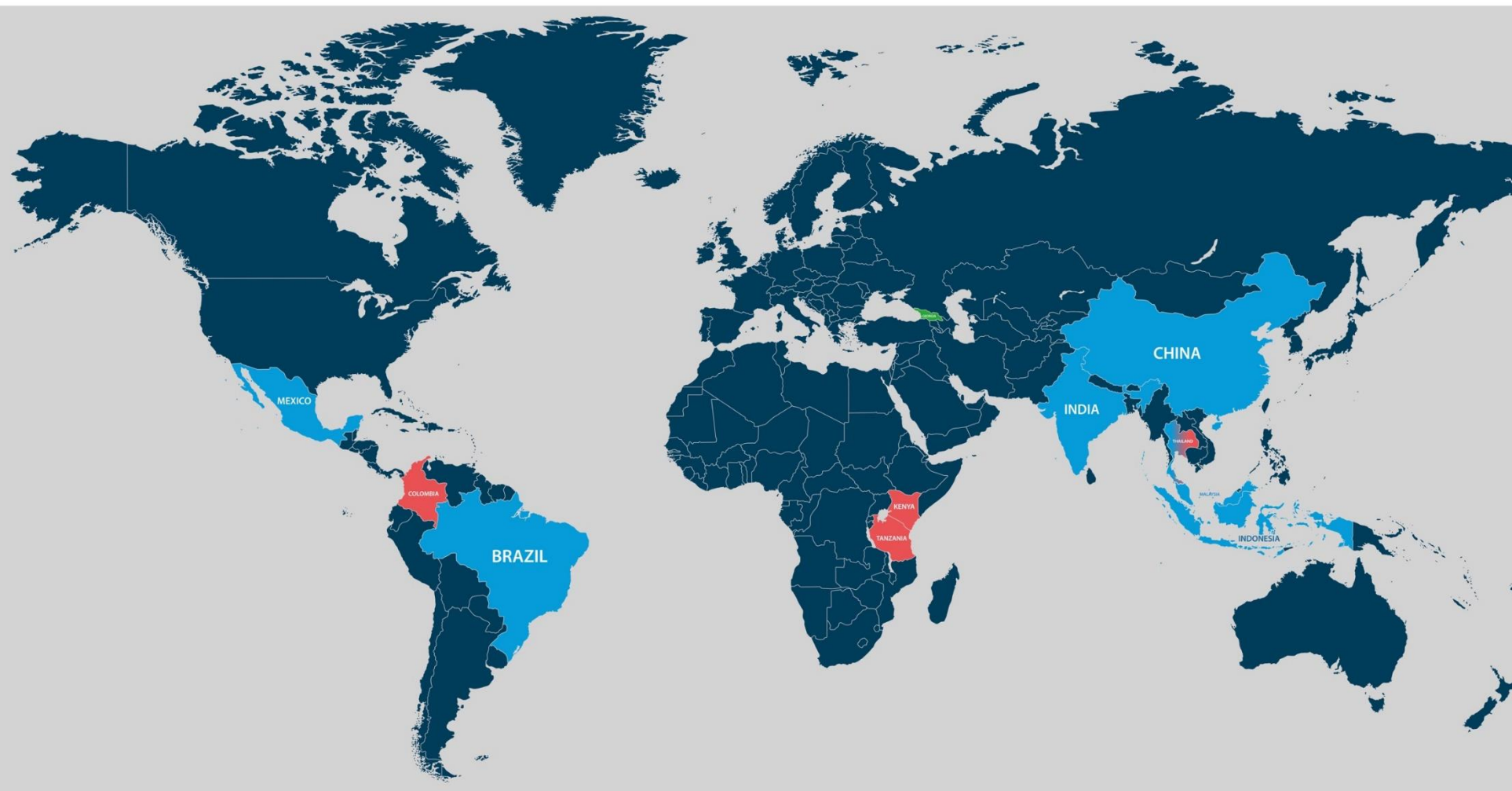
Financial/Economic flows





TEEB

For Agriculture & Food



● EU-PI

- Brazil** i) Degraded Pasture Land Restoration ii) Urban and Periurban Agriculture
- China** Green Food Production
- India** Organic Farming and Agroforestry
- Indonesia** Cacao Agroforestry Production
- Mexico** Agroforestry Coffee; Conventional & Traditional Maize
- Thailand** Organic Rice Production
- Malaysia** TBD

● IKI

- Columbia** Land Use Change
- Kenya** Cereals and Medicinal Plants
- Tanzania** Land Use Change; Water Quality & Food Security
- Thailand** Organic Rice Production

● GEF

- Georgia** Sustainable Land Management Practices



III The remit pt2:

How can international cooperation support the implementation and upscaling of such best practices, innovations and technologies?

The Food Systems Summit will serve as a turning point in the world's journey to achieve the SDGs.

With 10 years to go, we are not on track to achieve many of the SDGs.

There is **scientific consensus** that **transforming food systems also offers one of the single strongest opportunities** we have to change course and realize the vision of the 2030 Agenda, and to support the Secretary-General's call to **“build back better” from COVID-19**.

The **Summit will unleash bold new actions, innovative solutions, and strategies to transform our food systems and leverage these shifts to deliver progress across all of the SDGs.**

“Transforming food systems is crucial for delivering all the Sustainable Development Goals.”

- António Guterres, UN Secretary-General, 2019



**Title of coalition:****The True Value of Food Initiative****Main objective of the coalition:**

During preparations for the UNFSS, the [True Value of Food](#) has emerged as possibly the ultimate gamechanger to realize sustainable food systems. Our food needs to become healthier, more sustainable and accessible for all. But there will be no 'trigger' for change as long as healthy and sustainable food is unaffordable to billions, unsustainable food is cheap and profitable, and the impact of food on people and planet is hidden. By uncovering the true costs and benefits of food, the True Value of Food can help governments and private sector create an economic model that promotes healthy, sustainable, profitable and affordable food. At the same time, much remains to be learned about the science and practice of the True Value of Food.

The main objective of the [True Value of Food Initiative](#) is to unlock the potential of the True Value of Food for governments, businesses, investors and consumers by providing them with a new economic basis for decision making based on the [True Value of Food](#). To do so, it aims to:

1. Create awareness, understanding and build capacity amongst governments, the private sector and citizens about what the True Value of Food is and how it can be used to realize sustainable food systems.
2. Establish a common language and harmonized science-based methods for the true value of food.
3. Identify true value solutions that work in practice through pilots and scaling interventions together with investors, governments and businesses at the global, regional and national level
4. Continue to build methodologies and conduct analysis to assess the impacts of change and trade-offs of various options.

Rationale

The "hidden costs" of global food and land use systems are estimated to be US\$19.8 trillion per year ([Scientific Group of the UN Food Systems Summit, 2021](#)): \$7 trillion of environmental costs and \$12 trillion of health costs. These costs, including high rates of diet-related chronic disease, the impacts of climate change and unfair wages are not included in prices and profits, and thus ignored by markets. Often, these costs are borne by people who did not have a say: the least advantaged segments of society (frequently smallholder farmers, youth, women, indigenous peoples, people of colour, marginalised communities) and by future generations. At the same time, the global food system has many hidden benefits that are also not fully reflected in food prices: healthy food is a basic need with many economic and social benefits, and well-functioning food systems allow farmers and workers to earn a decent livelihood.

To address this, the True Value of Food Initiative will develop a new economic basis for decision making that accounts for the true value of food. This new basis includes three elements:

- True Cost Accounting (TCA) to systematically quantify and value impacts and dependencies across the full agri-food value chain to enable decision-making and policies based on true value.
- True Value business strategies to develop and implement successful business models that create true value for society.



- True pricing policies to internalize the externalities to make healthy and sustainable food more affordable and align market incentives with true value through market-based pathways, regulatory and income policies.

Science-based evidence to prioritize this coalition (scientific references):

The scientific evidence is summarized in the paper on the *true cost and true price of food* from the [Scientific Group of the UN Food Systems Summit](#). TEEB published [Scientific and Economic Foundations](#) for TEEB AgriFood in 2018. In September 2021, Nature Food published a full [focus issue](#) on true cost accounting including an editorial and review of approaches.

The Scientific Group has also published an accessible [Q&A](#) explaining the basic concepts.

Mechanisms of implementation (Global to National levels):

To realize the three aims above, the initiative will:

1. Advocate for the use of True Value of Food at the global and national level and support the process through making tools and methodologies available and build capacity.
2. Align existing resources around harmonizing various approaches to true value and providing those a science-based foundation.
3. Action the true value of food through pilots and scalable programs with investors, governments and businesses at the global, regional and national level.
4. Continue to build methodologies and conduct analysis to assess the impacts of change and trade-offs of various options and make this available to all stakeholders.

The initiative will organize its actions under three focus areas. Activities envisioned include:

1. True Cost Accounting

- Contribute to strengthen and mainstream TCA as the tool of choice for food system decision-makers
- Make TCA information abundant to professional decision makers through harmonization and standardization
- Scale up reporting at the business
- Scale up country level TEEB-assessments in a multi-stakeholder approach

2. True Value

- Demonstrate and scale-up approaches to manage true value creation by businesses
- Enable the use of true value information by capital markets through the development of tools for investors
- Integrate true value in mainstream financial instruments to optimize the allocation of capital
- Stimulate catalytic funding to innovative initiatives in food with a high true value creation

3. True Pricing

- Develop the science and data that enable market players and policymakers to use true pricing
- Empower consumers to get access to true pricing information by
- Come together to improve true prices in supply chains and retail with businesses
- Work to make sustainable & healthy food more affordable through government policies



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