
**"The Economics of Ecosystems and Biodiversity: Promoting a Sustainable
Agriculture and Food Sector" (China)
Second Project Steering Committee Meeting Report**

Date: 2 February 2021

Venue: Tencent Conference Room ID 629 802 375

Steering Committee Chair:

- Mr. Li Junsheng, Director of Institute of Ecology, Chinese Research Academy of Environmental Sciences

Steering Committee Members

- Mr. Wang Quanhui, Director of Division for International Cooperation and Exchanges, Rural Energy and Environment Agency, Ministry of Agriculture and Rural Affairs
- Mr. Zhuang Yan, Director of International Organization Programs, Bureau of International Cooperation, Chinese Academy of Sciences
- Ms. Zhang Linxiu, Director of International Ecosystem Management Partnership, United Nations Environment Programme
- Mr. Xia Feng, Director of Natural Ecology Protection Division, Department of Ecology and Environment of Yunnan Province
(Apologies. Represented by Mr. Wang Baoke from Natural Ecology Protection Division, Department of Ecology and Environment of Yunnan Province)
- Mr. Cui Zhenyu, Director of International Cooperation Center, Department of Ecology and Environment of Yunnan Province
- Mr. Zhao Guipin, Director of Bureau of Baoshan Ecological Environment
- Ms. Li Mingyan, Deputy Director of Bureau of Baoshan Ecological Environment
- Mr. Zhao Dingcai, Director of Tengchong Branch of Baoshan Ecology and Environment Bureau
- Ms. Yang Yingli, Deputy Director of Tengchong Branch of Baoshan Ecology and Environment Bureau
- Mr. Shao Weiyun, Deputy Director of Bureau of Development and Reform of Tengchong
- Mr. Yang Jiageng, Deputy Director of Bureau of Natural Resources of Tengchong

-
- Mr. Xie Wu, Deputy Director of Bureau of Forest and Grassland of Tengchong
 - Ms. Li Ping, Inspector of Bureau of Agriculture and Rural Affairs of Tengchong
 - Mr. Chen Shengzhong, Deputy General Manager of Gaoligong Mountain Tea Co. Ltd.
 - Mr. Zhao Xingjian, General Manager of Tengchong Hengyi Dongshan Agricultural Development Co., Ltd.
 - Mr. Kang Dingfu, General Manager of Tengchong Buffalo Binglang River Aquatic Cattle Breeding Co. Ltd.

Other participants from:

- Institute of Geographic Sciences and Natural Resources Research, Chinese Academy of Sciences
- Chinese Research Academy of Environmental Sciences
- Yunnan Research Academy of Environmental Sciences
- Fudan University

I. Meeting background and content

This meeting was the second Project Steering Committee (PSC) meeting of "The Economics of Ecosystems and Biodiversity: Promoting a Sustainable Agriculture and Food Sector" (China) Project, and the first PSC meeting participated by members from provincial and local levels after Tengchong city was selected as the project pilot site at the 1st PSC meeting in July 2020.

During the meeting, PSC members commented on the project implementation team's project scoping and research design, and provided suggestions from perspectives of rationality of the plan, connection with local reality and policy orientation, promotion of international exchanges and cooperation, and the operability of model simulation. The discussion provided guidance to the improvement of the research plan as well as the implementation of the following phases.

II. PSC discussion and review

Mr. Wang Quanhui (Rural Energy and Environment Agency, Ministry of Agriculture and Rural Affairs) acknowledged the general direction of the research plan and commented on the target setting for each agricultural production categories. He thought that there are two models to consider for the development of Tengchong's beef cattle industry. First, Tengchong is located in a mountainous area with abundant ecological resources. Farmers

here are scattered, and family farms of moderate scales are more in line with the supply of local labour force and the availability of surrounding resources. It is of positive significance from the perspective of income security and the development of plantation and breeding cycles (there might be challenges in the treatment and consumption of manure in large-scale farms, and the demand for land resources is large). Second, the overall target should be to build ecological animal husbandry, develop eco-pastures combined with tourism, increase the integration of primary, secondary and tertiary industries, and follow the path of high-quality development. In terms of the plantation sector, cultivation of endemic species and under-canopy plantation, combined with local traditional culture, could have positive influences on the development direction; in addition to the improvement of the efficiency of pesticides and fertilizers' use, creation of ecological labels/brands can also be considered. Mr. Wang suggested to consider, based on Tengchong's regional characteristics, the interactive effects of plantation and breeding systems, as well as the development of high-quality eco-featured animal husbandry combined with tourism.

Mr. Zhuang Yan (Bureau of International Cooperation, Chinese Academy of Sciences) thought the overall direction of the plan is feasible. Three suggestions were made from the perspective of project outreach. First, the pilot study of Tengchong is very much in line with the theme of the CBD COP15. The project may wish to take advantage of the conference to share development concepts under the ecological civilization framework, such as the "Two Mountains". Second, it is worthwhile to summarize experience and lessons learnt from the Tengchong pilot study, and to do case sharing on policy operability. Third, to share on community development from angles such as cost-effectiveness, income generation and poverty alleviation, and refer to the UN SDGs.

Ms. Zhang Linxiu (International Ecosystem Management Partnership, United Nations Environment Programme) pointed out that the target settings in the research plan were based on an understanding from the previous survey, and yet to be confirmed with local authorities. She underlined that the next step is to identify the dimensions for the scenario analysis to look at, as agriculture can't be split from regional development, while the latter carries a lot of complexity. She suggested that some driving forces can be considered as control variables, such as land uses, migration of labor force, urbanization, and population dynamics. Ms. Zhang also suggested to make linkages between the study results and the national goal of achieving carbon neutrality by 2060, as this will help explore the richness of the discussion.

Mr. Cui Zhenyu (International Cooperation Center, Department of Ecology and Environment of Yunnan Province) put forward two suggestions. One was to make sure that the research plan has close linkage with Tengchong's 14th five-year plan. The other was to sort out key time points before the CBD COP15, and ensure a good presentation of project results at the event.

Mr. Zhao Guipin (Baoshan Ecological Environment Bureau) expected that the research design to be combined with the characteristics of Tengchong and reflect the transformation of Tengchong's resource advantage to economic benefits. He pointed out that Tengchong's climate and biodiversity are both suitable for development of plantation and breeding sectors, and the endemic industries of Tengchong include beef cattle, red flower camellia, and oilseed rape. In terms of greening the industries, Tengchong should reduce pollutions from non-point source and large-scale breeding. He highlighted that Tengchong's agriculture does not have an advantage in large-scale development, due to limitations of its topographic and traffic conditions, but Tengchong should focus its agriculture development on characteristic and high-end route. **Ms. Li Mingyan** added that the project design is highly compatible with the situation and long-term development positioning of Tengchong, Baoshan, and they will provide full support to the project implementation.

Ms. Li Ping (Bureau of Agriculture and Rural Affairs of Tengchong) thought that the scoping of Tengchong's agriculture sector is consistent with the reality and rich in details; in the future, Tengchong's agriculture will mainly go towards high-quality and high-efficiency direction. She suggested to: 1) add the promotion of organic fertilizer use as a measure in reduction of chemical use; and 2) set the overall target as "health and ecology", highlight the development of medicinal herbs and its processing industry, highlight green and ecological agriculture, and feature Tengchong's advantage in ecological resources. She also pointed out that the free-range model in beef cattle breeding will exist from perspectives of recycling and industrial development, and it is very unlikely to reduce the number of free-range beef cattle to zero.

Mr. Zhao Dingcai (Tengchong Branch of Baoshan Ecology and Environment Bureau) and **Mr. Shao Weiyun** (Bureau of Development and Reform of Tengchong) all said that although the project focuses on the primary industry, the integration of the primary, secondary and tertiary industries is Tengchong's development positioning, and they hope to reflect this in the design of the project, such as the establishment of medicinal herb processing industrial

park.

Mr. Yang Jiageng (Bureau of Natural Resources of Tengchong) explained that the forage land required for the growth of beef cattle industry in Tengchong will mainly be seasonal farmland, that meant, the forage needed would be produced by changing planted species with two or three-harvest crops, and deforestation is very unlikely to happen. He also added that, except for medicinal herbs, under-canopy plantation in Tengchong also included fungi.

Representatives from private sector hope to add a green food value chain perspective, and expand market demand through publicity.

After PSC members expressed their opinions, the PSC chair **Mr. Li Junsheng** (Chinese Research Academy of Environmental Sciences) concluded that the overall direction of the research plan is feasible, and the suggestions and comments received are constructive. He guided that, when revising the research plan, particular attention should be paid to the coordination of large-scale and free-range beef cattle breeding, the integration of primary, secondary and tertiary industries, and possibly other environmental targets besides biodiversity conservation (such as climate change); the ultimate goal is to realize protection and development through a green, efficient and high-quality development path. In view of multiple drivers, he suggested to use a flexible approach in model simulation and make sure that it is in accordance with the project design and TEEBAgriFood evaluation framework. Mr. Li also stressed the importance of, at the policy level, interacting with Tengchong's 14th five-year plan, and taking advantage of the CBD COP15 opportunity to showcase the project results.

III. Next steps

The project implementation team stated that it will further revise the research plan based on the suggestions received at the meeting to enhance its reasonability and constructiveness, and strive to make the project an example of “science for policy”. Other activities forthcoming include: 1) field survey to Tengchong in March 2021 for data collection and video shooting, 2) another two PSC meetings to be convened in 2021, one on data and methodology and the other showing preliminary results; and 3) high-level event to be held in the first half of 2022 to conclude the project.