

The Economics of Ecosystems and Biodiversity for Agriculture and Food (TEEBAgriFood) aims at equipping decision-makers with the tools and information to recognise the value that ecosystems provide to food systems

TEEBAGRIFOOD INDONESIA

Evaluating the economic case of food systems approaches for cocoa agroforestry

Context

Indonesia is categorized as one of the megadiverse countries and hosts 17 percent of all species on the planet. At the same time, significant pressures on its natural capital may threaten future prospects of wealth. While immediate financial Returns-on-Investment (RoI) for natural resource-intensive monocropping seems appealing, environmental and social costs of these practice are usually externalised.

In this context, the Ministry of National Development Planning (BAPPENAS) requested science-based policy advice for food system policies that reward responsible stewardship of natural, human, social and produced capital.

- How can cross-sectoral policies and land-use planning policies in South Sulawesi be strengthened to internalize natural capital costs and benefits in its design?

Focus

TEEBAgriFood Indonesia addresses the following policy questions:

- How can managed expansion and intensification of cocoa agroforestry landscapes increase cocoa yield and maximize outcomes for natural, human and social capital?
- Can cocoa play a key role in achieving Indonesia's ecosystem restoration objectives, if farmers are enabled to rollout agroforestry in areas close to existing forests and settlements?



Picture by: Zakariya AF
"Gorontalo, Indonesia - Farmers harvesting cocoa"

- Facts & Figures -



Picture by: Bastian AS. "Papua, Indonesia - Cocoa farmers protecting forests and livelihoods"

Nature-positive food systems safeguard future prospects of inclusive wealth in Indonesia



74.6% of total income of the rural poor relies on ecosystem service provisioning ("GDP of the Poor")

Agriculture contributes to:



13.8% of total GDP



35% of total employment

Cocoa and rural livelihoods:

1.7 million households supported by cocoa production



90% cocoa produced by smallholder farmers

BUILDING BLOCKS

Improved agri-food metrics

Interim TEEBAgriFood findings show that nature positive food systems are not only good for the environment - they also ensure rural livelihoods. These findings include a 27% increase in agri-food outputs with the application of agroforestry practices. In addition to yield, TEEBAgriFood will analyze different policy intervention pathways for cocoa agroforestry, looking at some of the trade-offs and synergies by integrating the goal of crop yields with the goals of nutrition, human health, livelihoods and planetary health.

"True Value of Food" tools and skills

A growing "True Value of Food" coalition led by IPB and IBCSD equips actors at the national and subnational level (South Sulawesi) with the tools to recognize the value that nature, people and society provide to food systems.

This also includes a business engagement component, led by IBCSD and Capitals Coalition. Agri-business roundtables and training sessions, joined by over 100 agri-food representatives, paved the way for agri-business to measure and manage not just their impacts on financial capital (ie. shareholders), but also their impacts and dependencies on natural capital and the society at large.

Cross-sectoral collaboration

A cross-sectoral steering committee enables anticipatory decision-making, based on predictive analytics of different policy pathways for a food systems transformation. This includes evaluating the economic case of policy interventions under the National Food Systems Pathway taking into account natural, social, human and produced capital.

Policy uptake

Interim TEEBAgriFood findings contributed to the inclusion of agroforestry in Indonesia's mid-term National Development Plan. The ultimate aim is to strengthen policies that internalize natural capital costs and benefits in their design.

Project Duration:

July 2019 – December 2022

Research Institution:

IPB Bogor Agricultural University

Convenor and political lead:

The Ministry of National Development Planning (BAPPENAS)

Private sector engagement:

Indonesian Business Council for Sustainable Development (IBCSD), under the global lead of Capitals Coalition

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