

Report of the CBD COP15 side event
**Recognizing and Managing the Value of Nature’s Contribution to People through
Food Systems Transformation**
14 December 2022, Montreal, Canada

Co-hosted by UNEP, the Ministry of Ecology and Environment China, the Chinese Academy of Sciences, the European Union, UNEP-IEMP, the Chinese Research Academy of Environmental Sciences (CRAES), and Capitals Coalition, the side event aims to discuss how making the economic case for pro-nature policies to achieve food systems transformation is aligned with the Post-2020 Global Biodiversity Framework, through the lens of the ongoing European Union funded The Economics of Ecosystems and Biodiversity for Agriculture and Food (TEEBAgriFood) application in China and six other countries (Brazil, India, Indonesia, Malaysia, Mexico, and Thailand).

It is comprised of two parts – a welcome remarks session that demonstrates high-level political will and momentum in supporting food systems transformation and integrating multiple values into decision-making and followed by panel discussions at practical and operational levels, including metrics and frameworks, as well as challenges and opportunities.

Part 1: Welcoming session

At the welcoming session, 5 speakers made welcoming remarks on behalf of the event organizers, respectively.

Mr. HUANG Runqiu, Minister of Ecology and Environment of China and President of the COP15

Mr. Huang started his remarks by recognizing the important role TEEB is playing in measuring and integrating nature’s value in decision-making. The work that China has been doing in mainstreaming nature’s value is introduced from three aspects: 1) the issue of *Opinions on the Establishment of a Sound Mechanism for Realizing the Value of Ecological Products*, which provided an overarching guidance at the national level for the measurement and transformation of ecosystem services; 2) the establishment of 187 “Green is Gold” practice innovation bases that formed a number of typical cases of ecological product value realization, and 3) international cooperation that promoted the synchronization of China's biodiversity and its value assessment methodologies with international standards.

Mr. Huang highlighted that the TEEBAgriFood initiative has positive implications for the transformation to biodiversity-friendly agriculture and food systems, fits in well with the Chinese concept of harmony between man and nature, and is a concrete practice to implement the *G20 Bali Summit Declaration* which requires “building sustainable and resilient food and agriculture systems and global supply chains”.

At the end of the remarks, Mr. Huang shared two expectations to further the

important role played by TEEB in informing policy. The first is go beyond estimation of big monetary values for nature, and to continue to apply the TEEB approach in specific areas and policy-relevant scenarios that help inform biodiversity-friendly social-economic policies. The TEEBAgriFood project now being implemented in Tengchong of Yunnan Province is an example to follow. The second is to reinforce TEEB as an important platform for cooperation among governments, international organizations, and scientific institutions to contribute new wisdom, explore new paths and provide new solutions.

Ms. Christianne van der Wal-Zeggelink, Minister for Nature and Nitrogen Policy, Netherlands

Ms. Christianne van der Wal started her remarks by describing the challenge that her country is facing in the agriculture sector. Although the Netherlands has a highly productive and efficient agricultural systems, biodiversity is declining internally and the ecological footprint from production systems affects biodiversity outside the Netherlands too.

She emphasized the need to transform the way of producing food and promote a transition to more resilient food systems. This requires a balance between ecological, economic, and social sustainability and concerted efforts of government and businesses.

She viewed the work of TEEB critical as valuing nature and mapping impacts and dependencies of nature can support better-informed decisions and the transition to nature-inclusive food systems; it could also open the door to adopting true pricing that can help consumers make environmentally conscious decisions.

Ms. Astrid Schomaker, Director for Green Diplomacy and Multilateralism, Directorate General for the Environment, the European Commission

In her remarks, Ms. Schomaker mentioned that the EU recognizes the importance of valuing biodiversity and ecosystem services, and the importance of integrating these values into decision-making. She expressed the EU's support to TEEB since its inception and indicated that TEEB and TEEBAgriFood approach is central to the transition to a more sustainable agriculture and food sector and in line with the Goal B of the global biodiversity framework.

She also mentioned the EU's overarching policy – the European Green Deal, which consists of three landmark strategies that are mutually reinforcing – the 2030 Biodiversity Strategy, the Farm to Fork Strategy, and the Food 2030 Research Program. In conclusion, Ms. Schomaker stressed the importance of accelerating the transition to sustainable food systems in order to stay within planetary boundaries.

Ms. Doreen Robinson, Principal Coordinator for Biodiversity and Land, UNEP

Ms. Robinson started her remarks by stating the two sides of foods systems in terms of roles, on one hand, it underpins culture, economies, and the human relationship with the natural world, and on the other hand, it has been implicated as drivers of biodiversity loss, climate change, and rapid pollution. Finding better, smarter, and sustainable ways to provide food to a growing population is a must.

She highlighted the importance of collective actions in food systems transformation and emphasized three key principles and practices that need to be applied in our collective efforts: 1) systems thinking and acting that covers environmental, social, economic, and cultural dimensions along food value chains from production to consumption and waste, 2) evidence-based approaches that recognize the true values and costs of public and private sectors' decisions that influence our food systems, and 3) being inclusive in our approach that recognize and empower women and indigenous people and use and their knowledge in the decision making.

Ms. Robinson thanked the European Union for the continued support for TEEB, and the deep partnership with the Ministry of Ecology and Environment of China. She noted alignment of the TEEB work with the Ecological Civilization notion of "Green is Gold", both support a profound shift in the concept and model of development.

Mr. ZHANG Yaping, Vice President, Chinese Academy of Sciences

Mr. Zhang started his remarks by highlighting the urgency of re-examining the relationship between people and nature, and the need of establishing and practicing the "Green is Gold" concept and planning development from the height of harmonious coexistence between humans and nature is necessary.

He briefly introduced the role that the Chinese Academy of Sciences played in China's biodiversity conservation including exploring the methods and implementation of ecological compensation scheme, promoting the establishment of an ecological assets accounting system, and true value accounting for the agricultural and food sector.

On behalf of the CAS, Mr. Zhang expressed the willingness to promote more cooperation with other countries, UNEP, and other international organizations in restoring and mainstreaming nature.

Part 2: Panel discussions

Panel 1

Moderator: Ms. Linxiu Zhang, Director, UNEP-IEMP

Panellists:

- Mr. Pavan Sukhdev, Founder & CEO, GIST; ex-President, WWF-International; UNEP Goodwill Ambassador
- Mr. WEN Zhong, Director, Division of Nature Ecology and Marine Ecology Environment (Soil Ecology), Ecology Environment Bureau of Shenzhen Municipality, China
- Ms. Ellie Xiang, Deputy Director of International Cooperation, GoldenBee and Representative of Capitals China Hub
- Mr. Martin Lok, Executive Director, Capitals Coalition

Key question:

TEEBAgriFood is a form of what is called ‘True Value’ or True Cost Accounting for the public and private sectors. An outcome of the UN Food Systems Summit was the True Value Coalition, and True Cost Accounting will be the theme of the next State of Food and Agriculture (SOFA) report in 2023. To what extent do you think we need to think about metrics and a Framework such as the TEEBAgriFood Framework to measure our impacts and dependencies on nature?

Key messages:

Metrics for true value accounting that provides clarity on impacts and dependencies are very much needed. The metrics or frameworks need to be able to capture elements that are ignored in the common practice where decision-makers often look at a simplified view of productivity per hectare. Metrics must be comprehensive and inclusive for people to truly understand the many aspects of the food systems, from the quality of the food, the extent of employment, the impact on the environment, on the soil, on the climate, on water usage, and on the health, nutrition and well-being of society.

TEEBAgriFood evaluation framework shows how to look at the stocks of natural, human, produced and social capital and the flows that emanate along agri-food value chains from production to manufacturing and processing, to distribution and marketing, retail, householder consumption, and waste, and how those processes in turn affect the capitals. In this sense, the framework is not only about the value of nature, but also the value of people. It can be applied in a universal matter, covering business analysis, national accounting, agricultural management systems, policy evaluation, and dietary comparison.

An example of applying the TEEBAgriFood framework in comparing different farming systems in a state in Andhra Pradesh, India was introduced. The results suggest that the yields are not declining for natural farming as compared to chemical farming, and in some cases, natural farming has lower economic costs and make more profits, which is very important as high income in the hands of the poor means solutions to poverty, health, and education. Natural farming also has less health risks and health-related costs, positive implications for women empowerment as well as establishing social bonds, friendships, and cooperation.

In the public sector, the Shenzhen case on the use of Gross Ecosystem Product (GEP) and internalizing it within the institutions shed light on how to move forward from measurement to management. On an operational level, the Shenzhen Municipal Government issued an implementation plan, a local standard for accounting methods, a standardized statistical reporting system, and a data platform that facilitates automatic calculation. On the legal side, Shenzhen issued local legislation that requires to establish a GEP accounting system, conducting accounting, and releasing results regularly. As incentives to change, Shenzhen integrates GEP accounting results into the city’s performance assessment and is exploring the path of linking GEP results with fiscal policy. The city also plans to incorporate GEP results into urban planning and project development decisions, and to serve as an important basis for eco-compensation and environmental damage compensation schemes.

TEEBAgriFood has also been engaging with the private sector. Several examples applying the TEEBAgriFood Operational Guidelines for Businesses around the world are introduced. For example, by applying the TEEBAgriFood assessment, a food retail company in Brazil can demonstrate that, compared to conventional examples, organic products have better productivity, foster better soil health conditions, and can increase livelihoods for their consumers. Examples from an Indian textile company, a dairy company and an organic food farming company from China were also introduced indicating the value of applying the TEEB approach in business for pro-nature options.

At COP15, there is a force from the private sector advocating biodiversity. More than 330 business and finance institutions from 56 countries are calling for mandatory requirements for all large businesses and financial institutions to assess and disclose their impacts and dependencies on biodiversity by 2030. The application of the TEEBAgriFood is one of the elements that brought this conviction.

Panel 2

Moderator: Ms. Michelle Guertin, Head of Business Development and Resource Mobilization, International Centre for Integrated Mountain Development (ICIMOD)

Panelists:

- Mr. Vinod Bihari Mathur, Former Chairperson, National Biodiversity Authority, India
- Mr. QUAN Zhanjun, Director of the Institute of Ecology, Chinese Research Academy of Environmental Sciences
- Ms. Benchamaporn Wattanatongchai, Director, Biodiversity National Focal Point Section, Biodiversity Management Division, Office of Natural Resources and Environmental Policy and Planning (ONEP), Thailand
- Mr. ZHOU Weidong, Director of China Office, World Business Council for Sustainable Development

Key question:

What are the challenges and opportunities for integrating multiple values into policies at all levels of government and corporate decision-making in the implementation of the Post-2020 Global Biodiversity Framework?

Key messages:

The agriculture and food sector is a major driver of environmental change (biodiversity loss, climate change, soil degradation, and over-exploitation of aquifers) and at the same time a significant source of livelihoods, health, and nutrition. In this context, the TEEBAgriFood initiative is very important in understanding the impacts and dependencies and development of pro-nature policies for the agri-food sector. TEEBAgriFood Evaluation Framework and Operational Guidelines for Businesses

provide both the public and private sectors useful tools to incorporate systems thinking in decision-making and enable transformational change.

TEEBAgriFood's cooperation with national authorities in India on organic farming and agroforestry, and in Thailand on organic rice farming were mentioned as positive examples to apply the TEEBAgriFood approach to address the challenges and transform them into opportunities. Metrics such as TEEB, GEP, and Gross Economic-Ecological Product (GEEP) are mentioned as useful tools and their applications at different levels in China are considered to have contributed to biodiversity conservation and its sustainable use.

Opportunities also lie in the various pro-nature strategies and policies, such as the EU 2030 Biodiversity Strategy, EU Farm to Fork Strategy, EU Food 2030 Strategy, China's Ecological Civilization's notion of "Green is Gold" and the national initiative on realizing the value of ecological products, Indian National Mission on Sustainable agriculture, National Mission on Natural Farming, and Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) ("more crop per drop" policy), and more importantly the exchange of knowledge and experiences among countries and regions.

At the operational level, although in the long run sustainable agriculture practices excel, challenges exist regarding incentives to stimulate change and multi-sectoral engagement, not only cooperation among different ministries such as agriculture and environment but also how to leverage the power from the private sector.

Concrete business action is not yet where it should be. Three barriers to business actions are mentioned: 1) lack of understanding of nature-related risks, 2) difficulty in translating nature's value into business opportunities, and 3) lack of consistent definitions, reporting standards, and metrics to guide progress.

Business relies on natural assets require a risk mitigation framework like the one necessitated for climate change. It is mentioned that WBCSD has worked with 60 of its leading members on business guidance on assessing, committing, transforming, and disclosing performance that helps businesses across all maturity levels to start taking credible action on nature.

For more information please refer to:

TEEBAgriFood Initiative: <https://teebweb.org/our-work/agrifood/understanding-teebagrifood/>

TEEBAgriFood China: <https://teebweb.org/our-work/agrifood/country-implementation/eupi2019/china/>

TEEBAgriFood for Business: <https://capitalscoalition.org/project/teebagrifood-for-business/>