

# TEEBAgriFood Country Implementation Project: Business Engagement

The Economy of Ecosystem and Biodiversity  
Promoting a sustainable agriculture and food sector



**India**  
**Online roundtable report**  
9 and 11 February 2021

## Table of Contents

<b>INTRODUCTION</b>	<b>3</b>
<b>ROUNDTABLE AGENDA</b>	<b>4</b>
<b>SUMMARY PANEL DISCUSSION 9 FEBRUARY</b>	<b>5</b>
<b>SUMMARY PANEL DISCUSSION 11 FEBRUARY</b>	<b>6</b>
<b>ROUNDTABLE DISCUSSIONS IN BREAKOUT ROOMS</b>	<b>7</b>
<b>INTERACTIVE SESSIONS ON MENTIMETER</b>	<b>12</b>
<b>NEXT STEPS</b>	<b>13</b>

## Introduction

The Economics of Ecosystems and Biodiversity for Agriculture and Food (TEEBAgriFood) initiative brings together scientists, economists, policymakers, business leaders and farmers organizations to undertake and apply assessments of agricultural systems.

The initiative highlights the need for organizations in the food system to better understand their impacts and dependencies on natural, social and human capitals, and provides them guidance to apply it in their decisions in ways that deliver benefits across the system.

In the context of the TEEBAgriFood Country Implementation Project generously supported by the European Union, the Capitals Coalition works with businesses as part of this project led by United Nations Environmental Programme (UNEP), with the overall goal of building resilience, mainstreaming best practice, protecting biodiversity and contributing to a more sustainable agriculture and food sector.

The roundtable sessions in India held on 9 and 11 February 2021 aimed to:

- Share progress of the Operational Guidelines for business with the stakeholders of the agriculture and food sector
- Receive feedback from those stakeholders on the Guidelines
- Inspire business for action
- Discuss potential improvement
- Open appetite for learning opportunities and the training sessions

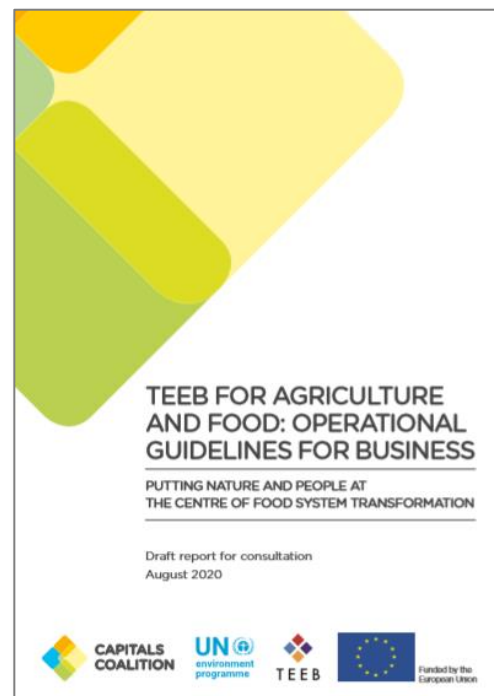
The online event took place over 6 hours, in two sessions of three hours each. A total of 105 people from different stakeholder groups attended the event.

The roundtable was hosted by the Centre for Responsible Business and Capitals Coalition with the help of the UNEP TEEB Office. More information about the project is available at:

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

This report captures the main discussions of the roundtable, providing insight into the panel discussions and a synopsis of the feedback provided through the discussions in the breakout rooms.

We would like to thank the Centre for Responsible Business, our panellists and participants for supporting this roundtable.



## Roundtable agenda

### 9<sup>th</sup> February

14:00-14:15	Welcome & Introduction
14:15-15:00	Panel discussion including Q&A: "The importance of the food system transformation in India"
15:00-15:25	Introduction to TEEBAgriFood Operational Guidelines for Business
15:25-16:10	Presentation and roundtable discussion about the FRAME stage
16:10-17:00	Presentation and roundtable discussion about the SCOPE stage
17:00-17:15	Closing

### 11<sup>th</sup> February

14:00-14:30	Welcome & Summary from day 1
14:15-15:00	Panel discussion including Q&A: "Capitals assessment in practice: the benefits and challenges"
15:25-16:10	Presentation and roundtable discussion about the MEASURE & VALUE stage
16:10-17:00	Presentation and roundtable discussion about the APPLY stage
17:00 - 17:00	Closing

## Summary panel discussion 9 February

### *'The importance of the food system transformation in India'*

The first panel discussion aimed to set the scene with regards to the importance of food system transformation, specifically in India.

#### **Moderator: Ajay Vir Jkhar, UN Food Champion and Chairman, Farmers' Forum India**



- *The food system includes everything from production, to consumption, to food waste. All are part of value chain, and these food systems are failing across the globe. On one hand hunger is rising, especially among farmers and on the other hand obesity is increasing among those who consume. Moreover, 25% food produced is wasted.*

#### *Questions for panellists:*

- *What is a food system and what does an ideal food system look like?*
- *What are the barriers to achieving an ideal food system in India?*
- *What are the low hanging fruits for us to achieve food system transformation in India?*

#### **Ashok Dalwai, CEO, National Rainfed Area Authority, Government of India**



- *In the Indian context, the food system needs to be transformed as a nutrition system for all. Nutritious food needs to become available, accessible and affordable. We need a paradigm shift to increase demand for nutritious food, both through market and government incentives.*
- *Consumption habits have been incentivised away from traditional foods, and behavioural changes needs to be supported through government compensation. An income support system instead of a price support system is essential to neutralise perverse subsidies.*

#### **Murli Dhar, Director, Sustainable Agriculture, WWF India**



- *Rough estimates suggest that on average food travels 400km before it is consumed. Ideally, food production should have less emission, travel distance, less water used to produce food consumed. We need more robust agricultural logistics that connect the production and consumption centres.*
- *There is a lack of data and slow uptake of new, cutting edge technologies which is a barrier to achieving an ideal food system, and there is a need for the government to finance the costly transition period.*

## Summary panel discussion 11 February

### 'Business action in *India* based on assessment of natural, human and social capitals'



**Moderator: Rijit Sengupta, CEO Centre for Responsible Business**

#### Questions for panellists:

- *What are the business case scenarios for food system transformation in India for the private sector?*
- *How could assessing natural, social and human capital be beneficial to business?*
- *Has your business evolved in the face the food system challenge? How have you responded to this challenge?*

#### **Aswathaman Vijayan, ITC**



- *The deliverables for a food system focus on sustenance of three areas: farmer profitability, environmental integrity, and a healthy system. We need to adopt a value chain approach to our supply chain.*
- *There is a strong incentive to invest in people, not only for productivity but also to quality for export. At ITC, we worked with a farming community in Utra Pradesh and learned what the opportunities to increase income, reduce costs and deploy new technologies.*
- *Deriving a value for the capitals means that businesses will find it interesting to work with sustainability considerations in their own operations.*

#### **Sanjay Sethi, Senior Vice President, Food and Sustainability, Technopak Advisors**



- *Government is an important stakeholder, as they need to provide the incentivisation for farmers, business and research to address the food system challenges. A big change is coming from finance in particular, and the interest of consumer could be transformative.*
- *The best way to measure business impacts is to look at the impact on human health. Addressing the capitals will give business a head start on regulation that will come.*

## Roundtable discussions in breakout rooms

Roundtable discussions were organised to actively ask for consultation of the Roundtable participants about the TEEBAgriFood Operational Guidelines for business. After the presentation of each Stage of the 'TEEB for Agriculture and Food: Operational Guidelines for Business', participants were allocated in breakout rooms to discuss questions related to each Stage. Afterwards, each facilitator brought the key message of the group to plenary. Below an overview is provided of the main feedback points of the groups.

Which **risks and opportunities** are the main drivers for food businesses in India?

### Risks

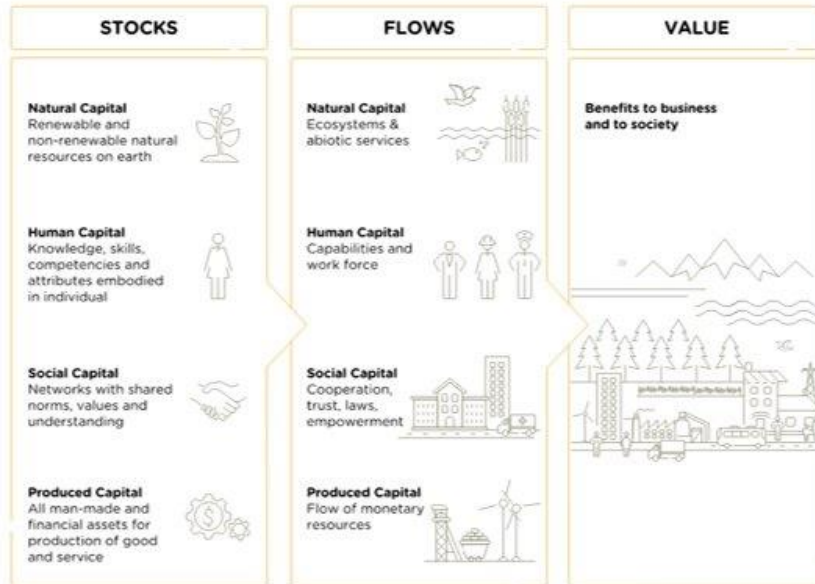
- **Operational:** Lack of understanding of farmer's reality, labour shortage/unavailability, waste, storage issue, scarce resources, climate change, droughts, water shortage
- **Reputational and marketing:** Interest of chemical & fertilizer companies, restricted markets, lack of consumer awareness, cost of organic product and lack of confidence in organic products
- **Social:** Migration, food safety issues, lack of awareness about clean technology use, youth's lack of interest in agriculture
- **Financial:** Debt crisis, lack of access to collateral funds
- **Legal and regulatory:** Lack of consideration for environmental aspect, provision of incentives to crops that hinder environmental sustainability, licenses for pesticide usage

### Opportunities

- **Operational:** Polyculture & crops diversification, human knowledge diversification, increased role of farmer & cooperatives, provide trainings for farmers, green technology
- **Reputational and marketing:** Value chain approach for farmers & companies. access local or global markets, include human rights and due diligence, sustainability certifications visibility
- **Social:** social platforms
- **Financial:** Provide incentive to crops that are adapted to agro-climate conditions, business to take into account regulation related to human rights and sustainability, responsible procurement
- **Legal and regulatory:** investment in green technology, engage the value chain with financial models



Does the representation of **capitals stock, flows and value** make sense to you?



- Be more specific about how the values need to be translated in business performance
- Connect it to the real economy: the "value" beyond money should be incorporated into corporate financial accounting and reporting
- The graph should be circular rather than linear
- The benefits received by society and business should feed back to the stocks
- Apply system mapping and identify feedback loops
- Capitals are inter-linked
- Do not add more complexity
- Focus on clarifying the benefits to society and business, rather than clarifying the linkages between stocks and flows
- Increased focus on the impacts of business activities with sustainability standard expected
- A particular intervention can impact or depend on more than one stock
- Be inclusive for all actors along the value chain.



Are any material **impact drivers or dependencies** missing from the materiality matrix?

**Impact drivers** suggested to elaborate on or include:

- Consumer demand for sustainable foods
- Fair wages
- Financial incentivisation
- Variety of seeds used
- Soil diversity

**Dependencies** suggested to elaborate on or include:

- More emphasis needed on produced capital (road infrastructure, link to markets, access to renewable energy, food waste)
- Split skills and knowledge into skilling (upskilling and reskilling) and knowledge (traditional and innovative)
- Highlight biodiversity as a dependency
- Community welfare
- Culture
- Finance
- Property rights separate from land rights
- Human rights (safety of migrant workforce, collective bargaining)

	DEPENDENCIES				VALUE CHAIN	IMPACT DRIVERS									
	NATURAL	HUMAN	SOCIAL	PR.		NATURAL	HUMAN	SOCIAL							
Water availability					INPUT MATERIALS	Water use									
Water quality						Terrestrial ecosystem use									
Energy						GHG emissions									
Regulation of physical environment						Pesticide and herbicide use									
Regulation of biological environment						Fertilizer use									
Regulation of waste and emissions						Soil use									
Skills and Knowledge						Solid waste									
Experience						Livestock conditions									
Workforce availability						Nutritional content of food									
Health of workers						Use of harmful substances for consumers									
Social networks and cooperation					Food safety practices										
Property rights					Employee health and safety conditions										
Social acceptance and trust					Salaries and benefits										
Law and order					Workers living conditions										
Accessibility to infrastructure and technology					Labour rights										
					Gender rights										
					Worker's representation										
					Food security										
					Food loss or waste										
					Integration of workforce into communities										
					Benefit sharing with indigenous communities										

H HIGH MATERIALITY      M MEDIUM MATERIALITY      L LOW MATERIALITY      N NOT MATERIAL

Have you thought about your impacts and dependencies as **pathways** before? Is this a helpful way of looking at issues in your organisation?

This question was discussed in breakout rooms, and summarised below:

- The consensus was that pathways are a useful way to visualise impacts and dependencies, but it was cautioned that some impacts are more visible than others and therefore might be picked up more frequently.
- The need for clear guidance on how to use pathways, and how to integrate elements such as biodiversity and considerations of local communities was highlighted
- Considering capitals as a linear pathway is not realistic and could be addressed by incorporating multi-stakeholder consultation when building a pathway
- The fundamental question of valuing the intrinsic value of nature was raised, as well as the constraints due to the maturity of the sector.

Do you have any experience with **valuation** (tools, databases, case studies etc.)?

Participants had a varying level of experience in the field of valuation. This question was discussed in breakout rooms, and suggestions from participants are listed below:

- BROA – Biodiversity Risk and Opportunity Assessment has been previously used by one participant in the tobacco industry
- One participant from an NGO has used concepts from Unilever’s handbook on living wage for the tea and coffee industry
- IBBI GIZ toolkit to measure dependencies called Ecosystem Services Metrics
- IndiaStat

Some issues were also discussed via case study examples including:

- working with indigenous communities using replacement value methods to value ecosystems services in Australia
- in the state of Punjab valuing agroecological systems with the cultural value embedded (ie. Sacred groves)

What **challenges and solutions** could arise in expanding the use of the capital approach in decision making?

This question was discussed in break out rooms and summarised below:

#### Opportunities

- The capitals approach translates the system into a language the business wants to hear, which presents a huge opportunity both for the business and society
- Business is nimble and fast moving, so has an opportunity to address global challenges faster than other institutions
- The COVID-19 pandemic presents an opportunity as businesses are looking for mechanisms to build back better
- Building partnerships and networks through collaboration platforms and knowledge sharing

#### Challenges

- The perceived complexity of the approach will require a certain amount of handholding and capacity building if it is to be upscaled.
- It will take time to build up a critical mass of stakeholders bought into the approach – the VSS India Collaboration was highlighted as a solution for this
- A set of business case examples will be needed to convince businesses to participate and apply the methodology
- The current pricing system in place is deeply embedded and will likely to be extremely challenging to shift. Gaining enough political and financial support to make the shift is essential
- There is no “one size fits all” approach, so significant modelling, research and databases will be needed to be applicable across the board
- Incorporating small scale farmers as an essential part of the system and that they be recognised as a business
- Political leadership is key in India and cannot be dissociated from the solutions
- Businesses are still more interested in immediate impact than indirect impact, so the will to incorporate a capitals approach is probably quite low

## Interactive sessions on Mentimeter

Mentimeter was used to ask several questions to the participants and gain direct feedback. Participants were asked to give feedback on what they perceived to be the most material impact driver or dependency in their context, based on the materiality matrix:

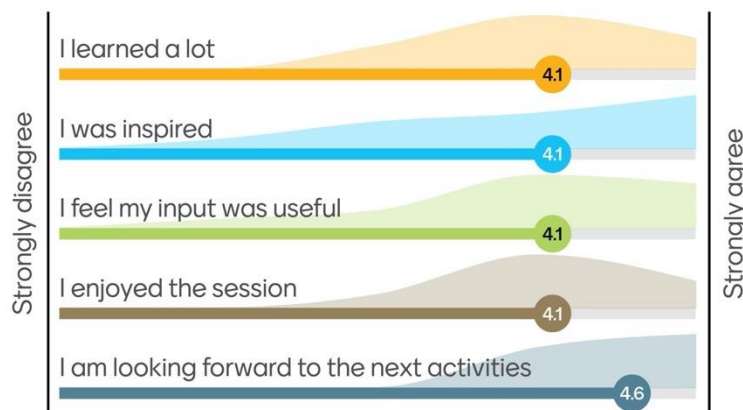
From the materiality matrix that you completed, which impact driver or dependency was most material to your context?



To wrap up the second day, we asked participants if and how they were taking action to transform the food system already, and 90% answered positively. Participants reported taking action notably through working with small holder farmer producer organisations, promoting networks and partnerships, and eating vegetarian and local.

Finally we asked for some feedback on the roundtable:

## How was the roundtable?



## Next steps

In India, four online training sessions will take place to guide business representatives through the four stages of the TEEBAgriFood Operational Guidelines for Business. These trainings aim to help businesses make an informed decisions based on integrated capitals assessment for a selected case.

The training sessions in India will run from June to the end of 2021. After the training sessions the case studies will be collected to show the business case and increase the uptake of other businesses.