

# TEEBAgriFood Country Implementation Project: Business Engagement

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



**Malaysia**  
**Online roundtable report**  
8 December 2021

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## 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 Malaysia held on the 8<sup>th</sup> of December 2021 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 3 hours. Out of 64 registrants, a total of 35 people from different stakeholder groups attended the event.

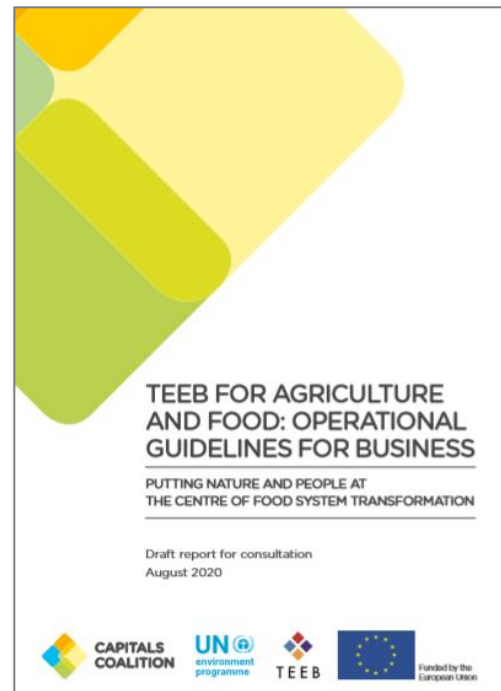
The roundtable was hosted by Capitals Coalition and DHI Malaysia with the help of UNEP TEEB.

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 DHI Malaysia, UNEP TEEB, our panellists and participants for supporting this roundtable.



## Roundtable agenda

<b>14:00-14:30</b>	Welcome & Introductions from Capitals Coalition, EU delegation of Malaysia, UNEP TEEB and DHI Malaysia
<b>14:30-15:10</b>	Panel discussion: The importance of food system transformation through business action in Malaysia
<b>15:10- 15:15</b>	Intro TEEBAgriFood Guidelines
<b>15:15-15:30</b>	Presentation of the Frame & Scope stages
<b>15:30-16:10</b>	Breakout room discussion
<b>16:10-16:20</b>	Plenary feedback
<b>16:20-16:40</b>	Presentation of the Measure & Value and Apply stages
<b>16:40-17:10</b>	Breakout room discussion
<b>17:10-17:20</b>	Plenary feedback
<b>17:20-17:30</b>	Way forward and closing

## Summary panel discussion

‘The importance of the food system transformation through business action in Malaysia’

The panel discussion aimed to set the scene with regards to the importance of food system transformation from different stakeholder perspectives, specifically in Malaysia. Following an introduction from the moderator, the panellists were asked the following questions:

- ❖ What ideally does the government/NGO/business want to see in the future of Malaysia’s food system?
- ❖ What is key to transform the Malaysian food system and drive the sector to have a net positive socio-environmental impact?
- ❖ What are the business benefits to consider impacts on nature and people in sustainability strategy?

**Moderator: Dr Rozlisa Jajuli, Director: Soil Science, Water and Fertiliser Research Centre, MARDI**



*Dr Jajuli presented the key drivers and outcomes in the Malaysian food systems. Overall the agriculture sector has been growing positively, but there remain gaps such as high production costs, high import reliance, decrease in land availability and dependency on foreign workers. She outlined the 6 basic conditions that are needed for a sustainable food system: Supply & demand, environmental suitability, technical capability, legality, leadership, experience.*

**Syed Abdul Bari bin Syed Othman, Policy and Strategic Planning Division, MAFI**



*Food systems play an essential role in any society. Recently, Malaysia has launched National Agrofood Policy 2.0 which lays down the development pathway up to 2030, aligned with the SDGs, Malaysia Shared Prosperity Vision 2030 and the 12th Malaysia Plan including related policies on climate change and biodiversity. National Agrofood Policy 2.0 articulates the aspiration of the nation to have a sustainable, resilient and technology driven agri-food industry that prioritises food security and nutrition while driving economic growth and enhancing the wellbeing of the people. The Ministry has five policy thrusts to address the challenges in the food system: 1. embrace modernization and smart agriculture, 2. strengthen domestic market and produce export-oriented products, 3. build talent that meets demand of industry, 4. advance towards sustainable agricultural practices and food systems 5. create conducive business ecosystem and robust institutional framework.*

**Mr Benjamin Loh, Sustainable Markets Programme WWF Malaysia**



*There is a lot still to be done in engaging with the private sector. Business sustainability has great potential to drive consumer behaviour and consumers have the responsibility to drive business change. The ministry's plans are an ideal scenario and regulation is important. However, it doesn't need to come down to pressure from external parties for us to embrace a sustainable approach, it has to start from within the business and be embedded in how they go about their daily dealings.*

## Roundtable discussions in breakout rooms

Roundtable discussions were organised to actively ask for consultation from the participants about the TEEBAgriFood Operational Guidelines for Business. After the presentation of the first two Stages of the Guidelines for Business, participants were allocated into breakout rooms to discuss questions related to each Stage. After the presentation of the last two Stages, participants were allocated into a second breakout room. Afterwards, each facilitator brought the key message of the group to plenary. In addition, a follow up consultation form was sent out to participants to provide further detail on some questions, if interested. However, we did not receive any additional responses from this written consultation. Below an overview is provided of the main feedback points of the groups, as well as the additional questions posed in the consultation.

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

### Risks

- **Operational:** Flooding due to changes in land use which affects timing in planting crops, water scarcity, reduction in soil quality, welfare, benefits/opportunities for workers, pest and disease, loss of traditional knowledge in planting practises, lack of infrastructure - distribution network (example of roads) is poorly maintained, pesticides and fertilizers can cause disturbance in water, pollution.
- **Reputational and marketing:** Labour practices in Malaysia mean international companies are reluctant to work there, risk on food safety.
- **Societal:** Environmental externalities for cash crop - oil palm effluents. deforestation are not accounted for, loss of traditional knowledge.
- **Financial:** Return of investment for food crops (like rice) are less profitable than cash crops (oil palm) due to retail pricing, taxes, pest and disease, harder to grow, rising price of vegetables.
- **Legal and regulatory:** Government policy only emphasis on new technology (example, reliance of pesticides) but no/minimal emphasis on traditional planting practices (example, natural pest control).

### Opportunities

- **Operational:** Have one standard for all. So its a level playing field (e.g. MyGAP), increased worker retention due to development of innovative facilities (E.g. air-conditioning in huts for workers to rest), opportunity to educate/train small scale farmers for regenerative agriculture that is nature friendly.
- **Societal:** Rich biodiversity is linked to food culture, digital inclusion through blockchain.
- **Financial:** Banks starting to implement sustainable financing albeit slowly.

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

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

- Food security must also relate to supply of nutritious food, not just quantity
- Knowledge

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

- Soil quality
- Seed quality and diversity
- Regulation of biological environment should include forests and other biodiversity resources
- Research and development (i.e. skills and knowledge of scientists and farmers)

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

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 the break out rooms. Below a synopsis is provided of the key outcomes of the discussions:

- Yes, leads to more R&D development to create more sustainable and environmentally friendly agri-products e.g. "green" fertilizers
- It needs good data on inputs and outputs to work
- Market valuation is not helpful as market values are variable and do not provide a good baseline
- Pollution costs calculations are useful

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

This question was discussed in break out rooms. Below a synopsis is provided of the key outcomes of the discussions within:

**Challenges:**

- Convincing businesses to adopt a capitals approach
- Setting key indicators
- Data is a barrier; quantity, quality and accessibility
- Life cycle analysis is not implemented by regulatory departments
- Businesses are focused on operations and the costs to do monitoring for research is additional with no incentive for business to buy in

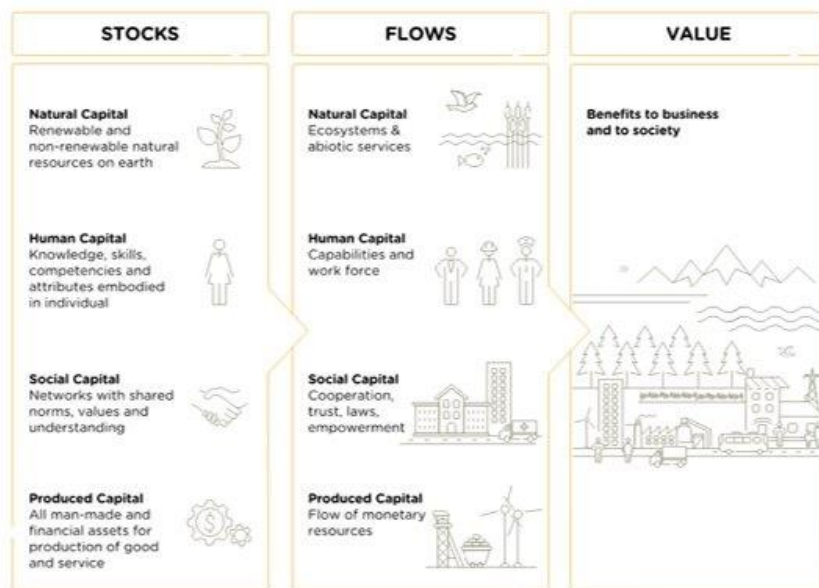
**Opportunities:**

- To make businesses more viable in the long run
- Benefit from potential future incentives from government for businesses that implement sustainable practices in business operations
- To improve food quality and soil quality

**Additional questions asked in the written consultation**

No responses were received for the questions below.

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





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

## Next steps

In Malaysia, six 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 Malaysia will run from March-August 2022. After the training sessions the case studies will be collected to show the business case and increase the uptake of other businesses.

## List of participants

Name	Stakeholder group	Organization
ROSLIZA JAJULI	Policy	MARDI
Tania Golingi (Malinda Auluck)	Business	DHI Group
Jeingim @ Jenne Lajuni /Independent	Other	Individual
VICKI CHEW YII CHING	Business	DHI Group
Suzan Benedick	Research and Academia	UMS
Benjamin Loh - WWF Malaysia (Benjamin Loh)	Other	WWF Malaysia
Melissa Mathews	Other	DHI Group
KisH@IMPACTO (Kishore Ravuri)	Other	Impacto Sdn bhd
Syed Abdul Bari Othman	Policy	MINISTRY OF AGRICULTURE AND FOOD INDUSTRIES
EU Malaysia - Francesco Floris	Other	Delegation of the European Union to Malaysia
Rebeca Leonard	Other	UNEP WCMC
Charles Lai	Business	Green Earth Harvest Solution
Jacob Salcone - UNEP TEEB (Jacob Salcone)	Society and conservation	UN
Chiew Foan Chin	Research and Academia	University of Nottingham Malaysia
Joseph Chan (Ezra Tan)	Business	Kairos Agriculture
Goh Wee	Society and conservation	Kerian Energy Sdn Bhd
Syed Hussain	Policy	UNEP TEEB
Firdaus Farook	Business	Teras Dara Konsortium
Juita (Noor 'Abidah Mohd Dawi)	Policy	Ministry of Agriculture and Food Industries
Azhan Hasan	Policy	Turner & Townsend LLC Qatar and Qatar Rail/Ministry of Environment & Climate Change (MECC) Qatar

ROZITA MOHD JAAFAR	Business	TERAS DARA KONSORTIUM SDN BHD
Jo Kien Lee   People for Peat (Jo Kien Lee)	Business	TRCRC
William Siow	Other	IOI Group
DIXIE LOW	Other	TERAS DARA KONSORTIUM GROUP
Shamala Joachim	Policy	GOPA Worldwide Consultants
mohd ibrahim masrukin	Business	greenheart Farms
Mary-Ruth Low	Society and conservation	Rimba
Zara Phang	Other	WWF
Li Huan Hoh	Business	Netherlands Embassy in Malaysia
Ee Von Goh	Research and Academia	University of Nottingham Malaysia
Velerie Siambun	Policy	IRDA
TR (Taro Ridi)	Society and conservation	MY Transform
Mohd Kamarul Nizam Ab Karim	Policy	greenheart Farms
Mohamed Mounir MFONDEN POUMIE	Research and Academia	University of Dschang

## Appendices

[Link to video recording](#)

[Malaysia Roundtable Recording](#)

[Link to slides](#)

[Malaysia Roundtable Slide Deck](#)

Invitation mail (Mailchimp and mail)

- [Mailchimp invitation](#) sent on November 29<sup>th</sup> 2021 to 151 recipients
- E-mail send out to relevant contacts by both DHI and Capitals Coalition

### Promoting a sustainable agriculture & food sector

Invitation to join  
**Online Roundtable  
Malaysia**  
TEEBAgriFood Operational  
Guidelines for Business

**8th December 2021 14:00 - 17:30 (UTC+8)**

In partnership with UNEP TEEB (The Economics of Ecosystems and Biodiversity) and with support from the European Union, the Capitals Coalition and DHI Malaysia are delighted to invite you to attend our **Malaysia online roundtable** to explore the [TEEBAgriFood Operational Guidelines for Business](#).

The Guidelines help shape practices, guide investments and inform decisions that transform our food systems by providing businesses with the tools they need to measure and value their impacts and dependencies on nature, people, society and the economy.

The TEEBAgriFood project for business is running in seven countries: Brazil, China, India, Indonesia, Malaysia, Mexico and Thailand. You can discover more about the project [here](#) and read up on our current business's pilot applications of the Guidelines [here](#).

During this virtual event, the draft version of these Guidelines will be presented to a wide range of stakeholders. Participants will have the opportunity to learn, provide comments and input into the development process. In addition, the roundtable will include a multi-disciplinary high-level panel discussion.

**Agenda**  
14:00 – 17:30

- Welcome & introduction
- Panel on food system transformation and business action
- Introduction to the TEEBAgriFood Operational Guidelines for Business
- Presentation of Frame and Scope stage and feedback session
- Presentation of Measure, Value and Apply and feedback session
- Training sessions announcement and closing

[Sign up here](#) to receive updates about the project.



[Register here](#)



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TEEB



DHI



Funded by the  
European Union