

Food and Agriculture Roadmap

Chapter on policy recommendations
from a production and equity perspective



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① Executive summary



① Executive summary

BACKGROUND

The Food and Agriculture Roadmap serves as the implementation plan for WBCSD's [CEO Guide to Food System Transformation](#) by setting out the overarching transformational targets, key action areas and business-led solutions required to achieve environmental sustainability, equitable livelihoods, and healthy and sustainable diets for all. It builds on the body of work developed by our [Food Reform for Sustainability and Health \(FReSH\)](#), [Scaling Positive Agriculture \(SPA\)](#) and [Global Agribusiness Action on Equitable Livelihoods \(GAA-EL\)](#) projects.

This policy chapter consolidates the outputs of the [Science-to-Policy Dialogues](#) we hosted in March 2021 and frames clear recommendations for food system transformation. This process brought together representatives from academia, business, civil society and farmers organizations to co-construct policy recommendations that the business community can bring to international bodies and, as applicable, national governments to translate these policy asks into tangible action. **This chapter focuses on sustainable agri-food production and equitable livelihoods.**

Through the iterative research and consultative process, we put forward three clear policy asks from a production and equity perspective:

1. **Create a common set of global targets for food systems;**
2. **Redesign policy development platforms using inclusive multi-stakeholder processes, with objectives anchored in a joint global scientific agenda;**

3. **Shift finance and harness digitalization to better account for and address risks and opportunities.**

In addition, this chapter also sets out key enablers that will support the realization of these policies, as identified by businesses. These enablers are:

- Building and maintaining trust and buy-in;
- Investing in livelihoods and communities;
- Prioritizing equity.

CONTEXT

Accelerating positive change in food system transformation

There is increasing pressure to feed a growing global population while remaining within planetary boundaries. There is also a growing awareness of and urgency to improve access to affordable healthy diets. The agricultural and food sector, which is among the most vulnerable to climate change, is paradoxically responsible for over 30% of global greenhouse gas (GHG) emissions, 70% of freshwater use and 80% of land conversion, and it is the single largest source of environmental degradation and a significant source of pollution, making it the greatest driver of biodiversity loss.^{1,2} The key is how to accelerate and scale solutions that work while still working through the blocks and obstacles along the way. By taking a whole-of-system approach, it is possible to reframe food production discussions and solutions.

Food systems are complex, so building a narrative to capture all the nuances and intricacies within them is crucial. Although the focus of this chapter is on production and equitable livelihoods, the challenges and solutions are very much interconnected with consumption, as mentioned in the [Roadmap chapter focusing on consumption launched in 2020](#). The key is to strike the right balance between the policy asks that we previously raised and those showcased here: the consumption asks focusing on establishing global guidelines supported by national standards and incentives targeting diets and consumer trust, creating an enabling environment for consumer education and commitments to public procurement requirements.³

Finally, science and its influence on evidence-based policy are the basis of this chapter. Science and policy discussions are not linear but cyclic. By clearly identifying a theory of change, vested actors can come together to do their part to transform the system. Success will, in part, mean creating space for a multi-dimensional conversation and creating an integrated framework that also considers unintended consequences and trade-offs. Priming this theory of change, and the relevant stakeholders, can ignite the change needed.

COVID-19

Humanity's infringement on nature for food production and the possibility of future pandemics are here to stay.⁴ As humans consider the broader implications related to their relationship with nature, it is also necessary to apply a policy lens to the solutions. Despite strides in vaccine distribution and recovery packages, the stark realization is that the future may require the capacity to live with pandemics rather than to plan for post-COVID-19 recovery. Recovery rates vary in their progress and are hard to measure, especially with the many unknowns that still exist. The trajectory and opportunities arising from recovery and stimulus plans may start to pave the way for real change.

The right stimulus program can be a catalyst for the great reset that various organizations are calling for, where humans protect, restore and sustainably manage natural capital as a necessary part of the wider economic agenda.⁵ **The web of sustainable production and equity brings to the fore the opportunity to invest in the health and well-being of all people.**

ROLE OF THE PRIVATE SECTOR

The private sector has the opportunity to help galvanize decision-makers and inspire strategic action, creating greater capabilities in the public sphere (such as governments, the United Nations, civil society) for collective change. Despite the lack of progress to date, the creation of cross-sectoral

solutions is possible: new ways of working that directly integrate systems thinking across the value chain are emerging, impacting food, people and the planet. The business community can harness this opportunity, which would yield healthy returns and sustain a healthy planet and people.

Finally, **linking science to policy is a business opportunity.**

By understanding how public policy works, the private sector can better work to address issues and help foster collaborative evidence-based policy solutions. The private sector can also partner with civil society to advance such solutions. Together, business and science-based policy can build a common language that can help reinforce trust and soften tensions and controversial points.



② Introduction to the Food & Agriculture Roadmap



2 Introduction to the Food & Agriculture Roadmap

PURPOSE OF THE ROADMAP: FROM PATHWAYS TO ACTION AREAS AND ACTIONS

The Food and Agriculture Roadmap serves as the implementation plan for WBCSD's [CEO Guide to Food System Transformation](#) by setting out the overarching transformational targets, key action areas and business-led solutions required to achieve environmental sustainability, equitable livelihoods, and healthy and sustainable diets for all. It builds on the body of work developed by our [Food Reform for Sustainability and Health \(FReSH\)](#), [Scaling Positive Agriculture \(SPA\)](#) and [Global Agribusiness Action on Equitable Livelihoods \(GAA-EL\)](#) projects.

The Roadmap calls on companies to work actively to address the issues of healthy and environmentally sustainable

production and consumption by delivering integrated solutions to transform food systems. Achieving food system transformation will also require the development of supportive policy, regulatory and financial frameworks.

FOOD AND AGRICULTURE ROADMAP: CHAPTERS

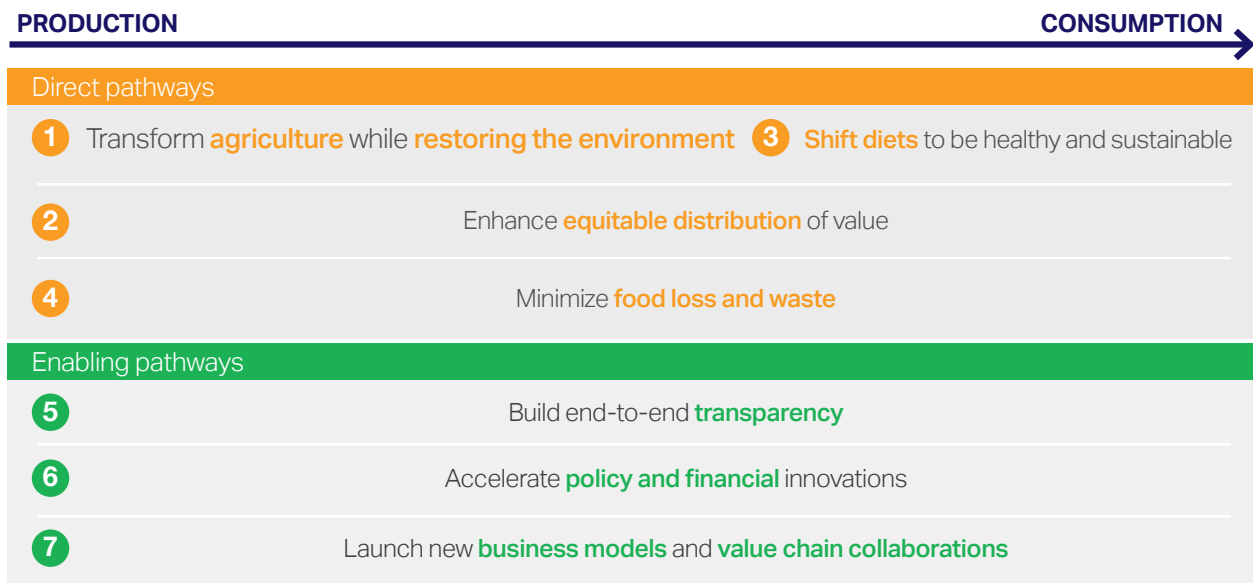
WBCSD's Food and Agriculture Roadmap builds upon the CEO Guide's pathways in a series of chapters, each corresponding to one of the direct pathways identified in the guide.

- Healthy and Sustainable Diets
- Transformative Agriculture
- Equitable Livelihoods
- Policy Recommendations

We have complemented the [Healthy and Sustainable Diets](#) chapter, launched in November 2020, with a [Policy Recommendations](#) chapter focusing on the consumer perspective that uses the outcomes of our Science-to-Policy Dialogues held in September 2020. The chapters on Healthy and Sustainable Diets and Equitable Livelihoods cover food waste and food loss respectively.

It is necessary to scale the action areas and solutions put forward in the various chapters together because each depends upon and mutually reinforces the others. All of them require action from national governments, business, the financial sector, civil society – including academia – and the international community.

Figure 1: Seven pathways where business can lead to accelerate transformation



ROADMAP CHAPTER ON POLICY

The Policy chapter builds on our Science-to-Policy Dialogues and outlines policy recommendations from business to international bodies, as well as regional and national bodies where applicable.

The [first section in the Policy chapter](#), completed in December 2020, focuses on policy recommendations from a consumer angle – what policy recommendations companies need to implement for consumers to make healthy and sustainable choices.

This second section in the chapter focuses on the production angle – which policies companies need to implement for the sustainable production of food and to ensure the equitable distribution of value along the value chain. It builds on both the consumer discussions and the second round of Science-to-Policy Dialogues.

APPROACH

WBCSD has convened businesses, academics, policy experts, civil society and farmer organizations working in food and agriculture to collectively understand the opportunities and challenges facing food system transformation and coalesce around concrete policy asks for discussion at the United Nations Food Systems Summit (UN FSS) and beyond.

The Policy chapter of the Food and Agriculture Roadmap focuses on the producer perspective, including on livelihoods, although the final recommendations will require a holistic approach with applicable targeted action.

We implemented a rigorous and iterative research and consultative process for this chapter that includes the following steps:

Background paper: A desk-based review of the existing science and policy literature on achieving food system transformation through the lens of production and equitable livelihoods.

Delphi dialogue: Alongside a background paper, we led a preliminary digital consultation to explore the challenges facing the food system and to develop a targeted number of themes to discuss in more detail during the workshops. Over the course of three rounds, lasting around three weeks in total, the facilitator provided all participants with detailed probing questions and asked for written feedback, which the facilitator shared anonymously with all participants between each round. We consolidated the discussion into a [summary document](#).

FOOD AND AGRICULTURE ROADMAP CHAPTERS



Healthy and Sustainable Diets
(including food waste)



Transformative Agriculture



Equitable Livelihoods
(including food loss)



Policy

Science-to-Policy Dialogues

(SPD): The virtual SPD workshops, which took place over three half-days, brought together a unique blend of participants from business (WBCSD members), science, policy and civil society to challenge and support each other in a pre-competitive space operating under Chatham House Rule. Panel discussions and presentations from cohort members engaged participants on a range of tangible examples before participants formed smaller groups to explore potential policy solutions for consumer and producer supply and demand and for global trade.

At the end of each day, members presented progress on the policy solutions to a panel of “critical friends” – senior experts from academia and industry who challenged and further developed the proposed policy asks.

SPD Rapid Summary Outcome

Paper: Following the workshops, we developed a [rapid outcome paper](#) to synthesize the outcomes from the sessions and to solicit immediate feedback from participants to inform the development of this chapter.

We bring together the outputs of this iterative research and consultative process in this chapter to put forward three clear policy asks from a production and equity perspective:

1. Create a common set of global targets for food systems;
2. Redesign policy development platforms using inclusive multi-stakeholder processes;
3. Shift finance and harness digitalization to better account for risks and unlock opportunities.

A wide-ranging and rich discussion has been the basis for prioritizing these three overarching policy areas. They address the key challenges faced in terms of production and equity. We then further separate these three overarching policy recommendations into more detailed asks focusing on either global or national and regional recommendations. Our recommendation for international bodies and regional and national governments is to translate these policy asks into tangible action.

Across the range of recommendations presented, the potential success of each is dependent upon the context of its implementation and the relative maturity of the business-government-producer relationship. Policy interventions should reflect the geographic, socio-economic and cultural differences and production practices of the producers and small and medium-sized agricultural enterprises (agri-SMEs) targeted, as well as the food transformation stage that the country is in.

We provide the relative maturity of each policy recommendation across the following categories, as some still require further work to determine their practical application and feasibility:

Green: clear path to implementation. The policy recommendation is already in use in some jurisdictions and is ready for roll out in other regions; countries can learn from best practices and examples.

Yellow: work on alignment required. Stakeholders have developed and used the policy recommendation in specific contexts; however, it is necessary to work further to ensure alignment to roll out the recommendation elsewhere and to ensure its implementation on a local level and that it is context-specific.

Red: nascent. Currently, there is no clear consensus on the policy recommendation. Requires further work to develop clear recommendations.

Finally, this chapter sets out key enablers that will support the realization of these policies, as identified by businesses. These enablers include:

1. Building and maintaining trust and buy-in;
2. Investing in livelihoods and communities;
3. Prioritizing equity.

③ Policy recommendations from a production and equity perspective



3 Policy recommendations from a production and equity perspective

This section outlines our three overarching global policy recommendations. It stems from “the challenge”, which sets the context and issues at hand. Global and regional/local policy recommendations to guide decision-making follow it.

POLICY ASK 1: CREATE A COMMON SET OF GLOBAL TARGETS FOR FOOD SYSTEMS

The challenge

Research demonstrates that nourishing the future while staying within planetary limits is possible; but without collective action throughout the food system and the implementation of a portfolio of solutions, achieving this is a real challenge. While food production in the context of global goal evidence is highly context specific, there is an opportunity to create greater global coherence and alignment so actors can more concretely contribute to solutions.

Currently there are a multitude of ways to define and evaluate the different aspects of our food systems. This leads sectors, governments, businesses, academia, farmers and civil society to speak in different terms and align on a different set of food production solutions. Furthermore, different scales of measure create challenges for some of the proposed solutions. Often, the “typology” of the food system rather than a specific location anchors the identification and implementation of locally suitable production solutions.

We have developed recommendations to guide decision-making at both the global and regional and/or national scale by aligning national plans and targets to an agreed set of global goals.

Global policy recommendations

Develop a food system goal equivalent to the 1.5°C goal for climate change: Currently there is a thrust in the direction of identifying the top three aims of the future global food system and using this as a guide in making decisions, forming commitments, and creating cross-sector alliances for action. Due to food system complexities, leaders in the space must take stock and consult on what those aims are, and then set out the framework and pathways for transformation. Lessons learned from the climate space are encouraging and applicable. In the case of the UN FSS, the summit’s official science committee, for example, is gathering science and evidence produced by a broad range of actors that could serve as the rallying point for countries to commit to solutions at scale. For example, aspects like soil erosion are crucial for long-term resilience and thus sustainable production from a field perspective. As such, it could be a good starting point in identifying the specifics of the goal while also building on the work of the UN Food Systems Summit and the United Nations Convention to Combat Desertification (UNCCD).

Maturity of ask: **yellow**.

This requires further work and the UN FSS process could leverage it. This is one of the first times stakeholders are examining “systems” with the view to making commitments to a healthier, more sustainable

and equitable food system. Initiatives like the [Food Systems Economics Commission](#) are also supporting the work on trade-offs to highlight the shortfalls and opportunities.

High Ambition Coalition for Climate

The Republic of the Marshall Islands (RMI) formed the High Ambition Coalition (HAC) in run-up negotiations at the 21st Conference of the Parties (COP21) to the [United Nations Framework Convention on Climate Change \(UNFCCC\)](#) in 2015, helping to secure key elements of the Paris Agreement, including the 1.5 °C temperature goal, the net-zero global emissions pathway by the second half of the century, and a five-year cycle for updating mitigation contributions. Throughout the conference, the gatherings of the HAC grew, involving a majority of ministers from vulnerable countries and engagement from a number of larger emitters. By the second week of COP21, the HAC had brought together more than 30 ministers, representing groups made up of about hundred countries. The HAC will once again play a key role in promoting ambition in the run up to COP26.

Ensure coherence and alignment across the Global Goals (Sustainable Development Goals) and frameworks for biodiversity, climate and food: From the perspective of the Global Goals, several frameworks help measure and evaluate progress on a particular sustainability challenge globally (such as climate, biodiversity, etc.). Yet as the search for systemic solutions grows, it is necessary to rework or bring together some of these frameworks and ensure that there is a common set of aims for all nations, companies and organizations to strive for in the name of sustainable food systems. The very nature of system change calls for a more rigorous framework and accompanying accountability framework that include successive steps in the direction of a global win, rather than aiming for a one-off win. In addition, careful examination of trade-offs – including between different environmental dimensions such as land use – and the political economy can help decision-makers make sound policy decisions.

Ultimately, the goal is to aim for local wins that overtly contribute to global wins at scale.

Maturity of ask: red. The unprecedented “super year” of 2020, pushed to 2021, allowed for much more solidarity around different – and sometimes competing – agendas. Coupled with the global pandemic, there has been a real moment of collaboration across systems in ways that have already caused shifts for the global community’s greater good. Yet the hard discussions that break down silos and antiquated structures and create budding collaboration across several common and pressing challenges are just beginning.

Regional and national policy recommendations

Identify and engage with relevant local partners, invest in capacity building and best practice exchanges, and develop incentives programs: Policies and incentives are contingent on the best land or water pathway that fits the solution for a specific geography. Government, alongside the

private sector, can play a key role, exploring the multidimensionality of different incentives and ways to fit policies and solutions for purpose. Some of this will entail reviewing internal or hidden rewards that may negatively impact the overall success of an incentive. For example, companies that award salespeople for selling more fertilizer can have a negative impact on environmental practices aligned with a company’s corporate social responsibility (CSR) plan because they are not focusing on a sustainable outcome for the farmer and their agronomic requirements.

Another way forward is to incentivize regional and national alignment with outcome-based policies rooted in strong values and to create profitability. In the example of ecosystem services, a thorough evaluation is necessary, first and foremost, to assess conditions and the potential services. Then it is possible to discern if and how ecosystem services could function.



This is of special importance as ecosystem services can compete with each other, especially when a desired ecosystem service such as crop production relies on integrated crop management practices to be sustainable, as they nonetheless interact with other potential ecosystem services.⁷ One important aspect in this scenario is ensuring there is a fair and equitable market price for a specific service and aligning costs and solid monitoring frameworks accordingly.

Governments and companies require better incentive structures to help them transition to a more sustainable future. They also require a mechanism to reward them and developing countries for their improved sustainability performance, while also investing in them to ensure they have quick access to technologies to help facilitate such a transition. There is a delicate balance between focusing on a simple solution and considering the systems perspective that is pertinent to evaluating unintended consequences

and trade-offs that could result in local strategies. Integrated production systems therefore offer the opportunity to directly interact with farmers and explore solutions for their specific agronomic challenges while taking into account environmental sensitivity and balancing different ambitions.⁸

There is an opportunity to bridge local context-specific expertise with that of global evidence that focuses on data-based methods and solutions to combat global challenges. Greater internet accessibility, further democratizing the information space, and linking local and global experts directly to guide opportunities and challenges that they are collectively facing provide further support.

Maturity of ask: yellow. Some countries are charging ahead by developing and harnessing the evidence that can specifically guide ecosystem service solutions with varying degrees of success. Other scenarios require more learning and application to decipher how to apply this more widely.

The Food, Agriculture, Biodiversity, Land-Use, and Energy (FABLE) Consortium – China⁹

China has committed to reducing its greenhouse gas (GHG) emissions intensity by 60-65% by 2030 compared to 2005 levels. This includes emission reduction efforts from agriculture, forestry and other land uses (AFOLU). Envisaged mitigation measures from agriculture and land-use change include conserving farmland, improving the potential of soil to store carbon, maintaining a balance between forage and livestock, enhancing afforestation, and protecting and restoring wetlands. Under its current commitments to the UNFCCC, China mentions biodiversity conservation as key.



POLICY ASK 2: RE-DESIGN POLICY DEVELOPMENT PLATFORMS USING INCLUSIVE MULTI-STAKEHOLDER PROCESSES, WITH OBJECTIVES ANCHORED IN A JOINT GLOBAL SCIENTIFIC AGENDA

The challenge

Several frameworks and forums exist in decision-making fora, although they most often exclude the most vulnerable constituents or invite them too late in the process. Despite the progress made, there is a gap in creating solutions that work for everyone when those policy design platforms allow for minimal inputs, with often high-impact policy implications for those who are not involved. Ignoring voices leads to a failure in tapping into the diversity of solutions, impeding collective success and leading to unintended consequences.

Policies need to foster cross-institutional collaboration and build inclusive and authentic partnerships with knowledge providers while aligning local and global agreements to strengthen political linkages.

Global policy recommendations

Continue to further improve and build on existing frameworks where this is applicable:

Thanks to the high level of engagement and interaction in the food and agriculture space,

cooperation and support already exist to build on and improve bodies and frameworks like the United Nations Committee on World Food Security (CFS), ensuring they are fit for purpose for today's (and tomorrow's) challenge. CFS uses a multi-stakeholder, inclusive approach to develop and endorse policy recommendations and guidance on a wide range of food security and nutrition topics. It integrates the Civil Society and Indigenous Peoples' Mechanism (CSM), the largest international space for civil society organizations (CSOs), to work on the eradication of food insecurity and malnutrition. In addition, global organizations from around the world can contribute to the aspects that are most relevant, with the aim of avoiding duplication and stimulating collaboration.

Maturity of ask: yellow. Although policy-makers have made efforts, there's still an urgent need to bring the perspectives of food producers and low-income rural people into the design of policy solutions. There is equally a need to continue to improve the Committee on Food Security and the Civil Society Mechanism in a way that wholly considers solutions that fit the needs of the most vulnerable and those on the ground, working day to day with food security, environmental impact and livelihood loss challenges.

Establish a "Food Systems Resilience Board" or equivalent:

Organizations could come together to establish a Food Systems Resilience Board (or equivalent) that is similar to the Financial Stability Board in countries, setting up a process to help capture risk so that local governments can mitigate it in ways that permit agriculture to become a more attractive investment for the private sector. Other sectors do this but not agriculture. The key is for this risk assessment to have credibility and ensure that the compiling of risks doesn't give a negative impression of agricultural investment. Risks should consider agronomic, social and equality challenges, as well as climate and biodiversity risks. Such an assessment would be particularly important for finance ministers and the private sector.

Maturity of ask: red, as there is no universally recognized board, as such. This requires further considerations and action to move forward.

Regional and national policy recommendations

Improve governance, in particular by aligning local and global agreements to strengthen political linkages:

There is an increasingly important role for and emphasis on the durability of local governance. Improving local governance opens channels to share knowledge with policy-makers, which reinforces accountability.



Policy-makers can further support sturdy governance structures by establishing a rules-based, fair and level playing field taking into consideration the political economy and understanding of specific constituencies.

Maturity of ask: **red.** this is dependent on the locality; currently there is no unified way forward. A trickle-down effect could come from national political will, which would allow for this to flourish; this change could be on the verge of happening.

Increase responsible investment in socioeconomic opportunities and innovations: Emerging economies and Organisation for Economic Co-operation and Development (OECD) countries provide USD \$536 billion in support to producers annually, more than half of which works counter to improving sector sustainability. Agricultural knowledge and innovation systems constitute only about 5% of investments.

The green recovery provides an opportunity to improve the long-term productivity, sustainability and resilience of global food systems by removing price-inflating and trade-distorting measures that discourage production changes, encourage the overuse of natural resources, and potentially increase GHG emissions and slow climate change adaptation. Governments can redirect public funds to investments in innovation, in the sustainable use of land, water and biodiversity resources, in climate change mitigation and adaptation, and in farm household resilience. In particular, this could encompass the broader use of targeted payments to encourage improved farm management practices.

Nature-positive investments can play a vital role in human capital development, not least by creating a healthier environment in which families can bring up their children. But it is necessary to combine this with an equivalent commitment to policies and

market practices that result in decent incomes and wages and social protection for farmers and workers throughout the economy. Extensive multi-stakeholder dialogues in the run-up to the 2021 Food System Summit have identified living incomes as one of the priority agendas. Cross-sector actors are mobilizing efforts to build a call to action on living incomes.

A good starting point on living wages is the Global Living Wage Coalition (GLWC), which aims to develop living wage benchmark estimates in many countries based on a single definition and methodology to calculate living wages. This is a critical step in enabling industries and companies to move towards paying a living wage. Ultimately, the GLWC wants to see continuous improvements in workers' wages in the farms, factories, and supply chains participating in their respective certification systems and beyond.

Policy-makers have a prime opportunity, fueled by the COVID-19 pandemic, to reset the long-term narrative for the socioeconomic system by measuring the outcomes, such as environmental benefits (like sequestration of carbon in soils, reduced GHG emissions from an optimized crop management system), managing marine and terrestrial assets with spatial planning, fixing incentives to ensure markets value nature appropriately, enabling the innovation ecosystem, investing in human capital for better paid, more secure jobs, and deploying public finance catalytically.¹³ Governments have a role in designing an innovation ecosystem, just as they did in building the enabling conditions for the rapidly growing renewable energy industry over the past two decades.¹⁴

Maturity of ask: **red/yellow.** Some national governments are ensuring recovery and stimulus plans are "green" and sustainable, while others, less so. Also, there is a tilt toward developed nations having more access

to capital to invest in these types of opportunities, further exacerbating global imbalances.

Better Life Farming

Better Life Farming is a long-term partnership between the International Finance Corporation, Netafim, Bayer and Swiss Re Corporate Solutions that enables smallholder farmers to unlock their farming potential. The partnership empowers more than a 100 million smallholder farmers in developing countries around the world through collaborative partnerships and innovative solutions that expand agricultural know-how to address their most challenging issues.

OCP's Women of Agribooster program in Ghana¹⁵

OCP Ghana is projecting support for about 10,000 women farmers next year under its Agribooster program, aimed at aiding women in agriculture. OCP Africa, in a partnership agreement with the Ghanaian Ministry of Food and Agriculture, has increased its efforts to support the agricultural value chain in Ghana. This agreement seeks to intensify OCP Africa's flagship Agribooster program, which will bring a global offer to farmers with access to the quality of inputs, training and market. The program will also train smallholder farmers on the proper use of inputs and securing access to finance and markets, which will positively impact their productivity and finances and help them overcome the negative effects of the COVID-19 pandemic, expand agricultural know-how to address their most challenging issues.

POLICY ASK 3: SHIFT FINANCE AND HARNESS DIGITALIZATION TO BETTER ACCOUNT FOR RISKS AND UNLOCK OPPORTUNITIES

The challenge

Some of the biggest finance challenges include asymmetrical information, uncertainty around rural finance, and the roles that business and government play in economics and politics. On the public side, subsidies serve as big source of finance for food producers; therefore, the current system underserves investments in producer subsidies by creating parallel negative effects on the environment. It is necessary to have a different financial support system, with varying support for both food producers and SMEs.

Recommendations need to enable companies and national governments to help countries better understand their risk, manage it, and allocate finance that enhances the sustainability of the food system.

Global policy recommendations

Improved access to finance through various instruments:

(such as credit facilities, blended finance, carbon trading, multilateral development banks)

Using these tools can offset risks to borrowers and banks while flowing more capital to those who need it most. If decision-makers act boldly, they could begin to shift to true cost accounting and related data and methodologies that capture the hidden environmental and social costs of food production and consumption. This could be a breakthrough, given that many aspects of nature are mobile, invisible or silent and the exposing of internalized externalities could shed light on business expectations and improve reporting both overall and reporting on non-financial disclosures specifically. Disclosure serves to substitute for imperfect markets.¹⁶

Externalities should also cover land use as this is a major driver of biodiversity loss.¹⁷

Maturity of ask: yellow.

Blended finance and de-risking with Terra Bella Fund

The [Terra Bella Fund](#) is a frontier private equity fund that provides early-stage project finance capital to high-impact community-based forest and agricultural emissions reductions projects in developing countries. Combining climate change mitigation and the production of sustainable agricultural crops for local consumption and export is at the core of the fund's investment objective, alongside generating sustainable long-term returns for investors.

Regional and national policy recommendations

Shift harmful subsidies toward enhancing the sustainability of the food system:

Subsidies must shift public finance so that food producers (small and large scale) produce healthy food in a sustainable way. There is certainly scope but it requires further piloting and testing, as well as political will that looks to long-term consequences. Although this is very much the realm of public sector funding and how to redirect funds, science must guide its direction, reinforced through public-private partnerships. The public sector can also use its procurement and purchasing power to support small-scale producers and promote health, income and sustainability standards. The private sector can help facilitate the solution by tapping into the locked cash flows of healthy, nutritious and sustainable food sources. Further support of integrated farm management tools and decision-making would be decisive in supporting sustainable production, including education and knowledge sharing.

Maturity of ask: red/yellow.

UK Subsidy phase out

By 2028, the Government of the United Kingdom will phase out the annual GBP £1.6 billion subsidy farmers receive for owning or renting land. The new plan from the government outlines changes to support farmers adapt and plan for the future. It will reward farmers and land managers for sustainable farming practices, with actions directed to improve soil health, hedgerows and integrated pest management, managing or restoring habitats, natural flood management and species management amongst many others. Within a seven-year window, the goal is for farmers to be on track to produce healthy and profitable food in a sustainable way and to eliminate harmful subsidies.

Prioritize R&D investments to help accelerate digitalization and innovation:

The *Global Resources Outlook 2019* identified that global resource productivity has not improved in the past two decades, despite significant technological advances during that time. This is the technological era, yet no sector is fully harnessing many technologies. There is an opportunity for both the private and public sector to band together to enable sufficient investments to ensure information is available and continually examined to help make strategic decisions and help solve the challenges at the farm level.



Research sometimes fails to produce accurate and sufficient data from local settings. However, when it does, there is unequal access to knowledge and data, thereby undervaluing a potential public good offered by government and the private sector. Furthermore, it is necessary to modify and streamline the clunky R&D process to smooth out the research process, accelerate change, and permit testing, failure and improvement in real time. Harnessing private and public collaboration through the sharing of information, tools and exchange of data (open source) that works to achieve mutually beneficial solutions could reframe the offsetting of “pre-competitive” information in the spirit of creating knowledge sharing platforms and interactive collaboration. In addition, there is a dire need to increase research and innovation budgets and ensure legislation can facilitate innovation in a streamlined and easy manner.

Maturity of ask: yellow.

Stakeholders have made some progress but it is necessary to look into intellectual property and ways to offset the competitive advantage of market data. Also, it is necessary to conduct further research and development in developing countries in ways that are agile and safe for learning and making rapid improvements.

Data infrastructure and the potential role of government

Akkerweb is an open data infrastructure that can facilitate the creation and uptake of value-added services by the private sector, supporting productivity and sustainability in agriculture. Wageningen University and Research (WUR) and Agrifirm, a farmer association, founded Akkerweb to combine scientific knowledge and a practical approach to farmers’ problems to develop successful applications. The WUR research team makes some data and applications available, while the private sector adds others. Akkerweb is an example of functional design based on expressed user needs. The platform also partnered with a private sector firm to develop an application for the visualization and analysis of satellite and drone data. Farmers have access to vegetation indices, as well as to maps such as those for scouting and tasks.

Free agricultural advice and resources for farmers

Smartphone applications like @tmar provide [farmers in Morocco](#) with free agricultural advice and resources to enable smart and sustainable decision-making – both economic and technical– based on accessible scientific information. @tmar’s six operational steps consider the farmer’s needs.



④ Enabling actions to unlock and accelerate policies at scale



4 Enabling actions to unlock and accelerate policies at scale

To support the realization of the three policy asks, we have identified the following enablers that will be critical to the successful transformation of the food system.

BUILDING AND MAINTAINING TRUST AND BUY-IN

A theme that stands strong throughout all conversations is trust. The success of all the policy asks hinges on mutual trust and buy-in.

One way to achieve this is to ensure transparency in all processes. For example, there are often discrepancies in or a lack of sharing of data. Despite the mechanisms and technologies in place, there is still a lack of data transparency and traceability that could help unlock solutions for everyone, rather than just a few.

INVESTING IN LIVELIHOODS AND COMMUNITIES

Supporting the sustainable livelihoods of food producers and investing in their local communities can create a strong enabling environment and allow sustainable production and equitable policies to have optimal impacts. A livelihood is a means of making a living. It encompasses those capabilities, assets, income and activities required to secure the necessities of life. A livelihood is sustainable when it enables people to cope with and recover from shocks and stresses (such as natural disasters and economic or social upheavals) and enhance their well-being and that of future generations, without undermining the natural environment or resource base.¹⁹ Stakeholders can use tools like the Sustainable Livelihoods Framework (SLF) to holistically

understand the dimensions of livelihoods and thereby better tackle the challenges. Created by the United Nations Development Programme, the SLF adopts a systems approach to its understanding of livelihoods and provides a way of conceptualizing this through: 1. the goods or capital people need; 2. how people earn a living; 3. the context for which a stakeholder has designed a particular kind of support; 4. any factors that could strengthen subsistence resilience to moments of stress and crisis.²⁰

Efforts to improve the livelihoods of food producers, coupled with infrastructure, create scope for great reductions in inequality.²¹ This is another area of public-private partnership where companies could come together with public investment schemes to do things like increase internet and broadband access, pave roads, and supply electricity and running water. The result is a win-win for system change, which is often rooted in simple infrastructural challenges that with minimal investment could help pave the way to a healthier, more sustainable planet that supports equitable livelihoods. In addition, smoothing out infrastructure issues can also facilitate accessibility to markets, which in turn supports the livelihoods of food producers.

Furthermore, for equitable livelihoods to take shape, both the private and public sector must work on imbalances in the distribution of value along many global agri-food supply chains. On one side, governments must ensure compliance with the [United Nations Guiding Principles on Business and Human Rights](#) and their three guiding principles in recognition of: 1. the existing obligations of States to respect, protect and fulfil human rights

and fundamental freedoms; 2. the role of businesses as specialized organs of society performing specialized functions and being required to comply with all applicable laws and to respect human rights; 3. the need to match rights and obligations with appropriate and effective remedies when breached.

On the other side, strengthening rural economies and safeguarding human rights provide benefits for the private sector as overall purchasing power increases while facilitating food security. CEOs can play an important role in ensuring that their own companies and business relationships take human rights seriously.

For example, some of the most salient issues emerging related to human right abuses in the agriculture sector relate to fundamental labor rights, working conditions, social, environmental and economic rights, and civil and political rights (details in Table 1)²² [The Global Agribusiness Action on Equitable Livelihoods \(GAA-EL\) toolkit](#) is a good framework to consider when tackling human rights in such circumstances. The toolkit aims to foster alignment and scale action to improve human rights policy and practice within the GAA-EL membership and agribusiness sector. It represents an important first step in building awareness, understanding and capacity on the human rights agenda.²³ In addition, the WBCSD [CEO Guide to Human Rights](#)²⁴ highlights actions that executives can take to advance respect for human rights. Ultimately, equitable livelihoods are key to the broader development and prosperity of society.

Table 1: The most serious risks for the agribusiness sector

Risk categories	Key rights-holders	Examples of human rights risks related to agribusiness
Fundamental labor rights	Workers	<ul style="list-style-type: none"> • Forced labor • Child labor • Lack of respect for freedom of association • Discrimination in employment
Working conditions	Workers	<ul style="list-style-type: none"> • Wages below legal minimum wage • Wages below living wage levels • Excessive hours • Health and safety breaches • Abusive treatment • Lack of access to grievance mechanisms • Abuse of temporary contracts • Unethical recruitment
Social, environmental and economic rights	Workers, communities	<ul style="list-style-type: none"> • Noise or air pollution affecting local communities • Emissions impacting local water supplies • Road transport creating traffic dangers • Land acquisition without due process
Civil and political rights	Workers, communities	<ul style="list-style-type: none"> • Workers prevented by their employer from political participation • Excessive use of force by security forces to repress community complaints • Company staff undertaking bribery of government officials

Source: WBCSD (2020). Advancing human rights policy and practice in the agribusiness sector: An implementation toolkit.



PRIORITIZING EQUITY

The livelihoods of food producers are at the heart of policy solutions. Creating more equitable and remunerative global supply chains that value the assets of food producers is a space where both governments and companies can facilitate positive impact in the communities they serve and work in.

Vulnerable groups in agribusiness settings are often women, children or younger workers, indigenous people, migrants and refugees, seasonal and temporary workers and workers without established or regular contracts, and groups who are subject to cultural or legal discrimination.²⁵ Although a decent living wage, as previously noted, and equal provisions for citizens are important, these vulnerable groups suffer real disadvantages when enabling mechanisms provided by governments and business are used to make advances in the food sector. For example, if social justice and structures for equity are not central to facilitating a solution, it will not

be possible to make people- and planet-centered system-change decisions for long-term success.

For example, estimates suggest that the costs to the global economy of discriminatory social norms and violence against women are approximately USD \$12 trillion annually,²⁶ while household poverty remains a common cause of child labor in agriculture.²⁷ Yet, 370 million indigenous people worldwide in more than 90 countries make up 5% of the global population, account for 15% of the extreme poor and protect 80% of the world's biodiversity.²⁸ It is absolutely essential to tend to and resolve issues around the key roles these groups play and to tackle issues like land tenure and property rights, however politically volatile they may be, for equity to flourish.

There is a gaping divide between those who are becoming richer and those scraping by. Although the global economy is set to expand 5.6% in 2021, this recovery is unbalanced and reflects sharp rebounds in major developed economies.

Per capita income growth in emerging market developing economies is projected to be 4.9%, and essentially zero in low-income countries. Per capita income catch-up with advanced economies could slow or even reverse in many poorer countries. Furthermore, by the end of this year, it is expected that about 100 million people across emerging market developing economies will have fallen back into extreme poverty.²⁹ If done well, equity has the power to effectively capture market growth and expand the potential for decent job growth, while at the same time attracting future generations and equipping them for lucrative food production careers.

All levels of the policy asks will fail without the full addressing of equity. Mobilizing support for policies that promote more equitable societies can be difficult. Understanding the political constraints to reducing inequality and devising ways to overcome them is key to progress.³⁰



Endnotes

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