



CAPITALS
COALITION

Primer

TEEB for agriculture and food: operational guidelines for business

Putting nature and people at the
centre of food system transformation



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Introduction

Transforming our food system is one of the most urgent challenges we face in the 21st century. Providing food security for a growing population and restoring the natural systems that food production depends upon, while ensuring social equity, requires a systems-based approach.

Developed to support businesses to make the value of nature visible in their decisions, the TEEB (The Economics of Ecosystems and Biodiversity) for Agriculture and Food: Operational Guidelines for Business provide a practical way for businesses to understand and act upon their impacts and dependencies on natural, human, social, and produced capital in the context of the agri-food sector.

This primer is a short introduction to the TEEBAgriFood: Operational Guidelines for Business. It outlines how applying the Guidelines and including a multi-capitals approach in your considerations will improve your decision making.



The TEEBAgriFood Evaluation Framework

The Economics of Ecosystems and Biodiversity (TEEB) is a global initiative focused on “making nature’s values visible”. TEEB’s principal objective is to mainstream the values of biodiversity and ecosystem services into decision making at all levels. TEEB offers a structured approach to valuation that helps decision makers recognize the wide range of benefits provided by ecosystems and biodiversity, demonstrate their values in economic terms and, where appropriate, capture those values in decision making.

In 2018, TEEB published a seminal report TEEB for Agriculture & Food addressing the challenges within the food system and recognizing the importance of a systems approach through evaluating interactions within and changes to different “capitals”— natural, human, social, and produced. The report includes the TEEBAgriFood Evaluation Framework. This is an overarching framework for policy, business, farming, and civil society. It provides key definitions, measurement concepts, and boundaries to describe and understand the complexity of the food system in its entirety.

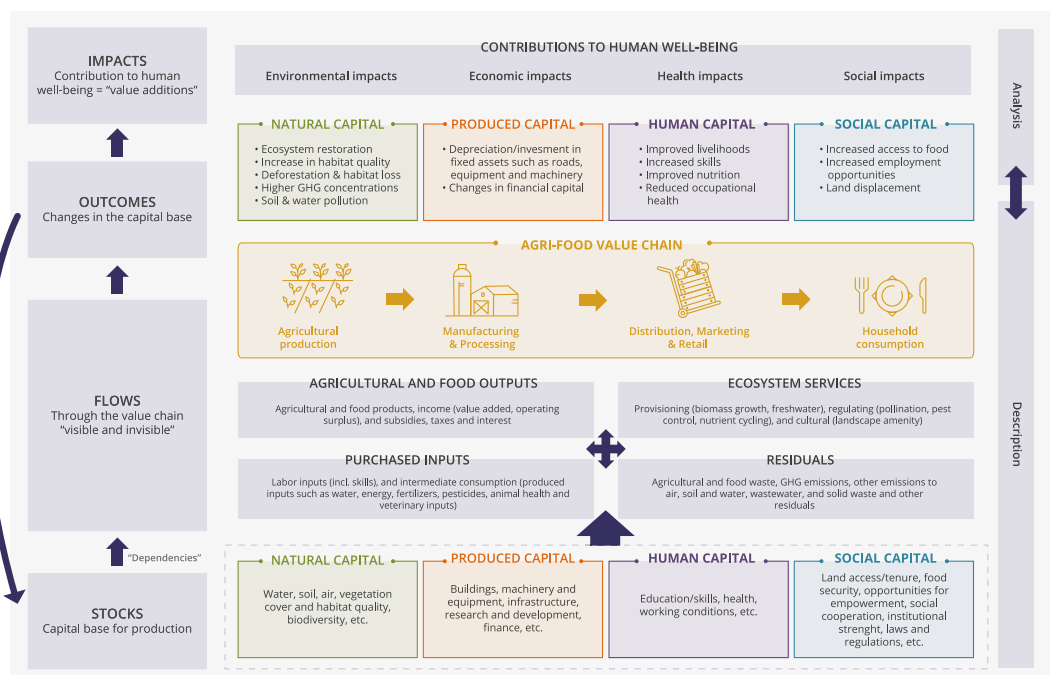


Figure 0.1 Elements of the TEEB Agrifood Evaluation Framework reprinted from The Economics of Ecosystems and Biodiversity for Agriculture and Food (2018)



TEEBAgriFood for Business

Thanks to generous funding from the European Commission, the Capitals Coalition has been leading the work program on business engagement within the larger TEEBAgriFood project led by UNEP TEEB. As part of this work program, the Capitals Coalition has developed the TEEBAgriFood Operational Guidelines for Business.

To support businesses in implementing the TEEBAgriFood Evaluation Framework, the Guidelines provide a practical way for agri-food businesses to understand and act upon their impact and dependency on natural, human, social, and produced capital. A capital is the stock of an asset that combines to yield a flow of benefits or “services” to people, now and into the future. When invested in and managed responsibly, the asset creates value. If we “draw down” on the capital stock itself, we erode its ability to provide value to people and the economy, and if we degrade it too much, it can stop providing value all together.

The Guidelines reference and build on the internationally accepted harmonized business frameworks for identifying, measuring, and valuing organizational relationships with nature and people: the Natural and Social & Human Capital Protocols. The Guidelines have been published to make the capitals approach accessible to private sector actors across the agri-food value chain.

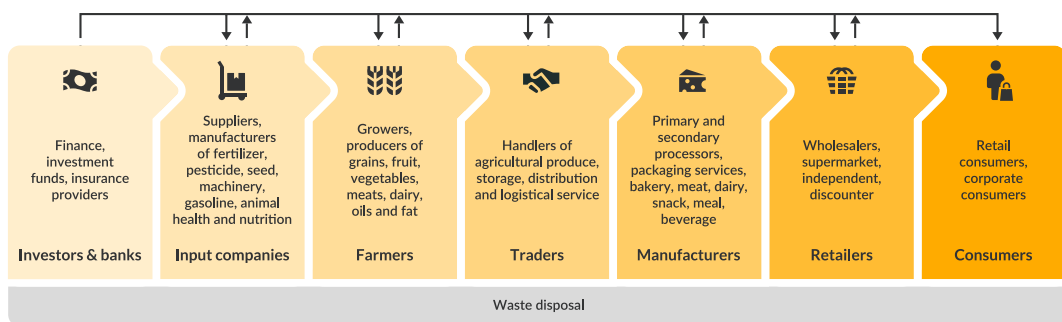


Figure 0.3 The food value chain

As part of the TEEBAgriFood for Business program, the Guidelines have been piloted in seven countries with different agricultural approaches and traditions: Brazil, China, India, Indonesia, Malaysia, Mexico, and Thailand. Through strong in-country collaborations, businesses have applied, improved, and built upon these Guidelines over the past three years.



Why the Guidelines?

The Guidelines are designed for actors working in the food sector to help generate trusted, credible, and actionable information by conducting a capitals assessment. The outcomes of a capitals assessment can lead to improved decision making that takes into consideration the values provided by nature and people, and that in turn can lead to a more sustainable and just way of doing business.

A capitals assessment can be conducted by a business to obtain a better understanding of its impacts and dependencies on natural, human, social, and produced capital. This includes business risks and opportunities related to capital impacts and dependencies, and how to act upon these risks and opportunities. The impacts and dependencies of a business often go beyond the sphere of a business and affect society at large.

The Guidelines:

- ◆ Provide context on why capitals are relevant to any business in the food system and how businesses benefit from capitals.
- ◆ Develop the business case for considering multiple capitals in the food sector.
- ◆ Identify impacts and dependencies on different capitals relevant to businesses across the value chain of the food sector.
- ◆ Provide practical examples to demonstrate sector-specific business applications.
- ◆ Reveal information about the capitals a business relies upon and impacts upon. This information serves to supplement decision-making processes, rather than replace them.



How to use the Guidelines?

The Guidelines describe a four Stage, nine Step process that supports a capital(s) assessment. The aim of an assessment is to gather relevant information regarding the capitals that can be applied to decision making, depending on the business purpose for which you plan to use assessment results.

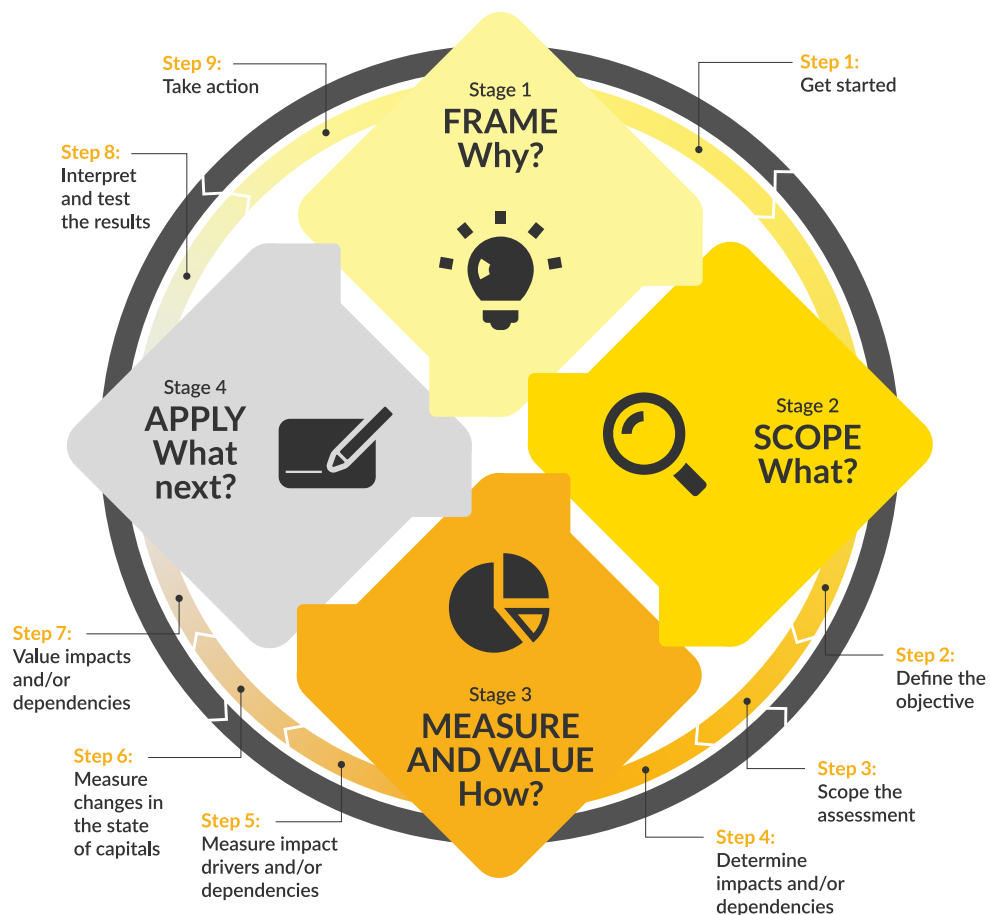


Figure 0.2 The framework of the TEEBAgriFood Operational Guidelines

The Stages are broken down into Steps which contain specific questions to be answered when carrying out a capitals assessment. Each Step articulates the necessary actions to consider in conducting an assessment and provides technical guidance for undertaking these actions. A [User Template](#) is provided to support businesses in completing all Steps of the assessment process.

There are various ways to use the results of a capitals assessment to help inform decision making. An assessment can support a business to:

- ◆ Evaluate impacts and dependencies and assess risks and opportunities.
- ◆ Estimate total/net impact values and commit to targets.
- ◆ Compare options and transform outcomes.
- ◆ Communicate and report internally and/or externally.
- ◆ Assess impacts on stakeholders.

Intended Audience

The Guidelines are specifically written for businesses in the agri-food sector but can also be used by businesses in other sectors. They define the agri-food sector as the complete range of activities required to deliver a product through the different phases of production to end consumers (as shown in Figure 0.2).

The Guidelines incorporate the capitals into valuation and decision making and provide an iterative process suitable for actors at all levels of familiarity with the concept. It can support a user of how to apply a capitals approach, and through iteration businesses can continue to advance and mature their assessment. The Guidelines are applicable to anyone who is involved in decision making.



Collaboration

“More than ever, we need organizations - and companies especially - to take action and actively participate in the challenges that we face. Considering human and natural capital within our decision making is a very important process in order for companies to accelerate the change that we need and also the change that consumers expect companies to have.”
Pedro Martins, Liv Up, Brazil.

During the piloting phase of the program, businesses in the seven project countries conducted capitals assessments based on the Guidelines. For inspiration, the Guidelines feature summaries of these assessments to show how a capitals approach can be applied in practice.

Linking efforts

The TEEBAgriFood Evaluation Framework and the TEEBAgriFood Operational Guidelines for Business can be considered as guidance to support True Cost Accounting (TCA).

The TEEB Operational Guidelines can also be used by businesses adopting the High-level business actions for nature, otherwise known as ACT-D. These actions were developed in a collaboration by leading organizations including Capitals Coalition, Business for Nature, WBCSD, TNFD, Science Based Targets Network, WEF and WWF.

ACT-D stands for Assess, Commit, Transform, and Disclose, and guides businesses through the various tools, frameworks and initiatives available in the market to support them in assessing their relationships with nature, committing to action and target setting, transforming their practices and disclosing nature-related information.

These guidelines should be used as part of the Assess action and allow businesses to identify, measure and value their impacts and dependencies on nature. Learn more [here](#).



Get started

The TEEBAgriFood Operational Guidelines are available [here](#)

The accompanying User Template is [here](#)

For inspiration, applications from businesses in the agri-food sector are [here](#)

Please consider the planet before printing this report. If you are reading a printed version, the live URL's included in these guidelines can be found in the digital version.



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www.capitalscoalition.org

Capitals Coalition is a global collaboration transforming the way decisions are made by including the value provided by nature, people and society. Our ambition is that by 2030 the majority of business, finance and government will include all capitals in their decision-making, and that this will deliver a fairer, more just and more sustainable world.

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