



Title of coalition:

The True Value of Food Initiative

Main objective of the coalition:

During preparations for the UNFSS, the [True Value of Food](#) has emerged as possibly the ultimate gamechanger to realize sustainable food systems. Our food needs to become healthier, more sustainable and accessible for all. But there will be no 'trigger' for change as long as healthy and sustainable food is unaffordable to billions, unsustainable food is cheap and profitable, and the impact of food on people and planet is hidden. By uncovering the true costs and benefits of food, the True Value of Food can help governments and private sector create an economic model that promotes healthy, sustainable, profitable and affordable food. At the same time, much remains to be learned about the science and practice of the True Value of Food.

The main objective of the [True Value of Food Initiative](#) is to unlock the potential of the True Value of Food for governments, businesses, investors and consumers by providing them with a new economic basis for decision making based on the [True Value of Food](#). To do so, it aims to:

1. Create awareness, understanding and build capacity amongst governments, the private sector and citizens. about what the True Value of Food is and how it can be used to realize sustainable food systems.
2. Establish a common language and harmonized science-based methods for the true value of food.
3. Identify true value solutions that work in practice through pilots and scaling interventions together with investors, governments and businesses at the global, regional and national level
4. Continue to build methodologies and conduct analysis to assess the impacts of change and trade-offs of various options.

Rationale

The "hidden costs" of global food and land use systems are estimated to be US\$19.8 trillion per year ([Scientific Group of the UN Food Systems Summit, 2021](#)): \$7 trillion of environmental costs and \$12 trillion of health costs. These costs, including high rates of diet-related chronic disease, the impacts of climate change and unfair wages are not included in prices and profits, and thus ignored by markets. Often, these costs are borne by people who did not have a say: the least advantaged segments of society (frequently smallholder farmers, youth, women, indigenous peoples, people of colour, marginalised communities) and by future generations. At the same time, the global food system has many hidden benefits that are also not fully reflected in food prices: healthy food is a basic need with many economic and social benefits, and well-functioning food systems allow farmers and workers to earn a decent livelihood.

To address this, the True Value of Food Initiative will develop a new economic basis for decision making that accounts for the true value of food. This new basis includes three elements:

- True Cost Accounting (TCA) to systematically quantify and value impacts and dependencies across the full agri-food value chain to enable decision-making and policies based on true value.
- True Value business strategies to develop and implement successful business models that create true value for society.

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- True pricing policies to internalize the externalities to make healthy and sustainable food more affordable and align market incentives with true value through market-based pathways, regulatory and income policies.

Science-based evidence to prioritize this coalition (scientific references):

The scientific evidence is summarized in the paper on the *true cost and true price of food* from the [Scientific Group of the UN Food Systems Summit](#). TEEB published [Scientific and Economic Foundations](#) for TEEBAgriFood in 2018. In September 2021, Nature Food published a full [focus issue](#) on true cost accounting including an editorial and review of approaches.

The Scientific Group has also published an accessible [Q&A](#) explaining the basic concepts.

Mechanisms of implementation (Global to National levels):

To realize the three aims above, the initiative will:

1. Advocate for the use of True Value of Food at the global and national level and support the process through making tools and methodologies available and build capacity.
2. Align existing resources around harmonizing various approaches to true value and providing those a science-based foundation.
3. Action the true value of food through pilots and scalable programs with investors, governments and businesses at the global, regional and national level.
4. Continue to build methodologies and conduct analysis to assess the impacts of change and trade-offs of various options and make this available to all stakeholders.

The initiative will organize its actions under three focus areas. Activities envisioned include:

1. True Cost Accounting

- Contribute to strengthen and mainstream TCA as the tool of choice for food system decision-makers
- Make TCA information abundant to professional decision makers through harmonization and standardization
- Scale up reporting at the business
- Scale up country level TEEB-assessments in a multi-stakeholder approach

2. True Value

- Demonstrate and scale-up approaches to manage true value creation by businesses
- Enable the use of true value information by capital markets through the development of tools for investors
- Integrate true value in mainstream financial instruments to optimize the allocation of capital
- Stimulate catalytic funding to innovative initiatives in food with a high true value creation

3. True Pricing

- Develop the science and data that enable market players and policymakers to use true pricing
- Empower consumers to get access to true pricing information by
- Come together to improve true prices in supply chains and retail with businesses
- Work to make sustainable & healthy food more affordable through government policies

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Strategic partners (members, private sector, civil society, academia):

With the support of the Action Tracks (Lawrence Haddad), Scientific Group (Joachim von Braun), the Private Sector Guiding Group (Peter Bakker), FAO (Maximo Torrero), the Finance Lever (Martien van Nieuwkoop), the Champions Group (Ruth Richardson), Rabobank (Berry Marttin) and the Rockefeller Foundation (Roy Steiner).

Individuals who have expressed a willingness to participate in the initiative are drawn from Cornell University, Fairtrade International, The Global Alliance for Improved Nutrition (GAIN), The Global Alliance for the Future of Food (GAFF), Rabobank, Rockefeller Foundation, True Price, UNEP, the University of Pretoria, WBCSD and the World Benchmarking Alliance. Governments, businesses, CSOs and academic institutions have indicated a tentative interest to participate in the Initiative. The stakeholders include:

- Countries for information, knowledge, tools, examples, capacity building and dialogue on the topic
- Actors who would like to join the three focus areas below
- Stakeholders who would like to engage with the initiative from science, civil society, private sector and development partners.

Monitoring and Evaluation (clear quantifiable indicators and targets linked to SDGs)

A number of monitoring and evaluation systems exists that link to this topic and could play a leading role in integrating the indicators as these are discussed, developed and agreed on, including those related to climate mitigation, environment, clean energy, future iterations of the SDGs, the World Benchmarking Initiative report, National Accounts, the Comprehensive Africa Agricultural Development Programme's Biennial Review Report and Peer Review Mechanism.