3.4 Develop a "Codex Planetarius" to determine a set of minimum environmental standards to govern global food trade

Background information

Where and how we produce food has arguably had the largest impact on the planet of any other human activity. Going forward, with more people, more income, and more and different consumption we need to produce more with less—less land, less water and less water pollution and fewer GHG emissions. Wasting less and consuming differently will help, but everything we consume should be produced more sustainably.

For a quarter century, WWF has worked to reduce the key impacts of the most important foods that we eat. WWF's focus was to develop credible metrics and systems to identify the better producers, reward them with better markets and use this approach to transform commodity markets. What we have come to understand since, however, is that moving the best producers does not move the rest. Moreover, the poorer performers globally account for as much as 50% of the key environmental impacts but produce only some 10% of total production. We need to move the bottom to make the global food system more sustainable and begin a planetary journey towards more sustainable production.

2. Summary of each proposed solution

2.1 What, in brief, is the solution?

The *Codex Planetarius* is a mandatory system that monitors the health of renewable resources used in the production of globally traded food. Focused at the planetary scale, it establishes and requires minimal performance levels for products to enter into global markets. This idea is to support the health of the planet and is based on the existing *Codex Alimentarius*, the only globally accepted standard to ensure health and safety as well as phytosanitary conditions in globally traded food.[1]

The *Codex Planetarius* would provide governments, businesses, trade authorities, multilateral organizations, NGOs, civil society, and other key institutions a baseline for environmental protection in the global production of food and soft commodities. The *Codex Planetarius* will harmonise and prioritise the diverse efforts of commodity-specific standards to form a cohesive, mandatory mechanism—an "umbrella" standard—to monitor how well the planet's renewable natural resources are being managed for future generations.

2.2 What was/were the source(s) from which this solution emerged?

The *Codex Planetarius* idea emerged from The Markets Institute at WWF-US an entity that identifies evolving issues and trends in the global food system and tools that will help us address them. Jason Clay, Executive Director, helped launch more than twenty platforms to develop food commodity standards, agree on key impacts, work with researchers and academics to identify the precise performance metrics as well as the methodology to measure impact. It is not possible to create hundreds of standards for hundreds of globally traded food products or set a high-performance bar for global trade. But, it is possible to agree to and set minimum performance levels for a handful of key impacts and create a continuous

improvement pathway for each. The *Codex Alimentarius* was an example of a similar programme created to address a set of global problems through minimal standards and in the process, replaced thousands of separate and even contradictory certification programmes.

2.3 What problem is it trying to address within food systems?

There are a number of competing certification programmes and standards, and they do not focus on reducing the same impacts. Current programmes reward certified producers with market access, but it is not the better performers that produce the biggest impacts, it is the poorer performers.

Governments do not always have the funding or will to invest in the development of systems that would help them ensure that the resources that will be needed for the future are being maintained. Too many still seem to view renewable natural resources as goods to be mined without thought to whether they can be sustained at current use levels or not.

Current efforts directed at agricultural production are separate from the internationally recognised codes that are accepted by governments regarding legality and production like the World Trade Organization (WTO), or that are used to protect human health, such as the *Codex Alimentarius*. Voluntary programmes are simply not operating at the scope or scale needed to protect planetary health. A global system will not only focus on the most important sustainability issues, but also provide technology and knowhow to monitor and measure more sustainably production. The goal is to find ways to use markets not only to change those same markets but also help pay for the cost of those changes across the board.

2.4 Why is addressing that problem important for achieving the goal of your ACAI?

While there are many impacts from producing food globally, the most significant ones that have consistently been identified by academics, researchers and even certification programmes include biodiversity loss, habitat conversion, soil health, water take quantity, water effluent quality, GHG emissions, and agrochemical toxicity.

If we are going to reduce the most significant impacts of producing food globally, we need to agree on what those impacts are, how they should be measured, and where the line should be drawn with regard to what level of impacts should be acceptable (which may vary over time, geography and/or level of development). Standardised thinking about impacts will allow for continuous improvements. No matter where they start, all producers will be focused on the same impacts measured in the same way. Countries and companies can choose the performance levels that they want to require and producing countries can decide if they want to require the same or even higher standards for the impacts of domestic producers as well.

2.5 How can this solution address that problem?

Under a 'business as usual' scenario, the costs of environmental externalities are not included in food or commodity prices. One way to begin including environmental externalities in pricing is to insist on minimal environmental impact performance for globally traded food commodities. The cost of goods sold would then reflect the costs of production incorporated in compliance with *Codex Planetarius* standards.

Codex Planetarius would provide a roadmap for how to measure and reduce the most significant impacts of the global food system. If everyone works to reduce and measure in the same way, most significant production impacts we will make faster progress and producers will be able to learn from and share information with others. While producers will have to make the changes on the ground, governments will ultimately need to measure and monitor these key impacts. Producer groups and buyer platforms can help support this work by sharing information through knowledge platforms and by using long-term contracts and other agreements to help create assets that producers can use to borrow against to invest in any changes that might be required.

Building on learnings from work on 25-30 different sustainability roundtables on specific crops, we know that it will be easier and more effective to focus on a single, metric/performance-based standard. None of the existing certification programmes are actually entirely performance based and many have no metrics at all—they are based entirely on practices. Moreover, there are more than 400 crops/species that are traded globally, and it would be harder to justify why 90-95% have been left out. There are often dozens of conflicting certification programmes, sometimes many more, that exist for a single crop like coffee. This was exactly the predicament the world was in with regard to health, safety, and phytosanitary conditions when the *Codex Alimentarius* was created.

We think common metrics work across all traded foods or food ingredients. If we can limit the number to 6-8, they can have a profound impact in moving the bottom, getting them to a minimal level of performance. The *Codex Planetarius*, if successful, would get all foods, commodities, and food ingredients on the same "continuous improvement escalator." It would also allow some countries and companies to require higher performance levels than the minimal ones. Finally, while aimed at traded items, it will also (like California and the EUJ) have much broader impacts both in terms of company requirements but also on domestic production as well.

2.6 Why does this solution align to the definition and criteria for a 'game changing solution' developed by the Summit?

As noted above in 2.5, the *Codex Planetarius* will help shift the systems of incentives and capture the true costs of the food system (see also 3.2, below, on Actionability). This proposed approach builds on WWF's decades of experience with certification systems and standards and a clear assessment of the shortcomings. As the old adage goes, you manage what you measure. If we are going to have a more sustainable *global* food system, we need to begin to measure at a global level what is most important and then manage it. We cannot do this one crop, one farm or even one country at a time. We cannot measure everything, so we need to agree about which are the most important; and we need to measure them in the same way if we are to be most effective. In short, we have to measure and manage the planet as if our lives and those of future generations depend on it – because they do.

2.7 What is the existing evidence supporting the argument that this solution will work, or at least that it will achieve the initial outcomes described above?

Three reasons come to mind immediately why the *Codex Planetarius* will work.

First, *Codex Alimentarius* is far, far more complex than *Codex Planetarius*. It replaced thousands of health and safety standards of the day, each representing vested interests. Yet *Codex Alimentarius* succeeded

and was launched in a matter of years, though it has taken decades to become what it is today. Over that time, it has systematically reduced consumer health and safety issues associated with the global trade of food items. It has also affected domestic consumption, as countries and companies use it to ensure food safety domestically as well as to meet export requirements. Perhaps most important, it represents global agreement and a scientific base about what is important, how to measure it, and how countries can comply with global export requirements. It proved to be important over time for identifying and acting on new issues.

Second, we have seen one certification programme use metrics and continuous improvement to make significant gains to reduce the key environmental impacts of cotton production and particularly the impacts of small farmers in Africa and Asia. The Better Cotton Initiative is one of the few certification programmes that is based on continuous improvement and has the explicit intent to help improve the poorest performers. It has been successful in helping move poor performers along the performance curve, including some with the worst impacts. In a very short time, they have reduced key impacts such as the use of water, fertilizer and pesticide while also improving farmer productivity and net income.

Third, many global food companies have long asked for performance requirements that can be applied to all the different food products that they purchase. They want a single system that applies to all food crops and all exports. With such a system, the cost of minimal performance against key impacts, both measurement and verification, would be the same for any company that buys those commodities. There would be no freeloaders. Those companies that want better performance could still seek that, based on the most important impacts with consistent measurement.

2.8 What is the current and/or likely political support for this idea?

The UK government is currently looking at this. Officials are considering a recommendation that they position the *Codex Planetarius* concept at the COP, CBD, WTO and in all its new trade agreements. The FAO has looked at the concept and likes it but has decided not to move it forward unilaterally. WWF is in discussions about the concept with the Biden administration, including the head of USDA, the new Climate Czar, and the State Department, and we can begin discussion in the EU in a timely way as the concept moves forward.

The World Business Council for Sustainable Development (WBCSD) has used its platform to publicise the concept. WWF is in touch with the Consumer Goods Forum (CGF), the Sustainable Agriculture Initiative Platform (SAI), and the World Economic Forum (and its subgroup, the Tropical Forest Alliance) about the concept. These discussions are just beginning, and it is best that they remain quiet until they are somewhat further along or at least until the groups explicitly agree to be named or to endorse the *Codex Planetarius*.

2.9 Are there certain contexts for which this solution is particularly well suited, or, conversely, contexts for which it is not well-suited at all?

This approach is better suited for agricultural production than for food production in marine environments (either wild-caught fisheries or aquaculture), though the same thinking could be applied. The approach would be easier for plant-based production than for livestock, especially if the latter require non-farm sources of feed and feed ingredients. The approach is probably easier to implement with larger-scale

producers than smaller ones. It is easier to perform in countries that are data rich and have more infrastructure for research and analytics.

The approach is less well suited for small-scale producers, and yet that is where some of the biggest impacts can be with food production. While it would be harder to implement the programme in data-poor countries, they will need to develop programmes to monitor the impacts of climate change and use for carbon accounting going forward, so this would be adding a lot of new information to monitor on the environmental impacts of production.

2.10 Who are the key stakeholders to be further involved in the process of developing and refining the solution idea?

The following groups need to be involved to ensure that the *Codex Planetarius* is acceptable, implementable, and cost effective:

- Producers need to understand and sign off on the concept. Incentives would help.
- Global food companies need to see that this strategy will help make food production and their global supply chains more sustainable and resilient, regardless of where they sit along the value chain.
- NGOs need to ensure that the key impacts are included and addressed but be disciplined enough not to make the list so long that it becomes too expensive to implement.
- Individual researchers, universities and national research organizations will need to weigh in on the key impacts, minimal performance levels that are fair but meaningful, the different weighting by geography and commodity, etc.
- Governments need to understand the value of the *Codex Planetarius* as protecting global trade and market access while also ensuring food security local as well as resilient production and producers.
- Multilateral organizations like the UN FAO (the home of *Codex Alimentarius*), the World Bank, the IFC, regional banks, and bi-lateral development organizations (e.g., CDC and DFID, US AID, GTZ) will benefit from this approach because it will help them focus their work and measure their results.

3. Any Other Remarks or Comments

3.1 Impact potential at scale (including return on investment)

The *Codex Planetarius* will establish a global minimum standard for the impacts that are acceptable for food to be legally exported internationally. This global benchmark and how it is measured will ensure that all countries are monitoring and measuring the same things, so that we can see a snapshot of the state of the world's food system – where it is doing well, and which impacts are not being reduced as quickly as needed to address climate change, population growth, and increased / shifting consumption.

Additional research will be encouraged to show the knock-on effects of reducing key impacts on GHG reductions, water availability and quality, soil health, productivity, as well as if there are any unintended environmental, social, or economic impacts of *Codex Planetarius* that need to be addressed going forward. Research will also be undertaken to show the impact of meeting or exceeding *Codex Planetarius* performance levels on the resilience of food producers individually and production systems generally in

the face of climate change, either in absolute or relative terms compared to business as usual (e.g., the starting baseline).

3.2 Actionability (taking into account politics, capacity, costs)

Codex Planetarius will work best when it becomes a global norm. Countries will need to sign on and agree to do their part to develop the systems to measure and report against the different impacts associated with the food products that they export. This will take some years to implement completely and will most likely require funding and technical support from importing country governments and/or companies to ensure the rigour and timeliness that will be necessary to implement any commitment to the *Codex*.

From the outset, it will be important to identify and assess the strategies that countries might use to cover additional costs of implementing the system. For example, could they be covered by export earnings or earmarked sources of funds that could be included in and covered under the "costs of goods sold" calculations – in effect, the all-in export price. There may be various ways to cover the costs. More research will need to be done on the business model of *Codex Alimentarius* to see if valuable information can be gleaned about how to create a similar system by building on the lessons learned over the past 60 years without simply repeating them.

3.3 Sustainability (i.e., the ability to keep delivering to 2030 and beyond)

The *Codex Planetarius* is intended to ensure that globally traded food is produced more sustainably by measurably reducing the key environmental impacts of food production. It also provides a common pathway and metrics for continuous improvement of both globally traded and domestically consumed food. While there have been no definitive global studies, anecdotal evidence suggests that as producers reduce their key impacts, they will tend to be more resilient (and less affected by climate change), have better market access, be more efficient and use inputs more efficiently, be more productive, and, as a result, be more profitable.