

Roundtable on the Food & Agriculture Benchmark

Mumbai – March 2019
Summary report



Introduction



One of the biggest questions of our time is: can we feed a world population, growing towards 10 billion people, a healthy diet, without depleting our planet?

The report produced by the EAT-Lancet Commission, published in January this year point out that it is possible. But it will require no less than a Great Food Transformation, which will comprise a focus on shifts towards healthy diets, technology and management-related changes in sustainable and healthy agriculture and food production, and, at least halving food loss and waste with technical and behavioural change all at the same time.

To feed 10 billion people nutritious food, within planetary boundaries by 2050, is a necessity to achieve the UN Sustainable Development Goals (SDGs) and Paris Climate Agreement, and the private sector has a crucial role to play. Businesses produce, manufacture and sell most of the world's food, and thus have a responsibility to be a part of the solution, which should also be good for the bottom line.

This report summarises the main themes and insights from the roundtable meeting that emerged across the Environmental, Nutrition and Social dimension.

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About the roundtable



The multi-stakeholder consultation meeting on 7th March 2019 in Mumbai marked the starting point for developing a **food and agriculture transformation benchmark**. The roundtable meeting brought together around 24 participants, representing companies, civil society organisations, financial institutions, farmers, sustainability and benchmarking experts, trade organisations and research institutions to discuss fundamental questions of food system transformation in a local context and to scope out key principles and areas of focus for the food and agriculture benchmark.

At the start of the meeting, Ido Verhagen, Lead Food & Agriculture Benchmark, welcomed all participants and gave an overview about the history of the WBA, with its aim to develop corporate

benchmarks to track company performance, monitor progress and leverage stakeholder support and corporate finance. He presented key elements and process steps of corporate benchmarking and introduced the aim and potential scope options of the food system transformation benchmark.

Dr. Brent Loken, co-author of the EAT-Lancet Commission report, connected to the roundtable meeting via teleconference and described the first scientific global targets for healthy diets and sustainable food production set out in the report. Subsequent questions from participants pointed exactly to the next steps and essential question ahead of us, namely what these global targets mean for multi-layered societies and individual



About the roundtable



stakeholders as well as how they can be translated into actionable and meaningful targets for business on a regional level. Exploring this translation marks the goal for WBA's food and agriculture transformation benchmark, which aims to measure corporate performance and providing a roadmap towards the EAT Lancet targets.

How the global agenda for food system transformation, informed by the EAT-Lancet targets, can be translated in a regional context; how the private sector can contribute towards achieving the desired change; and what the WBA should focus on to promote action was therefore the main objectives of this roundtable.

The roundtable discussed the following three specific questions:

- 1 What are the five biggest challenges for India in moving towards the EAT Lancet targets in the environmental, healthy diet and social space?**
- 2 How can the private sector help in tackling these challenges in the environmental, healthy diet and social space?**

- 3 Given the challenges that we see, and the contribution companies can make, how can WBA and its benchmark contribute to this change?**

The meeting was held in a participatory and engaging manner, with a view to collecting input and expertise from everyone. To build relationships and promote open dialogue between the different stakeholders, the above issues were explored around the table under Chatham House Rule in an open discussion format; interchanging each group as we progressed through each question. In groups of 8-10, participants led the in-depth conversations through sharing their ideas as well as listening and engaging with the perspectives of others.

The EAT Lancet Commission proposes boundaries global food production should stay within for:

- GHG emissions
- Land use
- Water use
- Nitrogen and Phosphorus use
- Biodiversity loss

Biggest challenges for India in moving towards the EAT Lancet targets

The following challenges of staying within the safe operation space and moving towards sustainable intensification of food production have been identified and discussed by participants:

- **Unsustainable input use due to the absence of a price for public goods. Need for internalisation of externalities towards a true price of food.**

Many participants agreed that from an environmental point of view a challenge for India in moving towards the EAT Lancet environmental targets for sustainable production is that neither a cost for public goods such as water nor penalties for unsustainable input usage exist. Assigning a price to environmental

(and social) externalities and creating incentives for efficient production practices other than cost were seen as a potential solution. However “the lobby is powerful” as one participant put it. It was also noted by participants that “taking environmental cost into account could lead to substantial price increases” which in turn would be detrimental for vulnerable parts of the population. Moreover participants pointed out that measurement of environmental impacts requires additional enforcement, knowledge and awareness.

- **Intensification of production and public policies incentivising unsustainable production.**

“The fact that everyone wants to increase production is 100% counterproductive to biodiversity and crop variety” as one participant put it. Assigning a value to natural capital, for example soil or species through natural capital accounting, as conducted in Costa Rica was mentioned as a good example adopted by another country. One participant suggested “to subsidise the second best rather than only the most efficient crop” to promote crop diversity and avoid monoculture. The complex stewardship of managing demand and profit as well as environmental responsibilities farmers are facing was also stressed in this regard.

- **Lack of funding and financial incentives for sustainable fertilisers and technologies.**

The increasing use of artificial fertilisers and the way subsidies of those are managed was raised as a challenge. Participants agreed that lack of funding and resources for environmentally friendly product and technology options, for example bio-fertilisers plays a significant role.

- **Need for enhanced knowledge transfer and awareness raising across the population to promote sustainable practices and new habits.**

One participant stated that “the reason that 80% of green-houses failed in India was because there was no education and guidance”. There was broad consensus that in order to create awareness of sustainability on the ground, it needs to be promoted across the population and general public”.

“Companies don’t feel the need to move and comply, because their performance is not measured.”

- **Lack of proper infrastructure leading to post-harvest loss.**
Poor and deficient infrastructure was pointed out by participants, with one participant emphasising “insufficient cold chains from farmers to markets”. Although many of the challenges identified

are closely linked to the public sector, participants agreed that a “benchmark can enable governments to approach companies and hold them accountable”.

“Corporates don’t have a sustainability mandate. It’s still voluntary.”

How can the private sector help in tackling these challenges?

A range of options for the private sector to address these challenges and moving towards the EAT Lancet targets have been discussed:

- **Technology improvements and utilisation of smarter crops to enhance resource efficiency.**

There was broad consensus in the group, that technology has a key role to play in achieving resource efficiency and productivity improvements, through for example drip and smart irrigation, data analysis, optimised fertiliser use and utilisation of customised crops to local soil and climate conditions. The expansion and commercialisation of “smarter crops”, with fewer water or resource requirements and being suitable for local conditions was emphasised. Participants also suggested implementing soil or water conservation methods.

- **Need for transparency and traceability in supply and value chains,** probably going into blockchain application in the future was raised as an issue.
- **Moving from agricultural input companies to service providers.** Another solution space suggested was for “agricultural input companies to become service providers for both inputs and applications”. Participants noted “one cannot expect farmers to have their own machinery”, thus “service providers are the future for smallholder farmers”.
- **Management and commercialisation of agricultural residue.** Participants agreed that managing and commercialising agricultural residue entails a lot of opportunities, for example as feedback into soil to promote soil health, animal feed or fuel.
- **Improving and expansion of post-harvest infrastructure.** Building upon the inadequate infrastructure identified as a challenge for India, there was broad consensus in the group that the private sector can support opportunities and shall play a bigger role in the provision of post-harvest infrastructure.
- **Increasing the number agricultural extension officers.** Increasing both the “quantity and quality of agricultural extension officers” as well as taking gender equality into account, for example reflected in the number of female extension staff was emphasized by participants.

- **Make sustainable corporate performance mandatory.** A potential solution space for business which would require public enforcement put forward by participants was “to make sustainable corporate performance mandatory, by a fixed annual expenditure on corporate social responsibility” or a “fixed R&D budget for sustainable development”.



EAT Lancet Commission recommendations on shifting towards a healthy diet, include:

- Increase diversity of food groups
- Increase intake of fruit and vegetables
- Reduce animal based proteins
- Increase plant based proteins (legumes, nuts)
- Limited amounts of saturated fats processed foods, added sugars

Biggest challenges for India in moving towards the EAT Lancet targets

The following challenges towards achieving a healthy diet for all have been identified:

- **Improve nutrition awareness across demographics.**
The lack of nutrition literacy as well as an urgent need to design a diet pattern suitable for all parts of country was emphasized by participants. “Big companies need to take the lead and educate consumers of what comprises a healthy diet”.
- **Lack of responsible marketing strategies highlighting the importance of healthy diets.**
Participants agreed that clear regulations on marketing requirements for various age groups is missing. Even though there are several

international guidelines such as the International Chamber of Commerce (ICC) Marketing Code, it is unclear to what extent these are followed by companies and how they are incorporated in corporate marketing strategies.

“Creating an understanding of nutrition security and its criticality for present and future generations is urgent.”

- **Mobilise the Eat Right movement to the entire population and extend it by the aspects of the EAT Lancet recommendations.**
Participants raised concerns about India being at the lower end of the Global Hunger Index 2018 and identified various issues pertaining to malnutrition, micronutrition deficiency and nutrition security in the country. Creating a business case for healthy and sustainable nutrition is a critical element to be addressed. The Eat Right movement which is led by the Indian Food Safety and Standards Authority encouraging to ‘Eat healthy’ and ‘Eat safe’ needs to be mobilised across the whole population. Participants urged that extending the movement to the various aspects of the Eat Lancet report should be the next step forward.

- **Socio-economic challenges hinder diversification of a healthy palate.**

Participants noted that diversification of the palate for consumers while ensuring affordability and accessibility is challenging in India. They emphasised that big corporates need to understand the different needs of consumers and should use the “moment of consumption” to offer nutritious options at affordable prices. “Consumer acceptability to eat the right food and understanding the needs of price sensitive consumers is important” as one participant put it. The group noted that cooperation’s need to work towards making healthier food products more desirable through various approaches such as marketing, labelling and awareness raising.

- **Need to identify sectors for strategic intervention and incentivise companies for sustainable change.**

Supply chain logistics and the retail sector were identified as key sectors which need strategic intervention. Further, “incentivising corporates to put measures and strategies for healthy diets in place would be an encouraging first step”, mentioned one participant.

How can the private sector help in tackling these challenges?

The role and potential contribution of the private sector in providing healthy diets was identified as follows:

- **Formulating a commercial strategy targeting nutrition security.** Participants urged that the private sector needs to consider nutrition security as core business responsibility. In addition to creating value with their products, “companies should also change their corporate strategy towards promoting a healthy and nutritious lifestyle”.

- **Advocating for standardised food safety policies and promoting sustainable agricultural practices.**

It was discussed that the private sector can play an important role in promoting standardisation of food safety policies through collaboration with governments and policy makers. They could further adopt sustainable agriculture such as greenhouse cultivation.

- **Change in breeding practices and investing in innovation and technology.**

Breeding of highly nutritious products and promoting indigenous crop cultivation to ensure crop diversity and prevalence of native crops would be an essential contribution by the private sector. It was also suggested, that businesses could use technologies to extend the shelf life of products or deploy food fortification.

- **Creating awareness through education.**

Participants indicated that the private sector can play a significant role in promoting nutrition literacy. Various approaches such as education on healthy diets in schools were identified as important activities which the private sector could undertake. “Catch them young to create awareness from the beginning” stated one of the participants.

“From massive advertising strategies to giving away free samples of products – businesses shape the whole consumer mindset, and this is the power of the private sector.”

- **Pre-competitive collaboration to develop a more structured food sector.**

Affirming that a substantial part of the Indian food sector is informal, participants suggested private sector companies to see this as an opportunity and to invest in pre-competitive collaboration.

- **Invest in product diversification and standardise portion size.**

Private sector companies should offer a more diverse portfolio of products in adequate portion sizes to ensure consumer health. A diet which includes more grains such as millet and products like, for example, ready-to-eat packaged sprouts, is becoming a trend in India. However addressing the various geographical and cultural consumer needs will be a challenge. Innovative new concepts such as the ‘love my salad’ are gaining momentum in India which should be targeted more by the private sector.

“The private sector is involved in many layers across the supply chain and understanding how it can collaborate with its key stakeholders to bring about systemic change is a crucial element for consideration.”

Biggest challenges for India in moving towards the EAT Lancet targets

A third group of participants explored social issues relating to the EAT Lancet targets, including the affordability and availability of nutritious food as well as the living standards of those involved in producing it. The following challenges were identified:

- **Malnutrition in India means the major issue is often just getting enough calories.**

In some farming communities, meeting calories may be the basic need first and foremost. This is linked to poverty and poor wages paid to rural workers.

- **Inequality plays a key role.**

Gender imbalances means access to nutritious food is unequal in places where wives and daughters are fed last. Caste inequality (including over access to land) is also a consideration.

- **Modernisations and Internet Access are changing perceptions of food.**

Advertising and social media are reshaping perceptions in India around diets – often for the worse.

“We must start by understanding the culture: why, how and where people eat in India.”

- **Food literacy is low.**
Multiple languages make the challenge of communicating about food a challenge. And vested interests by some businesses in producing high-margin, unhealthy foods can perpetuate the problems.
- **Population growth, migration, volatile commodity prices, hygiene and sanitation, and political considerations in the distribution of food** were also discussed as challenges.

“Gender causes big imbalances in access to food and resources in agriculture.”

How can the private sector help in tackling these challenges?

The private sector was considered instrumental in tackling a number of the social issues identified by participants:

- **Clarifying the problem by using science and consumer insights** to study the issues and make suggestions for closing gaps and changing behaviours. Consumers can be engaged on issues like pricing pressures too.
- **Paying decent wages and fair prices to producers** to help to tackle the economic problems as well as providing good **training**

and support for example for more environmentally sustainable practices to farmers.

- **Addressing human rights is critical.**
Conducting human rights due diligence on relevant parts of the value chain and exploring increased traceability and transparency – and then addressing problems identified such as child labour – and not just ignoring them was identified as a crucial issue.
- **Narrow the gender gap** by supporting women producers and providing support and services to women.
- **Ensure food safety** by compliance with high standards of safety for example in products.
- **Building and supporting coalitions by** influencing others, including governments and investors, to support more action to tackle pressing social issues.
- **Engaging in the informal / unregulated economy and supporting innovative start-ups.**



“Human rights issues should be identified and tackled – not ignored”

How can WBA and its benchmark contribute to this change?



Given the identified challenges and potential contributions companies can make, participants in all three groups discussed how the WBA and its benchmarks can contribute to change.

Input on WBA's role and value proposition

- **WBA can help to set standards and best practices.**
Participants agreed that the WBA can play a role in setting standards and best practices, and the findings could also be used to engage with policy makers. Best practices examples from other countries could showcase change and encourage governments for action. It was also noted that the interface with governments is important to define what should be tackled by the public and private sector, respectively.

"Peer exchange will drive solutions."

- **WBA's value add is to fill gaps.**
There was a recognition that existing benchmarks focus deeply on an issue such as nutrition or sub-industry like seeds, but there is currently no overall standard for food and agriculture. "As one of the ally partners from the Access to Nutrition Index (ATNI) focusing on nutrition only, we know it's not just about alignment, but

also about filling the gaps". One suggestion was that with seeds covering the top of the value chain and nutrition the consumer end "the middle is where the gap is". This is the role and value add of the food and agriculture benchmark to be developed by WBA.

- **WBA should have a good overview of the entire landscape, target the right audiences and be represented at key events.**

"A benchmark should also be a roadmap to guide companies."

Input for benchmark development principles

- **Contextualise global topics to the respective local and cultural context and capture local voice.**
One participant emphasised this point by saying "the big challenge is that the reality in every country is so different. It was noted that "indicators may be very different from one sector to another" for example the sources vs. production or retail sector. A strong narrative of why key indicators have been chosen and how they address the most important issues is therefore essential. Capturing the local voice of civil society organisations and to include different stakeholders being mindful of local voices in the discussions is vital. One participant pointed out "India is not well

How can WBA and its benchmark contribute to this change?



understood internationally, it's really important that there is better information for investors and markets".

- **Do not just focus on a "gold standard" but set progressive targets** and milestones to promote change through inspiration from industry leaders.
- **Make indicators practical and relevant.**

There was broad consensus that indicators to be included in the benchmark shall be both practical for companies, but also credible for investors, governments academia and civil society. Though there was debate about how ambitious and stretching this could be, a participant told us "don't just focus on the practical, practical means the status quo".

- **Develop a self-assessment tool for smaller business.**
Acknowledging that not all organisations can be in scope of the benchmark, one participant suggested to develop a self-assessment tool from the benchmark to allow companies not included in the benchmark to use it and benefit as well.

"Understanding local dynamics is key, particularly in countries with a large informal sector like India."

Input for WBA to prioritise to create a tipping point

- **Including key companies and changemaker policies and solutions.**
Focusing on the largest companies, as well as keystone actors that exert significant influence, is a good way to prioritise. Many agreed that including key companies with the aim to get change-maker policies and solutions into those companies is critical.
- **Identifying the key commodities and respective businesses.**
Identification of the main commodities and crops as cooperation's involved would be a valuable starting point to define the scope of a benchmark.
- **Including indicators which target the most vulnerable parts of the population** was pointed out as very important by participants, especially for developing countries.



"The big challenge is that the reality in every country is so different."

How can WBA and its benchmark contribute to this change?



“Don’t get too fixated on complexity, focus on the goal.”

- **Including both inputs and outputs of companies.**

Participants suggested that the benchmark should include both the inputs companies use as well as the outputs they produce and thus cover both products and processes.

- **Specific suggestions.**

Due diligence in supply chains was noted as a specific point to include for a benchmark covering India. Building on discussions from the second question two suggested exemplary metrics to be included in the benchmark were the R&D budget linked to the SDGs which is spent by an organisation as well as the extension footprint and related gender balance. The safety of food was also a highly pertinent issue identified for India.

A photograph of an audience of diverse individuals seated in a room with green ambient lighting. They are all looking towards the left side of the frame, presumably towards a speaker or a presentation screen. Some are holding papers or notebooks.

“Discussing the challenges ahead of us, it feels like we are at the basecamp before climbing the Mount Everest.”

Concluding remarks

The great depth and breadth of discussions led to valuable takeaways and will guide next steps for scoping and developing the food and agriculture transformation benchmark.

Main insights

- Importance of **understanding the local context** for developing a benchmark aimed to create change. It is not just targets and methods for changing diets and food production may differ from country to country, but also varying levels of awareness and stages of thinking of consumers, farmers and businesses have to be taken into account.
- As long as **accessibility and affordability** of a healthy diet is still a challenge for various parts of the population promoting change via consumer demand will be problematic in a country like India.
- **Set realistic targets rather than focussing on a 'gold standard'** and formulate milestones for a roadmap towards that standard by awarding companies for making progress on that trajectory is particularly relevant in countries like India.
- **Identify the gaps in existing benchmarks and build on existing guidance and best practice.** The Access to Seeds Initiative as well as Access to Nutrition Index – alongside other WBA benchmarks on gender and human rights – need to fit together to create a complete picture of the change needed.
- **Providing better information for markets and investors**, as well as **governments and civil society**, is one potential benefit of a new benchmark. “India is not well understood internationally” and there was general appreciation for having done the workshop in Mumbai. Ultimately, if WBA’s shared aim is to drive private sector participation in sustainable development, the focus needs to be on where we want companies to be in 2030 and beyond.

Participating Organisations



Access to Nutrition Index

Advanta

Bharat Krishak Samaj

Caux Round Table Japan

Centre for Responsible Business

CHRB

Danone India

East West Seed

GAIN

ICRIER

IDH Sustainable

International Institute for Environmental Development (IIED)

ITC

Oxfam

Klorofil Biologics LLP

Rabobank

Rijk Zwaan India Seeds Pvt Ltd

ShareAction

Textile Exchange

Tierra Seed Science

UN Global Compact

WBCSD



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