Credit: The Global Alliance for the Future of Food

We know how to act

The current tools and metrics we use limit our understanding of the food systems we need to change. True cost accounting can help address complexity and achieve greater sustainability, says Ruth Richardson.

The Rockefeller Foundation revealed in its recent report *True Cost of Food: Measuring What Matters to Transform the U.S. Food System*¹ that the way Americans produce and consume food costs nearly US\$2 trillion in health and environmental expenditures alone — and that cost disproportionately burdens communities of colour. Similar studies over the years confirm other weaknesses in food systems that do not account for the true value of food: a TEEBAGriFood valuation of maize production systems², carried out by Mexico's CONABIO, found that the lack of genetic diversity in corn grown in the USA and Canada — which makes it more vulnerable to pests and disease — resulted in yield losses greater than US\$27 billion between 2012 and 2015.

Besides negative externalities such as habitat destruction, soil erosion, displacement of indigenous peoples and the double burden of malnutrition, food systems can also generate positive externalities, such as carbon sequestration, insect pollination, resilience to natural disasters and vibrant communities. However, all are unaccounted for in decision-making. These invisible costs and benefits are not valued — yet they matter, given the severity and urgency of increasing hunger, climate change and global pandemics. Valuing these true costs so that we can mitigate harmful externalities and amplify positive externalities is no small feat, but, until we do so, we will be unable to adequately transform food systems with the magnitude, direction and speed needed to keep us within planetary boundaries.

The good news is that, while once a nascent approach, true cost accounting (TCA) has blossomed over the past several years through the collaboration of many parties from the private sector, finance sector, government, philanthropy, civil society and academia and is transforming how we understand and account for food systems' myriad impacts. As both a radical mindset shift and a methodology, TCA is

one of the most powerful levers of change, applicable to policy and practice to facilitate breaking away from the status quo and transforming food systems to improve health, environmental sustainability and equity.

Since 2012, the Global Alliance for the Future of Food, of which I am the executive director, has been developing ways to conceptualize and implement TCA while advocating for broad uptake of what we believe is a critical opportunity to end the reductionist, silo-oriented approach that has dominated much of modern agricultural thought and action. In 2014, in partnership with the United Nations Environment Programme (UNEP), the European Commission and others, the Global Alliance set out to develop the TEEBAGriFood Evaluation Framework. It was published in 2018 as a bold and ambitious framework for better understanding and managing the impacts and externalities of agriculture and food value chains and to incite a global network of scholars and decision-makers dedicated to disclosing and valuing those impacts.

Today, there are UNEP TEEBAGriFood country studies happening on every continent around the world³, with the objective of prioritizing the values of biodiversity and ecosystem services in decision-making at all levels. Similar work is underway by others, including Capitals Coalition with its TEEBAGriFood for Business project⁴, which is developing guidance to enable the sector to adopt a capitals approach to building resilience, and the CEO-led member organization World Business Council for Sustainable Development (WBCSD)⁵, which is exploring what is required to establish true cost approaches in the business environment, moving TCA from corporate sustainability teams to the desks of CEOs and CFOs.

For the Global Alliance, we have seen time and again, firsthand, that TCA approaches deliver inspiring, informative

and actionable results for those who use them. Most recently, our collaboration with TMG Think Tank for Sustainability is focused on implementing TCA frameworks on the ground, working with civil society and farmer groups, social enterprises and others to elevate the positive impacts of food systems that are otherwise hidden from view. Assessments are coming in from the USA, France, Philippines, Malawi, Zambia, Nigeria and India.

Like with all established systems, food systems are deeply resistant to change, and the way forward is not always clear — even if it is necessary. Agriculture and food systems simply must evolve if we are to survive as a planet. This year's United Nations Food Systems Summit (UNFSS) is a critical moment for decision-makers to embrace holistic and systemic approaches such as TCA to understand trade-offs and make informed decisions. The mobilization of the concept in public, environmental and economic policy, business decision-making and reporting, and in farmer practice on the ground represents a unique opportunity to deliver on the ambitious outcomes intended for the UNFSS itself. Now is the time to adopt tools and metrics that matter.

But, ultimately, the UNFSS is a point in time. I believe that this creates an opportunity, more broadly, to establish the partnerships that are needed to take significant action — and to do so in a way that considers the interaction between governments' policy making, business' product portfolio and sourcing transitions, public and private investors' approach to financial flows, and work on the ground. Today, we see encouraging progress in the development of methodologies for business, policy and other stakeholders that respond to their needs and contexts.

The challenge now is to make TCA mainstream. The frameworks have been developed; the consensus on its transformative potential is growing; the early evidence is in. What we need now

is courage and serious commitments from governments, businesses, farmers, academics and practitioners to apply TCA and act on the results in ways that lead us beyond the status quo toward the innovation and transformation the world needs. Again, at the Global Alliance, we are home to a dedicated TCA Accelerator, made up of diverse stakeholders, including the Sustainable Food Trust, UNEP, Capitals Coalition, the Impact Institute, WBCSD and others, all of whom are actively working on accelerating adoption by identifying strengths, common principles and metrics across diverse assessment frameworks and charting a collective path forward.

The COVID-19 pandemic confirms in brutal terms that the health of humans, animals and the planet are inextricably linked and that a narrow view of what is happening in our food systems simply is not enough to guide action. It is essential

to understand the costs, benefits, externalities, impacts and values of food systems and, increasingly, what the real trade-offs are when food is not valued and when food systems are not viewed for their impact on nature, livelihoods, climate and health.

Without a doubt, the complexity of systems transformation is daunting. Yet, we must put an end to the reductionist, silo-oriented impulse that has dominated much of the thought and action concerning modern food systems. The large-scale adoption of TCA is an essential step toward the kind of new policies, practices, evidence and community engagement necessary to achieve collective global goals to bring us back into balance with the planet and each other. To this end, we must bring everyone to the same table to use a common approach that supports the change we seek. This is what TCA offers.

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Competing interests

The author declares no competing interests.