Results of the online workshop

Building blocks for a nature positive Code of Conduct

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EU Business and Biodiversity Platform

The mission

Supporting businesses throughout their biodiversity / Natural Capital journey

The approach

- Sharing best practices of companies
- Fostering peer-to-peer learning
- Developing tools and approaches to integrate biodiversity into business practice



The EU B@B Platform has three functional workstreams

Methods

Helping companies identify best practice guidance and tools to support informed business decisions related to biodiversity and natural capital.

Pioneers

Facilitating dialogue and cooperation between leading financial institutions and businesses to gain deeper understanding from practice and identify opportunities and solutions to scale up biodiversity considerations in corporate decision-making.

Mainstreaming

Promoting the integration of biodiversity concerns within the decision-making processes of a growing number of businesses and financial institutions across Europe.

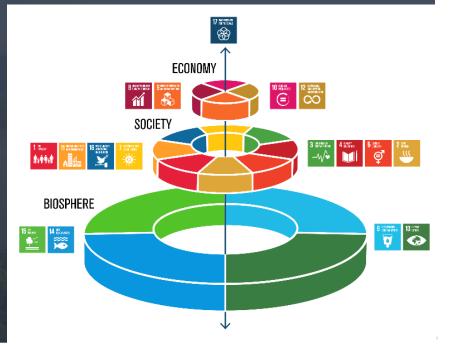
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Natural Capital underpins our economy and wellbeing

"Our entire economy is a subsidiary of nature" Paul Polman, former CEO Unilever

- The biosphere is at the basis of the Sustainability... and of food production
- More than half of global GDP is linked to nature
- Connections between biodiversity loss, climate change and pandemics

"More than half of the global economy depends on the good health of the natural world" Swiss Re Institute



B@B Contribution to the Code of Conduct

- Initial building blocks inspired by business experiences, existing pledges, commitments and frameworks to inform the development of the Code
- Needs to be fully complemented with social and economic elements, for all parts of the food systems
- Some elements may ultimately go into component 1 (general provisions of the Code) and some into component 2 (company-specific)

 to be discussed in view of challenges to implement
- B@B will also organise an open seminar (in March tbc) to raise awareness of the tools it will build to help make it possible



EU Business@ Biodiversity Platform

Building blocks for a nature positive Code of Conduct

Florence Jeantet, Managing Director One Planet Business for Biodiversity (OP2B), WBCSD hosted

What does OP2B stand for?

27 cross-sectorial members





Launched at the Sept 2019 UN Climate Action Summit

Hosted by the World Business Council for Sustainable Development (WBCSD)

Part of French President Macron's One Planet Lab framework



A unique international, cross-sectorial, action-oriented business initiative on biodiversity focusing on agriculture and partnering with producers, governments, consumers, academia and civil society...

...to transform of our agricultural models and catalyze action along the value chain for the protection & restoration of biodiversity...



...through pre-competitive and at-scale collaboration on three main areas of focus:





Products diversification



Five principles for the Code of Conduct

Conduct	Adopt & disclose	
	Collaborate & exchange knowledge Code o Conduc	
	Reform rewarding & premium systems	Value, inform & disclose

Adopt & disclose targets

Common objective(s)

Adopt and disclose targets based on the best available science to increase significant positive and reduce significant negative impacts on nature and people

Example of targets:

- The sector achieves net-zero GHG emissions by 2050
- The sector reduces the use of chemical pesticides by 50% by 2030 and reduces by 50% the use of more hazardous pesticides by 2030

Type of commitments

- Adopt and disclose science-based targets for climate and nature addressing (i) deforestation in the supply chain, (ii) the use of pesticides, (iii) soil health, (iv) water use, (v) biodiversity and (vi) pollution
- Support farmers with the implementation of action plans to restore damaged ecosystems and increase on-farm biodiversity levels providing space for wild animals, plants, pollinators and natural pest regulators resulting in biodiversity-rich agricultural land

- <u>Alpro is setting up</u> <u>science-based targets</u> <u>for water stewardship in</u> <u>Almond cultivation</u>
- <u>Barry Callebaut has</u> <u>committed to become</u> <u>forest and carbon</u> <u>positive by 2025</u>
- Bel Group committed to reduce GHG emissions by 27,5%/ton of products across the whole value chain by 2030 vs 2017

Integrate & ensure coherence

Common objective(s)

Adopt integrated and coherent strategies and actions across the supply chain to increase positive and reduce negative impacts on nature and people, therefore aligning commitments and actions on climate, biodiversity, pollution and inequality

Example of targets:

 The sector transforms its sourcing practices to ensure at least 25% of EU's agricultural land is organically farmed by 2030

Type of commitments

- Use materiality matrix to identify the most significant impact drivers and dependencies of different business activities across natural, social and human capitals
- Support alternatives to the use of chemical pesticides – especially full implementation of Integrated Pest Management (support research, pilot projects, pay incentives for achievement of benchmarks, etc.)

Examples

 OP2B members and actors such as Followfood support regenerative agriculture practices to keep carbon in the soil, increase the soil's capacity to hold water, enhance the resilience of crops while reducing excessive synthetic agriculturalchemicals input and supporting the livelihood of farmers

Value, inform & disclose – Objective 1

Common objective(s)

Assess positive and negative impacts and dependencies on nature to inform internal decision-making

Example of targets:

 Companies with a certified environmental/sustainability management systems integrate their direct and indirect impacts on biodiversity in their environmental policy, action plan and reporting by 2025

Type of commitments

- Support the development of standardized metrics to undertake robust corporate natural capital assessments and accounting across the company the value chain
- Use the results of natural capital assessment to internalize environmental externalities and inform decision-making, risk management and supply chain management
- Integrate biodiversity into environmental / sustainability management systems (EMAS III, ISO 14001)

- <u>METRO is investigating</u> <u>how to make their</u> <u>current natural capital</u> <u>assessment more</u> <u>biodiversity-inclusive</u>
- La Morella Nuts will source all of their nuts from farms where water is safeguarded measuring and tracking the quantity of nuts they are sourcing according to set water criteria

Value, inform & disclose – Objective 2

Common objective(s)

Report and be transparent about the significant positive and negative contributions of the sector to EU and global objectives linked to biodiversity, climate, pollution and inequality to ensure transparency along the supply chain and towards consumers

Example of targets:

 The food sector commits to full transparency of supply chains by 2030

Type of commitments

- Report annually and be transparent about the significant positive and negative contribution to (i) deforestation, (ii) the use of pesticides, (iii) soil health, (iv) level of biodiversity, (v) water use and (vii) GHG emissions
- Create internal verification procedures to undertake regular independent and transparent reviews of compliance with established corporate policies along the supply chain

- <u>The Safe Food Chain is</u> <u>using block chain</u> <u>technology (SiLKe)</u> <u>enabling transparency</u> <u>and traceability of food</u> <u>supply chains in</u> <u>Germany</u>
- For all its customers, BNP Paribas will require full traceability of beef and soy (direct and indirect) channels by 2025

Reform rewarding & premium systems

Common objective(s)

Reward nature positive outcomes of business partners in the value chain and engage with companies in the supply chain to increase their positive impacts on nature and people

Example of targets:

 The sector assumes an appropriate share of the costs that may incur for producers due to improved environmental and biodiversity protection and social responsibility.

Type of commitments

- Provide incentives for primary producers, actors across the supply chain and consumers to opt for sustainable products and practices
- Request a Biodiversity Action Plan (BAP) at farm level from producers and cooperatives as part of the sourcing rules and reward them based on their level of ambitions and improvement over time or provide compensation for costs or loss of earnings

- <u>Friesland Campina is</u> rewarding farmers' efforts to improve biodiversity via a bonus system
- BNP Paribas will not finance customers producing or buying beef or soybeans from land cleared or converted after 2008 in the Amazon.

Collaborate & exchange knowledge

Common objective(s)

Develops partnerships and collaborations with all relevant stakeholders in the supply chains to raise awareness, exchange knowledge, foster innovation, and raise the ambition level of the sector

Example of targets:

 By 2030, minimum 30% of managers, assessors and suppliers /producers received a sound training on the impact and dependencies of the sector on nature.

Type of commitments

- Collaborate and share knowledge on assessment methodologies, biodiversity-related metrics, targets and approaches for positive impact
- Create partnerships to boost innovative improvements of existing technologies and farm management practices
- Support capacity building across all actors in the supply chain to raise awareness about the positive impacts on nature and people associated with more sustainable practices

Examples

 Danone is partnering with EIT Food to support European farmers to transition to regenerative agriculture; help the public see the benefits for their health and planet of regenerative agriculture; and work with agri-food companies to transition their supply to regenerative agriculture

Conclusions

- Five **principles** were identified to structure the Code
- Each principle should be underpinned by common objective(s) for the EU agrifood sector as a whole
- Each common objective should have
 SMART targets attached to it
- No pick & choose among these sectorwide objectives and targets
- Each objective should be underpinned by types of commitments that signatories can take and supporting examples of companies already taking actions

Adopt & disclose targets Integrate Collaborate & exchange & ensure coherence. knowledge/ Code of Conduct Reform Value, rewarding & inform & premium disclose systems



Thank you.

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