

True Cost of Food in Switzerland

First Action Lab - 6 October 2022

Key takeaways

SUMMARY

Action Labs are Enterprise for Society (E4S) multi-stakeholder platforms that bring together leading actors from academia, industry, and government to determine a joint vision and commonly agreed action plan in key areas for contributing to the transition towards a more sustainable, resilient and inclusive economy.

In October 2022, E4S together with the Integrative Food and Nutrition Center (IFNC) from EPFL, and the Institute of Geography and Sustainability (IGD) from UNIL, hosted an Action Lab on the True Cost of Food in Switzerland. This meeting was structured around two sessions, one with four short presentations on TCAF and the academic project behind the initiative, and the second with interactive table discussions. In the second part, the audience was asked to address three main questions, namely: (i) What are the opportunities and obstacles for their organisation to implement the TCAF in Switzerland?; (ii) Under what conditions can TCAF be implemented in Switzerland?; (iii) What can their organisation (or themselves) do to contribute to this? All participants were considered both knowledge holders and recipients, which allowed rich and frank discussions leading to the onset of a common vision for TCAF in Switzerland¹.

The majority of participants agreed that the TCAF is a **powerful tool** since it provides a comprehensive view on a wide array of food system externalities. It has been depicted as an **opportunity** to reflect and create a change in our value system; to create coherent policies related to food systems; and to create incentives for food systems stakeholders to reduce their negative impacts.

Among the **barriers** to TCAF implementation, participants mentioned the complexity of the methodology and approach; the existence of a number of other tools measuring food systems impacts; the absence of leadership and responsibility for the implementation of TCAF; the access to data on value chains; the difficult task of touching upon price setting mechanisms; and the political nature of TCAF, which raises the need for a broad public support for the implementation of TCAF through taxes and subsidies.

As for the **implementation pathways**, different ideas came out from the discussions, such as compensation mechanisms (e.g. a combination of taxes and subsidies), including a

¹ The meeting was conducted under Chatham House Rule: "When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed."

mechanism to modify the relative price of food items whilst maintaining the overall households budget for food , and a mechanism that would ensure the fair redistribution of costs across food value chains. It was stressed that the project should engage all key actors, in particular farmers.

Overall, the high level of engagement from the audience and the outcomes of the discussions reassured the project's leaders on the relevance and timeliness of the project.

IN MORE DETAILS

A. Opportunities and strengths

- TCAF provides a **comprehensive overview** of the different impacts of food systems, as it takes into account their health, social and environmental impacts.
- TCAF is a **powerful tool for communication** since monetary metrics are easily understood.
- Societies already bear the **costs of hidden externalities** through health systems, climate change, or social safety nets.
- The current energy crisis in Europe accelerated a number of measures for resilient energy systems. In the same way, the current **surge in food prices** could provide a fertile ground to rethink how food is produced, consumed and valued, through TCAF.
- A compensation mechanism (taxes and subsidies) and change of the relative prices could positively and synergistically impact both **the demand and the production** of food items
- **Relative pricing systems** could be used to allow the implementation of TCAF, either at the retail level or through systems of points, e.g. through health insurances.
- The **political context** is favourable: a number of recent Swiss policies mention TCAF as a way forward (Future Orientation of Agricultural Policies, 2022; Climate Strategy, 2022,..). Besides, the United Nations Food Systems Summit in 2021 put TCAF high on the agenda of multilateral organisations.

B. Barriers and threats

- There is **no standardised TCAF methodology**, which can be beneficial since it allows for flexibility in suiting specific objectives and contexts, but it can also be a barrier for obtaining broad support for TCAF implementation. In light of this challenge, it is important to communicate the methodology transparently and in a simple and understandable way.
- Similarly, a variety of tools which measure different impacts of food systems are already available, TCAF could thus be seen as yet another tool in the assessment landscape - the **risk of reinventing the wheel** exists. The project should therefore ensure a thorough overview of existing tools and build on them to create a comprehensive methodology.
- **Price setting mechanisms** as well as **taxes and subsidies** are difficult to modify. Together with the political nature of this topic, it is necessary to seek broad support from the public.

- There is a **lack of leadership** for bringing TCAF into motion. The fact that no institution has taken the initiative to develop and implement a harmonised approach to TCAF was mentioned as a risk of dispersion of efforts. The question of which institution should take the lead and bear the cost of such initiative was raised.
- **Precise value chain data** is difficult to obtain due to the lack of transparency, notably on margins. Joining forces with food systems actors is not an option if we are to implement TCAF.

C. Pathways to implementation

- **Communication to and education of the general public** is central to raise awareness and seek broad support.
- **Aligning values and changing mindset** is necessary, as TCAF is essentially a question of values. For example, there is a need to reverse the logic of quantity over quality.
- **Buy-in and hand-in-hand work with key actors** of the Swiss food systems, such as oligopolies in the supply and retail sector.
- **Strong political support** for the implementation of the TCAF approach.
- **Low-hanging fruits** need to be identified and tapped into for urgency reasons.
- **Value systems** affect how societies value externalities and therefore the acceptability of the TCAF approach.

NEXT STEPS

On Nov 2, the project initiators (E4S, UNIL-IGD, and EPFL) submitted a scientific proposal together with Unisanté (UNIL), the Laboratory of Environmental and Urban Economics (LEURE-EPFL), the Center for Corporate Responsibility and Sustainability (CCRS-HEGFR), the Center for Development and Environment (CDE-UNIBE), and the School of Agricultural, Forest and Food Sciences (HAFL-BFH) to the **SINERGIA fund (CHF 3.2M) of the Swiss National Science Foundation**. The consortium would like to thank the various participants and their institutions for the letters of support received for this project. The results will be communicated by May 2023.

In the meantime, we will maintain the momentum with a follow-up event in 2023. The date and modalities of this event will be communicated in the first 2023 quarter, together with a white paper on the state of the art literature and results of our first Action Lab.

MEDIA & SOCIAL MEDIA COVERAGE

Heidi News. (10 October 2022). [«Ce n'est pas normal qu'une lasagne du bout du monde coûte moins cher que trois courgettes zurichoises» - Heidi.news](#)

Le Temps. (1 November 2022). [La vérité des coûts comme levier d'action - Le Temps](#)

E4S. LinkedIn Posts. ([12 October 2022](#), [7 October 2022](#), [6 December 2022](#)).

GRAPHICAL HARVESTING

04. Oktober 2022 **E4S EPFL Unil** UNIL | Université de Lausanne

Die wahren Kosten der Lebensmittel in der Schweiz

Unsere Wirtschaft muss sich ändern
Forschung Innovation Information
viele Hebel, der wichtigste: TCAF
zahlreiche Stakeholder
gemeinsam!

riesige Summen
externalisierte Kosten
sichtbar machen
Umwelt
Gesundheit
sozial
pragmatische
Handbücher &
Anleitungen
Werte
steigen
Kosten

Preise reflektieren nicht die wahren Kosten
was ist "wahr"?

Angst auf allen Ebenen
Komplexität
Steuern & Subventionen: Politik
sehr viele Stakeholder
unklare Leadership
schwierige Entscheide durch Zahlen "entfremden"
finanzielle Konsequenzen für Schwache
wer bezahlt? Gesamtwarenkorb preisstabil
Definitionen, Messstandards

Transparenz & Nachvollziehbarkeit
bei Externalitäten, ganze Wertschöpfungskette
keine grossen Verlierer, genügend Gewinner
Fokus auf Prävention statt Heilung
"Schrott"
Austausch zu Stakeholdern, Kommunikation
starker politischer Wille - schlüssiges Narrativ
Oligopol am Bord haben
offen für neue Denkweisen

Mein Beitrag ist ...

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Le vrai coût des aliments en Suisse

Notre économie doit changer
recherche innovation information
nombreuses parties prenantes
beaucoup de leviers; le plus important: TCAF
ensemble!

une somme énorme
externalisés
rendre visible les coûts
Umwelt
santé
social
manuels et
instructions
pragmatiques
Werte
steigen
Kosten

Les prix ne reflètent pas les vrais coûts
qu'est-ce qui est "vrai"?

Le précieux travail des agriculteurs
doit être valorisé
augmenter les budgets
éducation une meilleure qualité à un prix
même politique intéressant avec beaucoup de potentiel
vue d'ensemble de système - repenser les valeurs
objectiver les détails
identification des mesures contradictoires

pour à tous les niveaux
complexité
impôts et subventions: politique
beaucoup de acteurs-ices
leadership pas clair
aliéner les décisions difficiles par des chiffres
conséquences financières pour les
populations vulnérables
qui paie? panier-totale stable en termes de prix
définitions, normes de mesures

transparence et traçabilité des externalités le long
des chaînes de valeur
pas de grands perdants, suffisamment de gagnants
focus sur la prévention plutôt que sur le traitement
"chocs"
échange entre acteurs-ices, communication
volonté politique plus forte - narratif cohérent
oligopolés à bord
ouverture à des nouvelles manières de penser

Ma contribution est ...

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