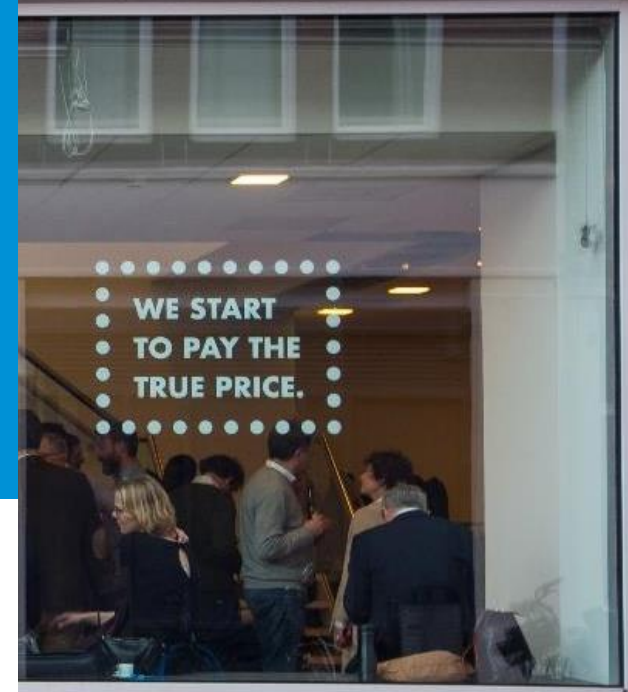


# True Price

## Towards multiple Value Creation

[truepricefoundation.org](http://truepricefoundation.org)





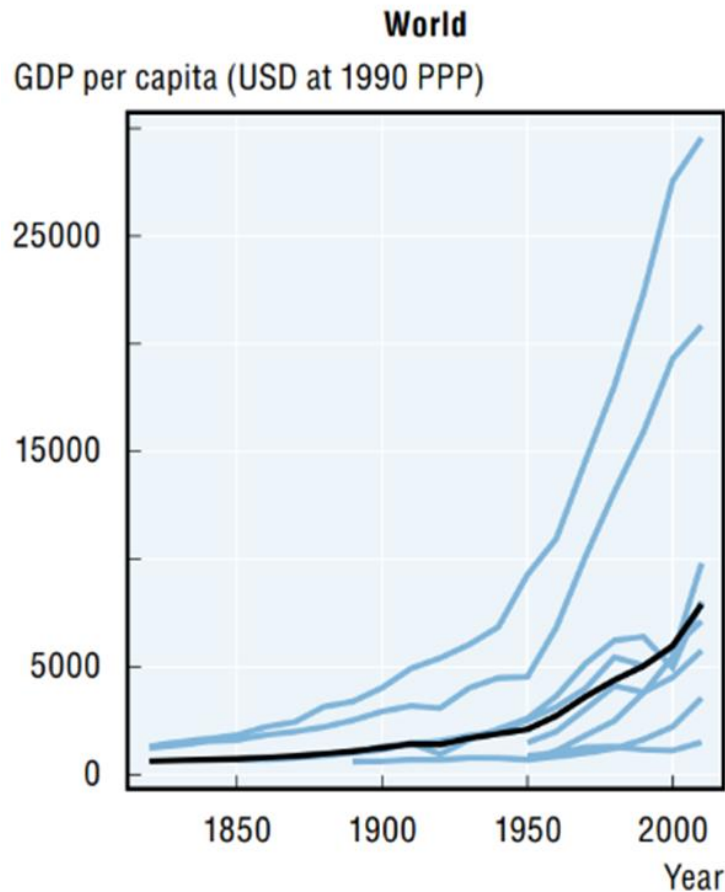


True Price is a social enterprise with the mission to realize sustainable products that are affordable to all by **enabling consumers to see and voluntarily pay the true price** of products they buy

**We envision a world where all products are sold for a true price and the global economy is sustainable**



# 19<sup>TH</sup> AND 20<sup>TH</sup> CENTURIES: PRICE & PROFIT BASED MARKET ECONOMIES HAVE BROUGHT MATERIAL WELFARE | AT A COST



Climate change could result in 25% decline in global GDP this century (NGFS, 2021)



A million species are threatened with extinction (IPBES, 2019)



More people than ever (1 in 200) are in a form of forced labour in our economy: (Hodal, 2019)



20% of the global working population are working poor (ILO, 2019)



# IMAGINE: YOUR NEIGHBOURS START A COMPANY



# AND HE DECIDES TO THROW HIS GARBAGE IN YOUR GARDEN



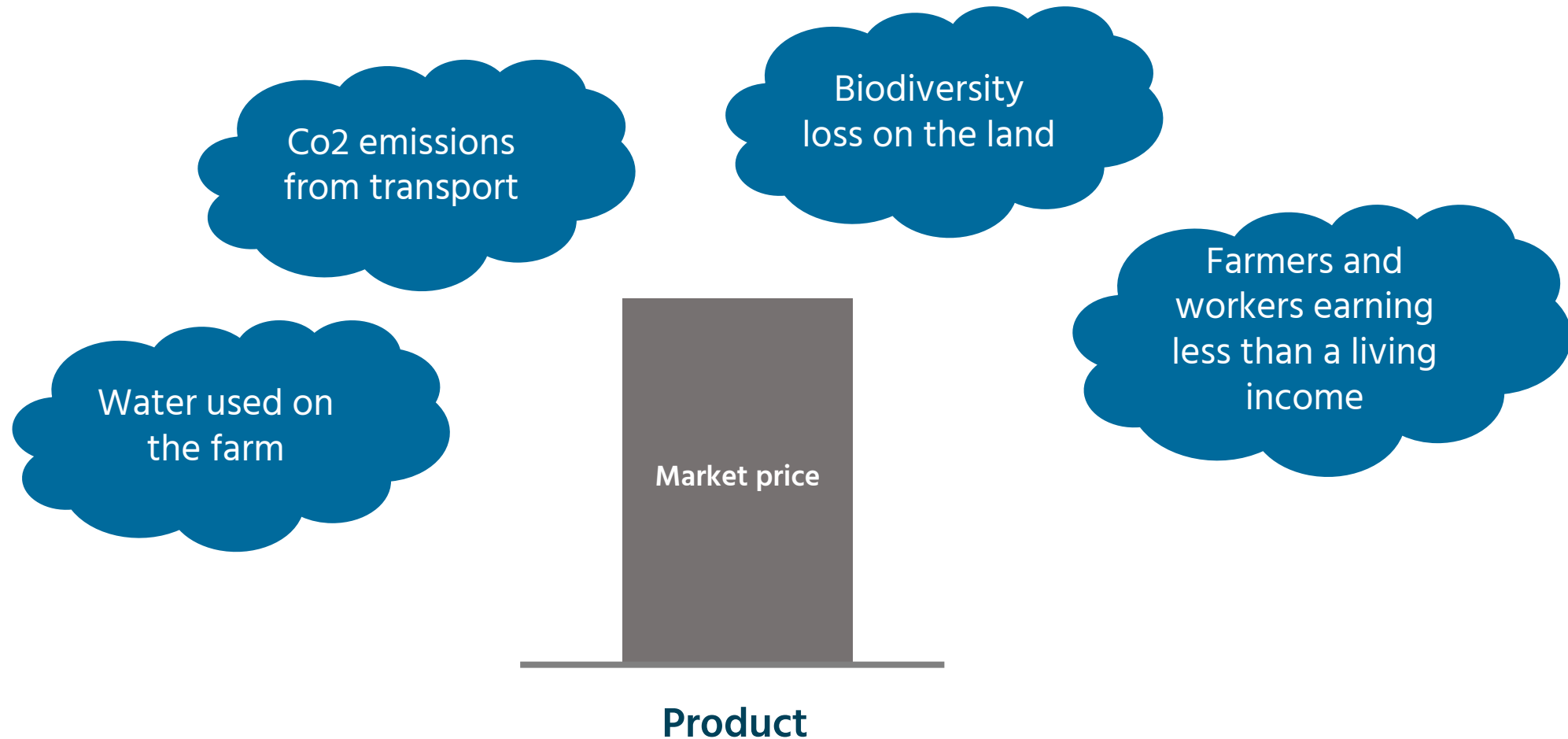


# NOW ITS YOUR PROBLEM...

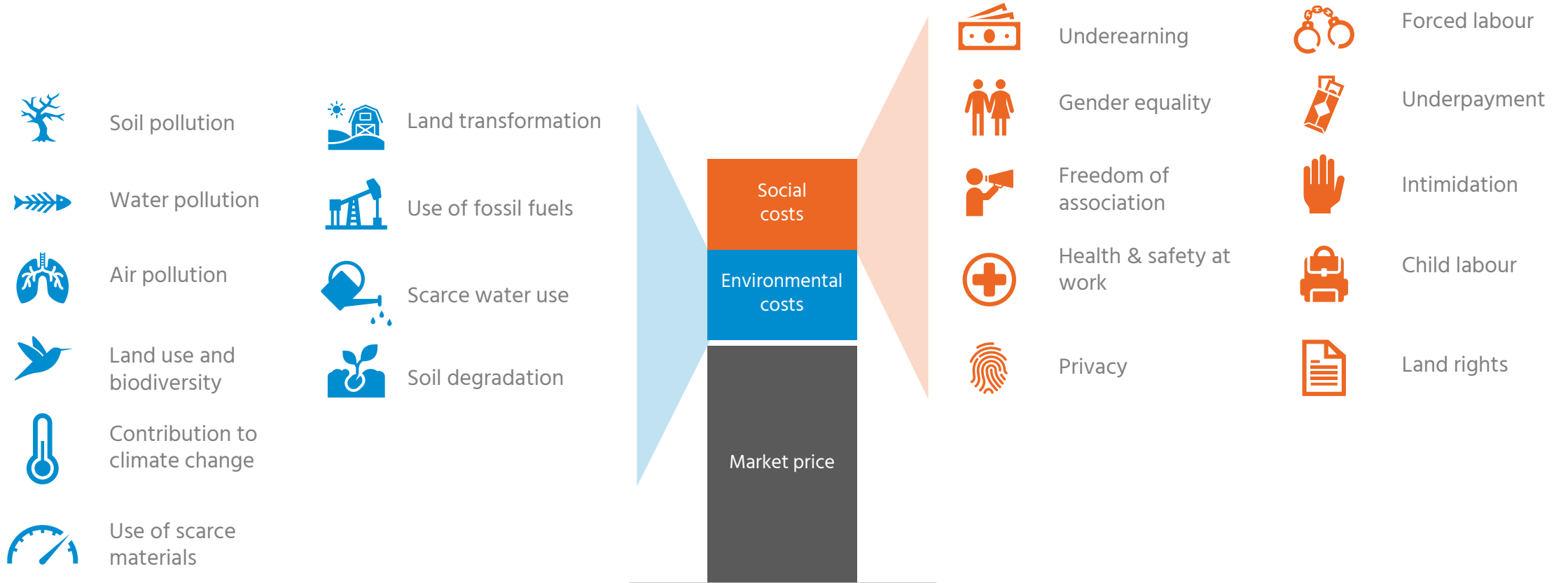
- That your neighbor throws the mess of his lemonade in your garden is not only disrespectful
- From an economic perspective, these costs are shifted to you: now, you have to spend time and resources on cleaning things up
- These are external costs or externalities



# CONSEQUENCES OF PRODUCTION... WHICH IS NOT CAPTURED IN THE MARKET PRICE, THESE COSTS ARE 'HIDDEN'

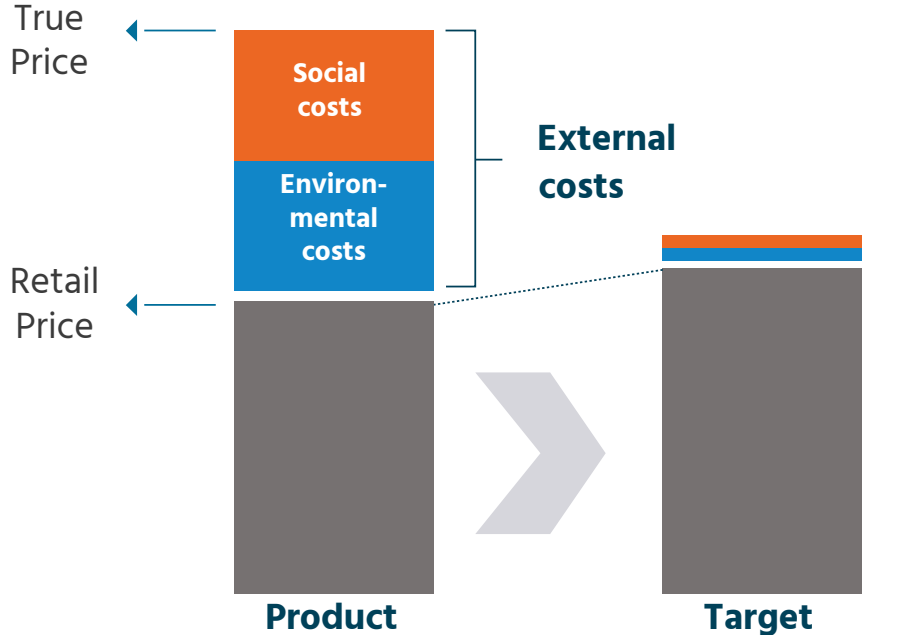


# A TRUE PRICE IS A MARKET PRICE + SOCIAL AND ENVIRONMENTAL COSTS

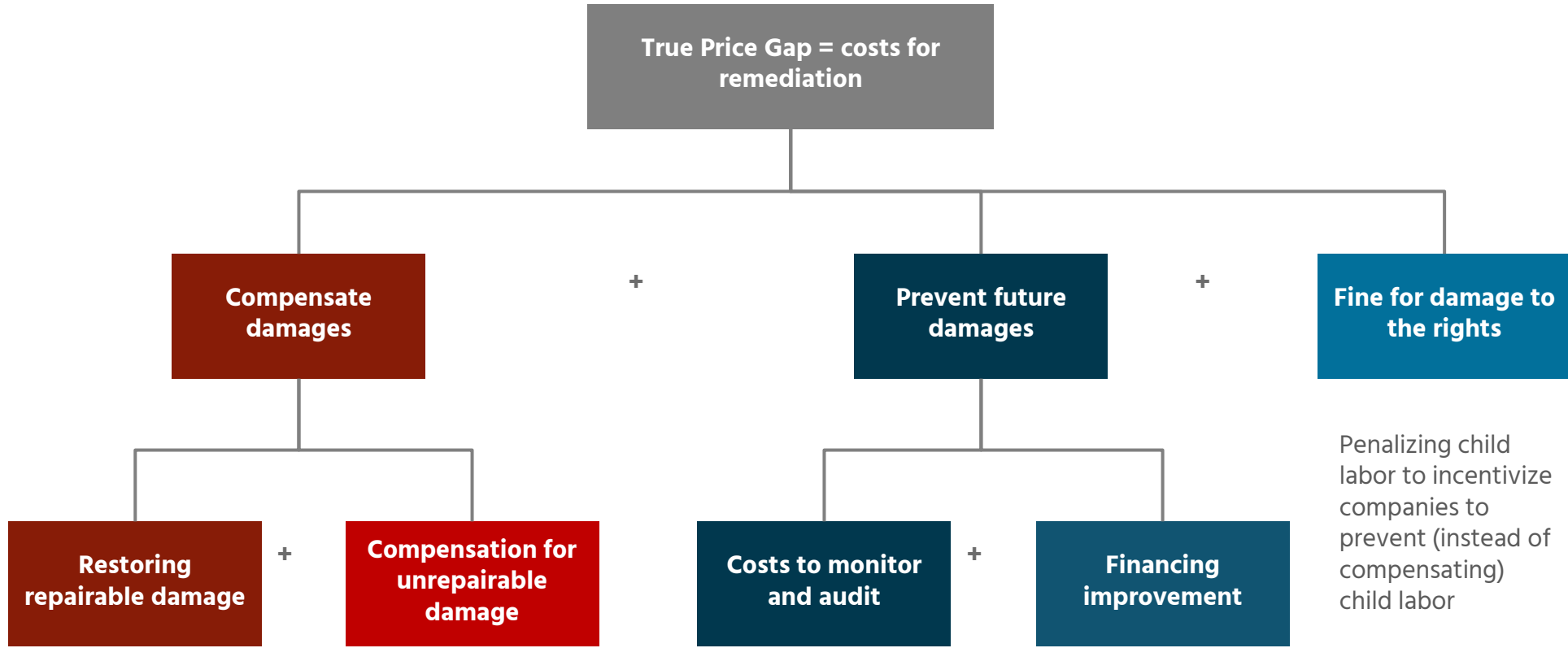




# THE GOAL IS NOT TO MAKE THINGS MORE EXPENSIVE, BUT MORE SUSTAINABLE



# WE DEVELOP THE GLOBAL TRUE PRICE STANDARD WITH A.O. DUTCH GOV., WAGENINGEN UNIVERSITY, RABOBANK, ABN AMRO, BIONEXT, LTO

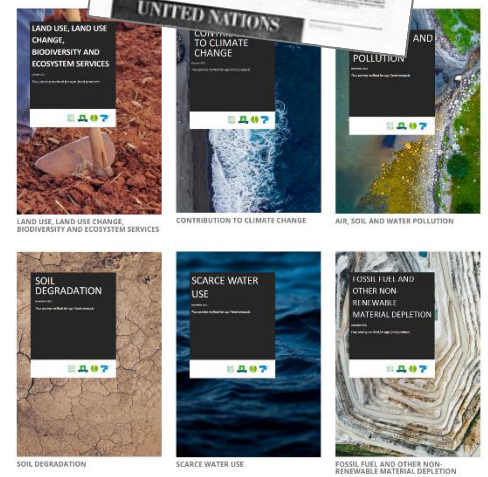


Purifying water that has become polluted

Compensating for CO2 emissions as long as CO2 capture is not realistic

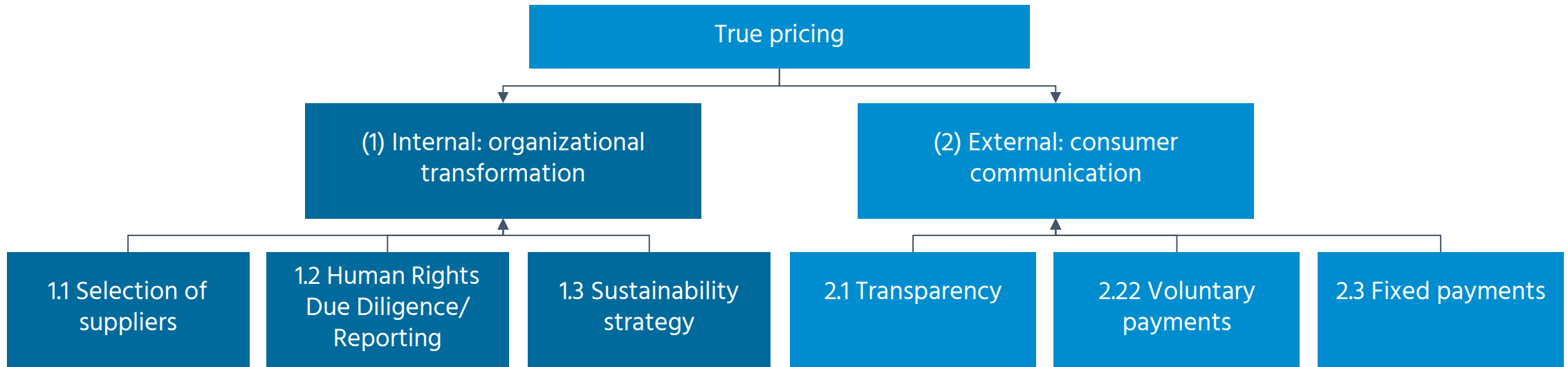
Investing in knowledge and material to grow plants and flowers to increase biodiversity on a plantation (and thus prevent/limit land use)

Penalizing child labor to incentivize companies to prevent (instead of compensating) child labor



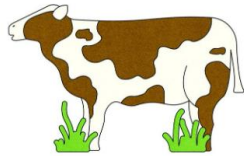


# APPLICATIONS OVERVIEW



# EXAMPLE TRUE PRICE OF FOOD

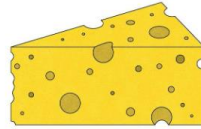
## Beef



RETAIL PRICE  
\$5.34
ESTIMATED ENVIRONMENTAL COST  
+\$22.02

	PER POUND
Retail price	\$5.34
ESTIMATED ENVIRONMENTAL COST	
Emissions, primarily from cow burps and manure	+3.00
Water use, including to grow food for cattle	+0.23
Ecosystem effects, mainly from using land to grow food for cattle	+18.79
<b>Estimated full price</b>	<b>\$27.36</b>

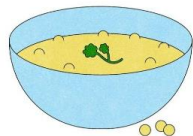
## Cheese



RETAIL PRICE  
\$3.74
ESTIMATED ENVIRONMENTAL COST  
+\$3.76

	PER POUND
Retail price	\$3.74
ESTIMATED ENVIRONMENTAL COST	
Emissions including dairy machinery, cow burps and manure	+1.04
Water that cows drink, and that is used for growing their food	+0.49
Ecosystem effects, primarily from land used for cattle feed production	+2.23
<b>Estimated full price</b>	<b>\$7.50</b>

## Chickpeas



RETAIL PRICE  
\$1.46
ESTIMATED ENVIRONMENTAL COST  
+\$0.74

	PER POUND
Retail price	\$1.46
ESTIMATED ENVIRONMENTAL COST	
Emissions from farm equipment and processing are minimal	+0.04
Water usage is low in chickpea cultivation, since they require little irrigation	+0.02
Ecosystem effects are relatively modest because chickpeas are consumed directly, rather than used as food for livestock	+0.68
<b>Estimated full price</b>	<b>\$2.20</b>

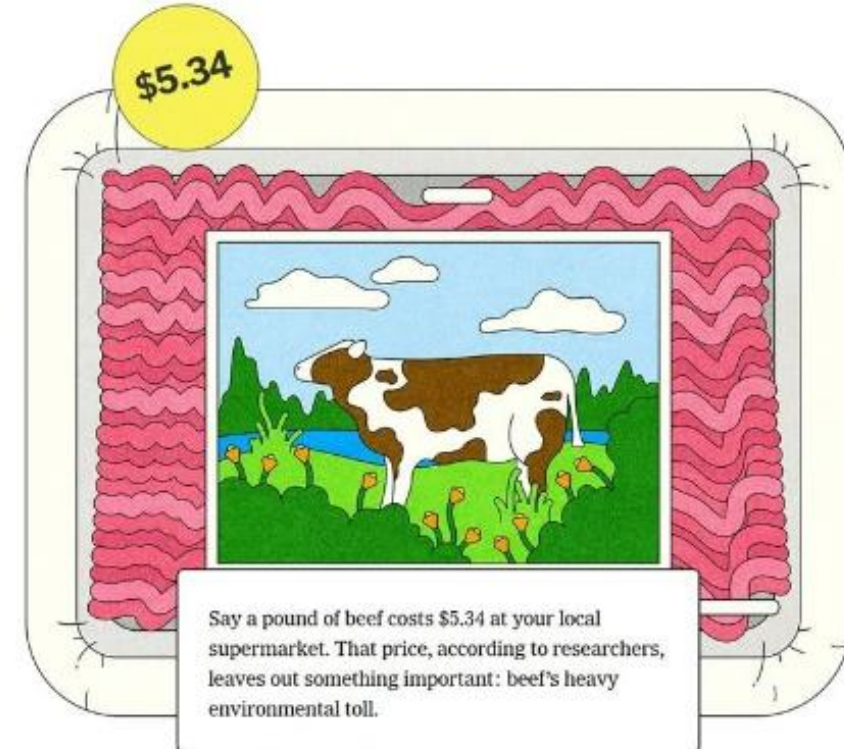
## Chicken



RETAIL PRICE  
\$2.20
ESTIMATED ENVIRONMENTAL COST  
+\$1.83

	PER POUND
Retail price	\$2.20
ESTIMATED ENVIRONMENTAL COST	
Emissions, mainly from chicken manure and feed crops	+0.50
Water for chicken feed production and other uses	+0.12
Ecosystem effects, primarily from growing soy and corn for chickens to eat	+1.21
<b>Estimated full price</b>	<b>\$4.03</b>

# The New York Times



## The Hidden Environmental Costs of Food

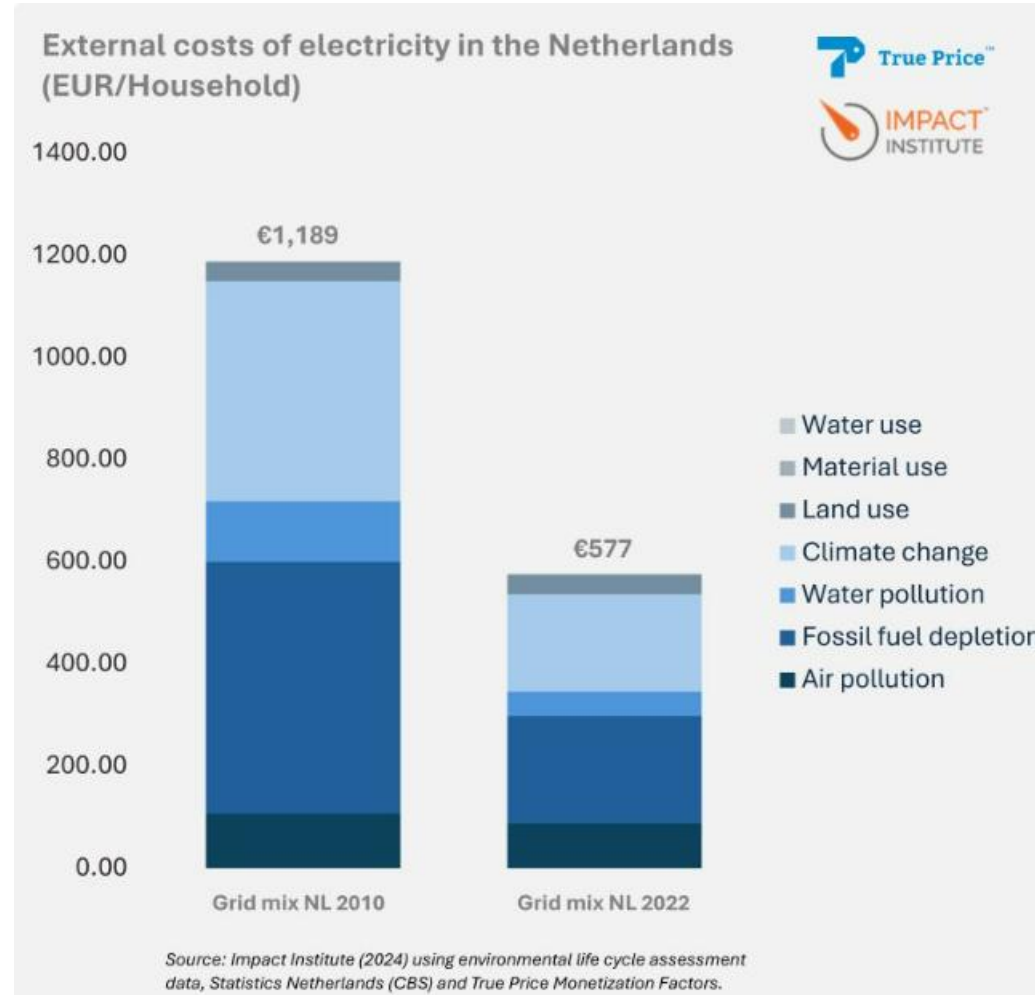
Damage to the natural world isn't factored into the price of food. But some governments are experimenting with a new way of exposing the larger costs of what we eat.



# TRUE PRICE EXPERIMENT BY ALBERT HEIJN



# EXAMPLE TRUE PRICE OF ELECTRICITY





# GOVERNMENTS AND UN START TO ACT



## Corporate sustainability due diligence

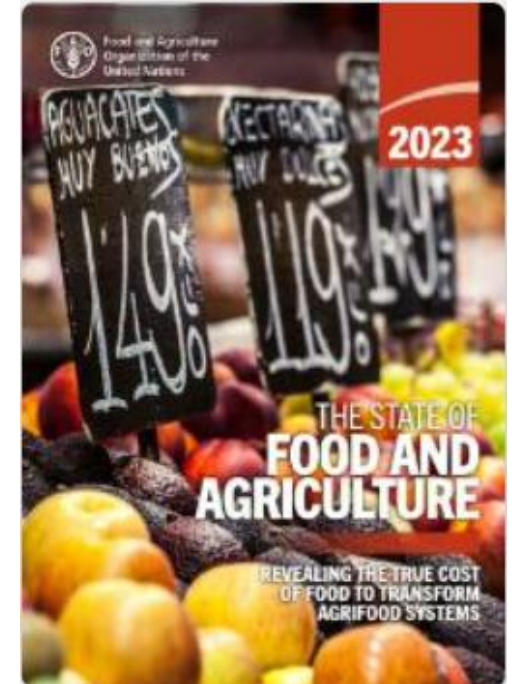
Fostering sustainability in corporate governance and management systems.



On 23 February 2022, the Commission adopted a proposal for a Directive on corporate sustainability due diligence. The aim of this Directive is to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance. The new rules will ensure that businesses address adverse impacts of their actions, including in their value chains inside and outside Europe.

## Making the price difference smaller

ACM believes that the Dutch cabinet should take a serious look at the different options it has to lower the prices of sustainable products. For example, they can do so by lowering VAT on sustainable products. For conventional products, it is important that the adverse environmental effects are incorporated in the price, so that consumers pay the 'true price'.



TIME 2030  
← BACK TO HOME

Amsterdam Is Embracing a Radical New Economic Theory to Help Save the Environment. Could It Also Replace Capitalism?



CURRENCY  
**HOW MUCH DO THINGS REALLY COST?**  
True Price, a Dutch nonprofit, aims to help us grasp the real costs of consumption.  
By Nick Romeo

# UN COALITION AND GLOBAL PARTNERSHIP







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#### **VERTROUWELIJKHEIDSVERZOEK**

Informatie, gegevens en tekeningen in dit document zijn vertrouwelijk en worden verstrekt met het vriendelijke verzoek om vertrouwelijk te worden behandeld en niet aan derden bekend te maken zonder de voorafgaande schriftelijke toestemming van True Price Foundation