



Transforming Environmental Stewardship – *an Alberta agronomic perspective*

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stewardshipfirst™
working responsibly to protect
people and the environment

Outline

- Increasing global momentum for high quality, safe and environmentally sustainable food.
- Sustainable production is not a new concept.
- Components of a sustainable production system
- Key Performance Indicators
- What is already out there?
- What is applicable to Alberta producers
- What does this look like?

Synopsis

- Far reaching changes are taking place throughout the agricultural value chain, from production farther up/down.
- The food industry is facing new consumer/societal preferences:
 - Food that is Safe and Healthy (assurances),
 - Production methods that are environmentally sustainable,
 - Social fairness, equity and responsibility.



Synopsis

- Agriculture, Environmental and Social Policy that is moving towards:
 - Environmental Protection
 - Social Responsibility
 - Economic Viability



Synopsis

- Can be seen in:
 - Government Policy,
 - Retailers product selection,
 - General Media.



Sustainable Agriculture

- What is “sustainable” agriculture?
 - “ the ability to maintain something over time”
(Websters Dictionary)
 - “development that meets the needs of present generations without compromising the ability of future generations to meet their own needs”
(Brundtland Report)
- The challenge: “Agriculture is in itself impactful to the environment”



Sustainable Agriculture

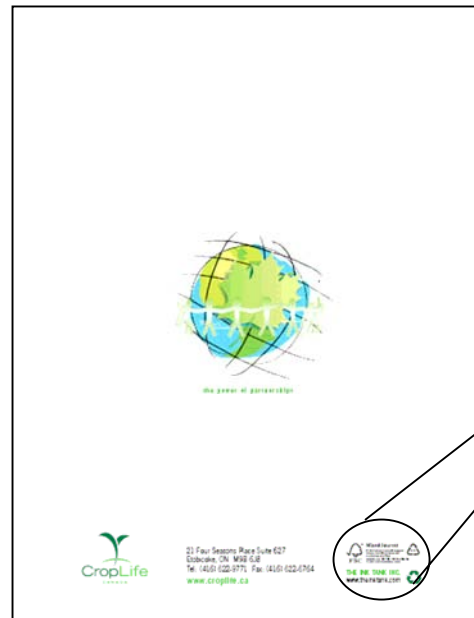
- The notion of sustainability is not a new concept. It has been implemented over the years in both successfully and unsuccessfully in many industries.
 - Forestry Industry
 - Recycling Industry
 - South American Rain-Forest

Forestry Industry

- For many years the forestry industry was the target of negative media attention for its production practices.
- In 1993 the industry formed the Forest Stewardship Council (FSC) to develop standards for responsible forest management.
- Developed a system based on 10 key principles for responsible forestry management.
- Focus on environmental, social and economic perspectives.

Forestry Industry

- Companies who sign on to the standards are recognized by their communities and customers.





System Development

Aspects to Consider:

- Objectives of undertaking initiative
- How are you going to do it?
- Key deliverables associated with initiative
- Reporting Structure
- Performance Indicators



System Development

Objectives of undertaking initiative

- What do you want to accomplish?
 - Relieve negative media
 - Risk management
 - Market opportunity



System Development

How are you going to do it?

- What approach are you going to take?
 - Label
 - Communication
 - Sustainability
- What mechanism are you going to use?
 - Regulatory
 - Market Based
 - Voluntary



System Development

What are the key deliverables?

- Who do you want involved
- How restraining are the requirements
- What are the key performance indicators
- How are you going to prove what you did?
- How to you measure success?

Key Performance Indicators

- Quantifiable measurements that will reflect a critical success factor.
- Should reflect the overall goal.
- Examples of KPI's in business.
- Not everything that is measure is a good KPI.
- FSC has 17 KPI's

Performance Measure

- Degree to which farms develop environmental plans and implement changes.

2003/04 Base

- Less than 5% of BC's 9,000 commercial farms have implemented on-farm environmental plans.

2004/05 Target

- 450 farms with approved environmental farm plans, 400 farms have implemented plans.

2005/06 Target

- 1,400 farms with approved environmental farm plans, 800 farms have implemented plans.

2006/07 Target

- 2,400 farms with approved environmental farm plans, 1,100 farms have implemented plans.

Focus on Soil, Water, Air (but lots of others)

- Soil Principle: The cultivation techniques used within the production system must maintain or enhance the soil structure
- Practice:
 - Soil erosion and loss shall be prevented by biological as well as mechanical control methods
 - Producers shall match cultivation methods and timing to prevailing soil conditions.

Potential KPI for AB

- Water Principle: The use of water inputs as well as release of wastewater shall be properly managed in order to preserve surrounding water sources
- Practice:
 - Water sources shall be managed and regulated via a water management plan and assessed for their microbial, chemical and mineral content.

Potential KRI for AB

- Waste Mgmt Principle: The optimum use of waste and by-products should be monitored and proper disposal of waste should be ensured.
- Practice:
 - Waste and by-products from all aspects of product and harvest should be handled according to the principles of reduction, reuse and recycle
 - Used containers which have substances that are potentially hazardous must be disposed of in a proper manner which removed the hazard.



What's already out there?

Domestic

- Agriculture and Agri-Food Canada Index
 - Water Stewardship
 - Soil Degradation
- Environmental Farm Plan
 - Various components of the overall plan



What's already out there?

International (lots of different schemes)

- EurepGAP (now GlobalGAP)
- Tesco – Nature's Choice

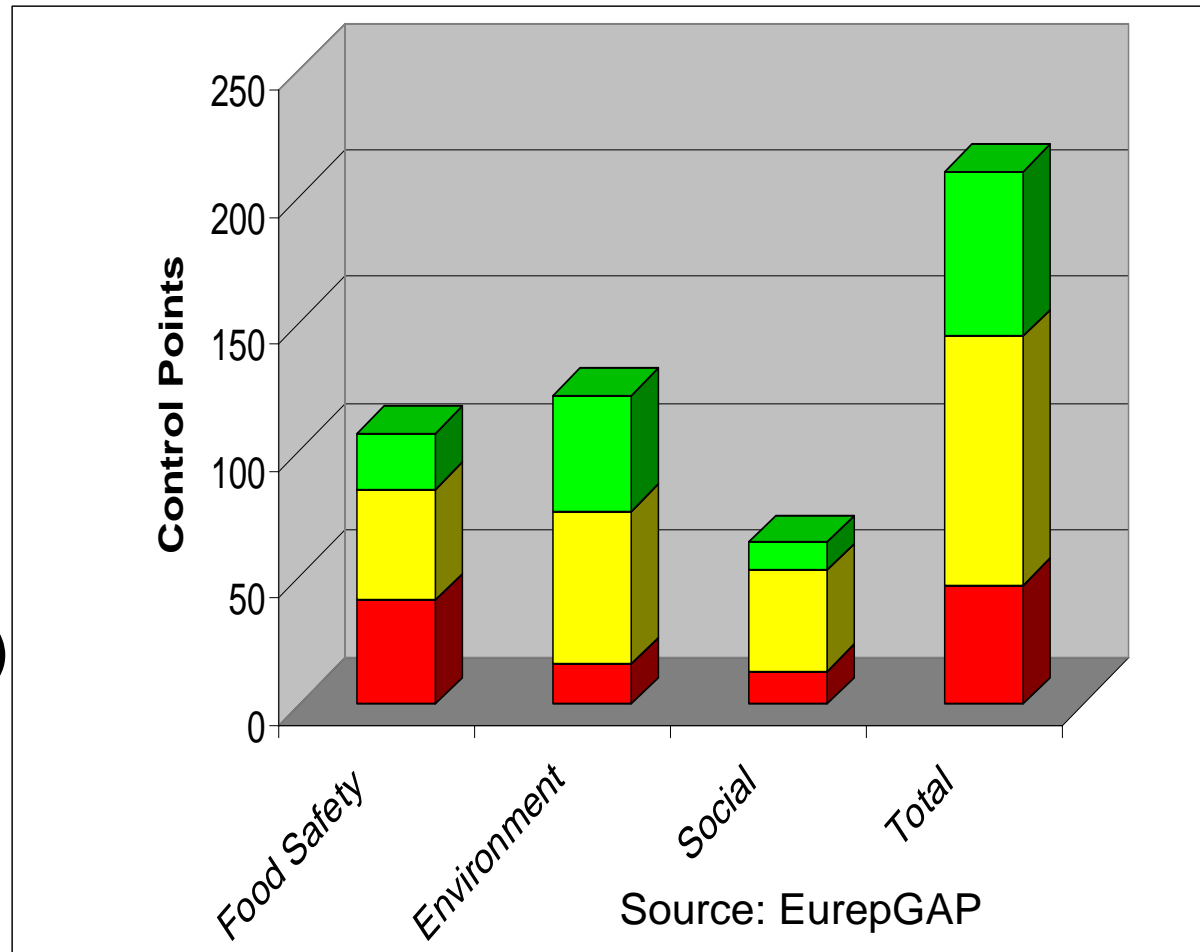
- (European Retailer Produce Good Agricultural Practices)
- Partnership of retailers & producers established to set voluntary certification standards & procedures for good agricultural practices
- Covers food safety, environmental protection, occupational health, safety & welfare worldwide
- 5 general schemes:
 - Fruit & Vegetables, Flowers & Ornamentals
 - Integrated Farm Assurance (combinable crops, cattle & sheep, dairy, poultry, pigs)
 - Integrated Aquaculture Assurance
 - (Green) Coffee
- Independent audits & certification to measure compliance



Scope of EurepGAP Standards

Control points and compliance criteria

- 200 specific control points
- Encompass food safety, environmental & social components
- Major (100% compliance)
- Minor (95% compliance)
- Recommended



Retail and Foodservice Members



Trade Service Nederland bv.



Superunie



McDonald's Europe



Supplier Members



- Significant and increasing....
- 275 partners
- Around 80 approved CBs operating globally
- 35,000 growers certified + another 10,000 likely to be certified in 2006
- 800,000 hectares
- 62 countries
- 150 different product lines
- 12 national/regional GAP schemes benchmarked to date; 11 more schemes undergoing benchmarking



BUT some retailers still want more....

Tesco

- 2nd largest retailer in Europe, 4th largest worldwide
- \$71bn sales (2005)
- Over 2,500 stores in 13 countries
- Market leader in 6 countries





Nature's Choice Code of Practice

- Launched in 1992 and further strengthened in 2004
- Aim: To ensure high environmental standards of production
- Governed by committee of suppliers, independent academic, an auditor and Tesco Managers
- Applies to all fruit, vegetables and salad suppliers to UK market
 - Aim for 100% suppliers to comply by 2007
 - Over 7,600 farms in 41 countries are currently registered
 - International operations require EurepGAP certification
- Recently moved to independent certification
 - 3,400 independent audits so far undertaken in 60 countries



Nature's Choice - scope

7 key areas:

- Rational use of crop protection products - controlled list of pesticides*
- Rational use of fertilisers and manures
- Protection of human health
- Pollution prevention
- Efficient use of energy, water and other natural resources
- Recycling and re-use of material
- Wildlife and landscape conservation and enhancement



What do you want to accomplish?

There are a lot of questions...

- Why do you want to do this?
 - Pro-active vs re-active
- Who are you selling this to?
 - Supply chain, end user, etc
 - Critical question: what do they want and what are they willing to pay for it?

What do you want to accomplish?

- What will be involved?
 - Labeling (which attributes?)
 - Accepted standards (process stds, product stds and performance standards)
 - Will this be audited? (1st party audit, 2nd party audit or 3rd party audit)
 - Will a certification be granted?
 - Will an accreditation be awarded?



What do you want to accomplish?

- What is the end goal of the activity?
 - New markets, secure current markets?
 - How many farms(?) are to be included?
 - Is the goal market based, environmental based, social based?
 - Do you want to change production practices and/or behavior.



What do you want to accomplish?

- What is the scope, aims and participation?
 - Individual farms
 - Farm associations
 - Regional
 - Supply chain
 - Consumer
- Where is the value to capture?
- How much work will it be (ROI)?



Thank You

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