Sustainability for the Canadian Food & Beverage Sector

Robert Cash, Board Chair
September 29, 2016
PROVISION COALITION
Three Focus Areas

• Public Policy Collaboration
• Online Sustainability Portal & Support Program
• Championing Industry Opportunities
  – Food Loss & Waste
  – Responsible Sourcing
Integration Framework

- Step-by-step process for planning future goals, assessing current performance, building strategies to make positive enhancements

- Companies can start at any stage of the ‘wheel’
ISSUES IN THE FOOD AND BEVERAGE INDUSTRY

Input Industry
- Sustainable agriculture
- Prices/Farmers income
- Animal welfare
- Water security
- Sustainable aquaculture
- Power/equity of trading relationships
- Slavery
- Traceability
- Food waste

Farmer
- Human rights
- Work conditions
- Corruption/Bribery
- Animal welfare
- Food waste
- Traceability

Trade Processor
- Eco-efficiency/Energy
- Food and water security
- Food safety/Contamination
- Traceability
- Emissions (air and water)
- Packaging waste /Recycling
- Health and safety of employees
- Diversity
- Long term raw material supply
- Food waste

Food Industry
- Health
- Allergies
- Responsible marketing
- Alcohol abuse
- Advertising to children
- Food waste
- Packaging Waste
- Recycling
- Transport ("food miles")

Restaurants
- Corruption/bribery
- Quality
- Food safety
- Traceability
- Food/Packaging waste
- Recycling
- Food waste

Retailer
- Catering
- Consumer

DIAGRAM 3: ISSUES IN THE FOOD AND BEVERAGE INDUSTRY

Public Trust

• Public trust in brands has been eroding
• Shift towards transparency in both product inputs and outputs along supply chain
  – Consumers want to know what is in their food, where it came from AND it’s impact
• Driving need for collaboration and information sharing
Who is Responsible for Transparency?

<table>
<thead>
<tr>
<th>Category</th>
<th>Food Companies</th>
<th>Farmers</th>
<th>Grocery Stores</th>
<th>Restaurants</th>
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</thead>
<tbody>
<tr>
<td>Impact of Food on Health</td>
<td>41</td>
<td>28</td>
<td>16</td>
<td>15</td>
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<tr>
<td>Food Safety</td>
<td>37</td>
<td>28</td>
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<td>Environmental Impact</td>
<td>38</td>
<td>37</td>
<td>13</td>
<td>12</td>
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<tr>
<td>Labor &amp; Human Rights</td>
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<td>32</td>
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<td>Animal Well-Being</td>
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<tr>
<td>Business Ethics</td>
<td>42</td>
<td>27</td>
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</table>

Respondents allocated 100 points across the groups responsible for providing information in each transparency topic. The numbers shown are the average number of points allocated to each group, across all respondents.

CFI, 2015
WHAT IS THE SUSTAINABLE FARM & FOOD INITIATIVE?

- NOT a new standard: drive equivalencies among existing & harmonization of verification
- A collaboration of Ontario’s farm organizations and food/beverage processors
- Full scope, whole farm sustainability assessment & verification system
- Gap analysis completed: Environmental Farm Plan vs. 13 codes/standards (incl. international)
- Starting discussions with all levels of the supply chain to seek input
- Ontario pilot program with the aim of inspiring a national collaboration
GOAL OF THE SUSTAINABLE FARM & FOOD INITIATIVE

Not a new standard – the aim is to develop an architecture to provide connections and cohesion across multiple existing programs and plans based on the following principles:

- Whole Farm
- Use Existing Programs: Build onto Environmental Farm Plan, and integrate requirements from relevant standards (including international)
- Agnostic: enable broad range of requirements, from education / BMPs to 1st, 2nd, 3rd party audits to performance outcomes
- Assessment Equivalency: benchmark relevant standards
- Assurance / Verification Harmonization: simplify, avoid "assessment fatigue"
- Easier & Affordable Assurance/Verification Mechanism: enable data sharing and online reporting

EFP + GYFP
## PLANET - SUMMARY OF RESULTS

<table>
<thead>
<tr>
<th>Performance area</th>
<th>RTRS</th>
<th>GGO</th>
<th>WCO</th>
<th>United fresh</th>
<th>proAction</th>
<th>ISCC+</th>
<th>CA organic</th>
<th>F2M</th>
<th>SAI</th>
<th>Unilever</th>
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<td>Biodiversity and natural capital</td>
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<td>Nuisances</td>
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### Legend
- **Green**: Score against EFP/GYFP
- **0D**: Deficient to Program
- **OR**: Content Not Relevant to EFP/GYFP
- **3**: EFP/GYFP Exceeds the Program
- **2**: EFP/GYFP Equivalent to Program
- **1**: EFP/GYFP Partially covers

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**HOW WOULD IT WORK?**

**Impact Categories**
- Sustainability indicators harmonized from existing programs
- Built on EFP as a base

**Data Capture**
- Digital data collection on a farm or food company level

**Verification**
- A data analysis process (TBD) will support verification
- **Harmonization** will reduce overlap and duplication

**Reporting**
- Sustainability reporting dashboard at an aggregated level for farm or food company

**Metrics**
- Measurement will be critical to transparency
- Built in equivalency with other programs

**Data Sharing Platform**
Confidential, permission based, data sharing platforms / databases
## Benefits of the Sustainable Farm & Food Initiative

<table>
<thead>
<tr>
<th>Farmer / Producer</th>
<th>Processor / Buyer / Retailer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Simplification</strong>: cohesive, whole farm</td>
<td><strong>Easier decision making</strong>: sourcing decisions aligned with sustainability goals / customer requirements; cohesive and whole farm</td>
</tr>
<tr>
<td><strong>Cost reduction</strong>: create efficiencies regarding the # of on-farm assessments</td>
<td><strong>Simplified reporting</strong>: CSR annual reports</td>
</tr>
<tr>
<td><strong>Flexible</strong>: accommodates full range of market needs</td>
<td><strong>Cost reduction</strong>: reduced verification costs across supply chain</td>
</tr>
<tr>
<td><strong>On-farm improvements</strong>: benchmark peers</td>
<td><strong>Ability to report on improvements</strong>: aggregate on farm improvements on key indicators/sustainability goals</td>
</tr>
<tr>
<td><strong>Market access</strong> and opportunities</td>
<td><strong>Increased public trust</strong> = improved social license/less onerous operating restrictions</td>
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Sustainability Projects and Other Efforts

- Pilot Project
- Sustainability Metrics Platform Project
- Assurance Protocol
- Interface/Collaboration
CRSC’s Assurance Protocol: Relationship to Sustainability Metrics Platform Project and Other CRSC-Associated Projects

Assurance Protocol

Indicator Framework

Assurance Methodology

Metrics Platform

CRSC Metrics Platform Project

Cdn FieldPrint Initiative

CRSC Pilot Project

CRSC AgroEcosystem Project

Other Projects TBD

Input from Other Commodities

KEY

CRSC Products and Deliverables

CRSC—Associated Projects
Status of the Metrics Platform Project

• Highlights:
  ▪ Social Indicators portion of the study is completed
  ▪ Great progress on the Environmental and Economic Indicators – on time delivery for first half November
  ▪ Work begun on matching data sources to the Indicators
  ▪ Work organizing the platform data and structure of the database started
  ▪ Discussing producer survey objectives and how addresses data gaps
  ▪ Carbon Study behind schedule but should contain better data when completed

• Lowlights:
  ▪ Haven’t secured the full Industry Match for this fiscal year and next
  ▪ Uncertainty right now on method for communicating results
  ▪ Delays establishing of the Indicators Expert Panel
Check us out!

- www.provisioncoalition.com
- www.sustainablecrops.ca
- www.sustainablefarms.ca