

Achieving Social License in Agriculture

Sean Royer, Exec Director Environmental Stewardship Division Alberta Agriculture and Rural Development

Introduction

1. Definition of social license

2. Drivers of Change

3.Industry Response

4.Next steps





Social License

Definition: The privilege of operating with minimal formalized restrictions (legislation, regulation, or market requirements) based on maintaining public trust by doing what's right.

Public Trust: A belief that activities are consistent with social expectations and the values of the community and other stakeholders.

* Centre for Food Integrity



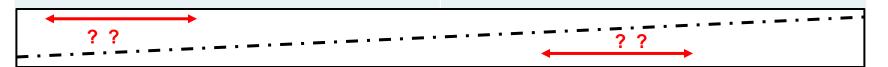


Compliance Markets (eg. GHG)

- Regulatory based
- Command & Control. Regs inflexible
- Regs are minimum requirements
- No trust
- Usually one component GHG, air quality, water quality, wetlands
- Paper trail and line of sight for everything
- Rigorous data check every year
- Government oversight
- Public policy guided

Retail Markets (eg. Sustainable beef)

- Consumer based
- Flexible, growing & improving system
- Guidelines for improvement
- Trust
- Production system + supply chain integration
- Accepting of common business practice.
- Assurance that the system is in place
- Private sector industry oversight
- Private policy guided





Drivers of Change

1. Changing Consumer

2.Role of NGOs

3. Changing Definition of Business





SAVE THE PLANET

The UN says so, and so do a growing list of school boards. Meet cars off the road." the new eco enemy.

BY KATIE ENGELHART AND NICHOLAS KÖHLER . One drizzly Thursday last May, the townsfolk of Ghent, a Flemish burg of some 250,000 souls famous for its stoverij-a stew of beef braised in beer-gathered outside a centuries-old slaughterhouse in the pick up a map of local vegetarian eateries, relief: "Oef! It's Thursday." and to watch as a boy in a banana costume did valiant battle against another dressed as a beefsteak. This was Ghent's inaugural Don-

city initiative: "If everyone in Flanders does mandate Meatless Mondays in its school not eat meat one day a week, we will save as cafeterias, for environmental as well as much CO₂ in a year as taking half a million health reasons. A similar proposal has just

Though meatlessness in Ghent each Thursday is encouraged rather than required, the policy has made vegetarianism pervasive: 95 per cent of the city's children at 35 local schools, as well as the city's elected councillors and civil servants, now submit to the Veggiedag menu each week. One poster promoting the policy depicts a polar bear adrift town's historic core to sample soy fritters, on a shrunken hunk of ice declaring with

putting medieval Ghent on the cutting edge of efforts to combat climate change by derdag Veggiedag-Thursday Veggieday, lit-changing the way people eat. But elsewhere, human pleasure." erally-a weekly holiday from the evils of beef, too, the moderate meat movement is gainfish, pork and poultry introduced last year ing ground. A Meatless Mondays organization on the cause. In December, former Beatle by city council, which declared that the mora-tion founded in the U.S. has now opened for the climate, your health and your taste wan and Australia. Following Ghent's lead, Vegetarian Alternative, Belgium's largest ated city-wide schemes. Last year, Baltimore vegetarian organization and a partner in the became the first city in North America to

been made for New York City schools.

Meanwhile, meatless manifestos are topping bestseller lists, from food phenom Michael Pollan's In Defense of Food, with its subtle suggestion, "Eat food. Not too much. Mostly plants," to American novelist Jonathan Safran Foer's painfully graphic antimeat treatise, Eating Animals, Dwelling on all the nasty details of the livestock industry, Safran Foer reminds us that even meat from humanely raised cattle "came from an ani-Donderdag Veggiedag was a global first, mal who, at best-and it's precious few who get away with this-was burned, mutilated and killed for the sake of a few minutes of

Star power, too, is focusing more attenand long-time animal rights crusader Sir Paul torium on animal protein would be "good" branches in Holland, Finland, Canada, Tai- McCartney appeared before the European Parliament in Brussels to back his Meat Free buds," Said a representative of the Ethical cities like São Paulo and Tel Aviv have cre- Monday campaign, which seeks to cut CO₂ emissions by encouraging people to go meatless once a week. An impressive score of



FREE MAP WORLD RIVERS . WATER FOOTPRIN

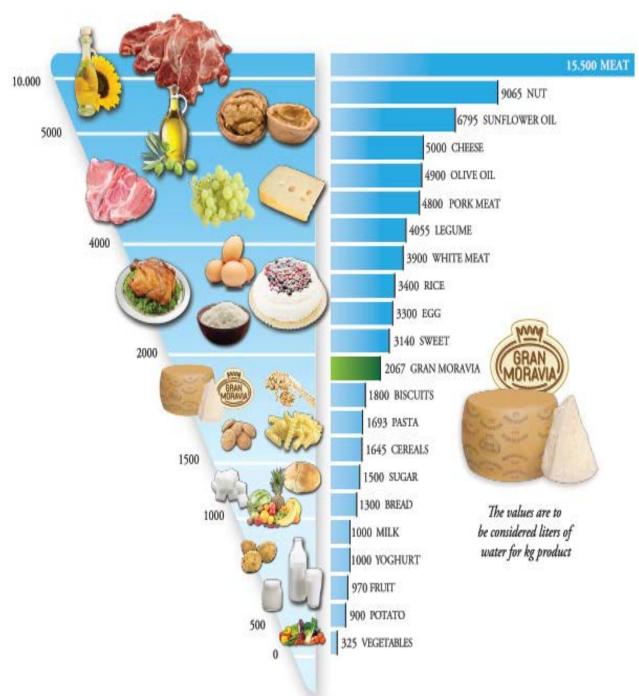
SPECIAL ISSUE











Food Pyramid According to the Water Footprint



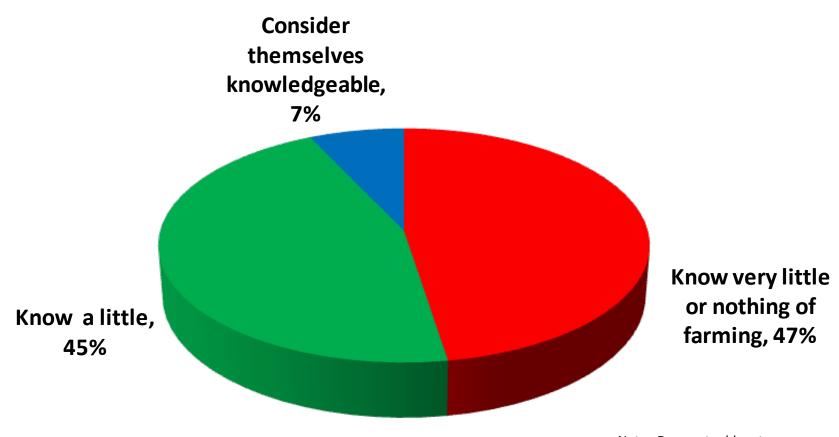
Lean Finely Textured Beef



- Product in market for decades
- Scientifically proven process
- Long-standing media interest
- 2008 LFTB featured in Food, Inc.
 - April 2011 Jamie Oliver
 - March 2012 ABC News
 - Tied to school lunch program
 - Pink Slime goes viral
 - Increased pressure on

brands to remove/label

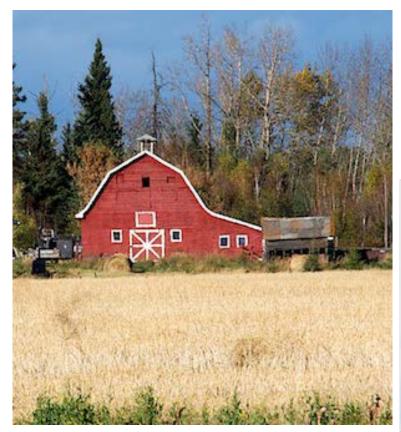
Canadian's Knowledge of Farming



Note: Does not add up to 100% due to rounding



Conflicting Philosophical Frameworks







Government of Alberta

Significant Social Shifts* (Centre for Food Integrity)

MODERN (Before 1968)

POST-MODERN (After 1968)

- Authority is granted by office
- Broad social consensus driven by WASP males
- Communication is formal, indirect (mass communication)
- Progress is inevitable
- * Centre for Food Integrity

- Authority is granted by relationship
- No single social consensus, great diversity, many voices
- Communication is informal, direct (masses of communicators)
- Progress is possible



Consolidation, Integration and Industrialization







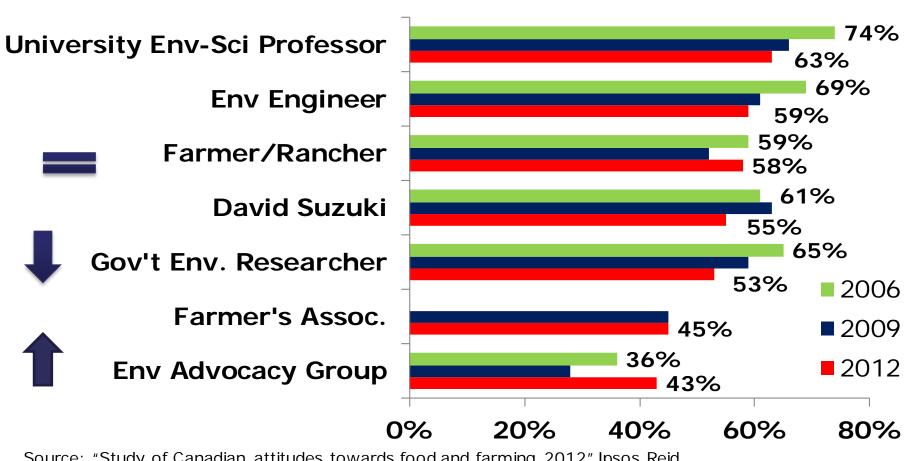






Who Do They Believe - Environment

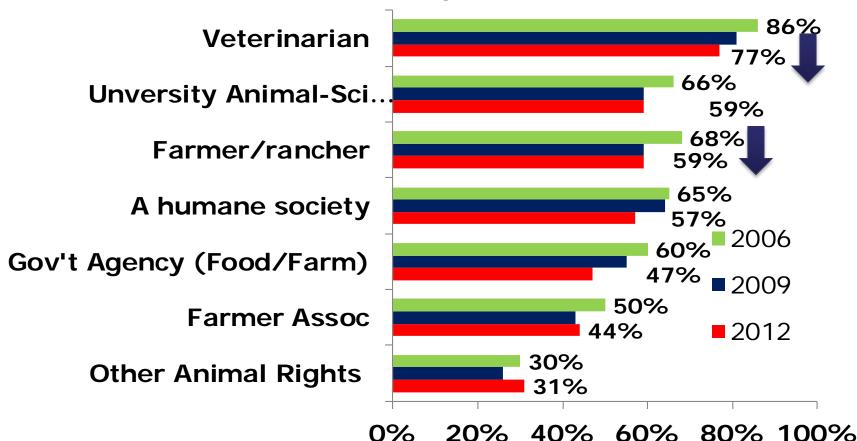
Believability: Environment





Who Do They Believe – Animal Welfare

Believability: Animal Welfare

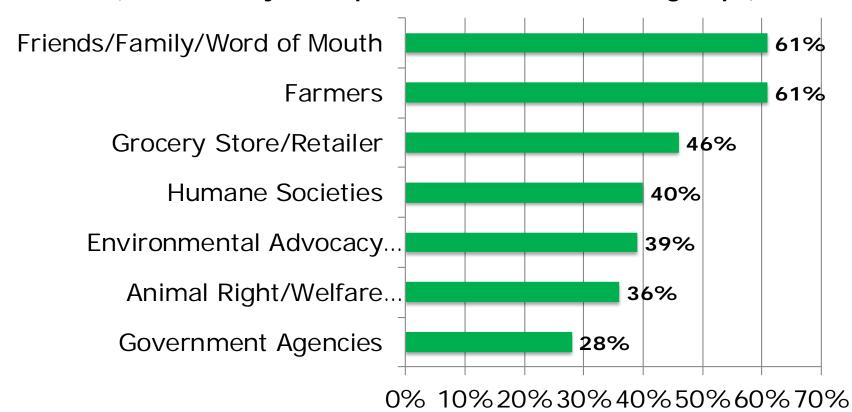






Food/Farming Information Sources

Favourable Impressions: (Please rate your impressions of the different groups)





Consumers are Tribal*

- The past matters.
- Perception is reality. (Not necessarily accurate.)
- Challenging beliefs/perceptions core to one's identity could cause them to become defensive & dismissive.

* Centre for Food Integrity

Government of Alberta

The "Mom Tribe" Consumer Panel*

What information sources have you used to come to your conclusions that GMOs are dangerous?

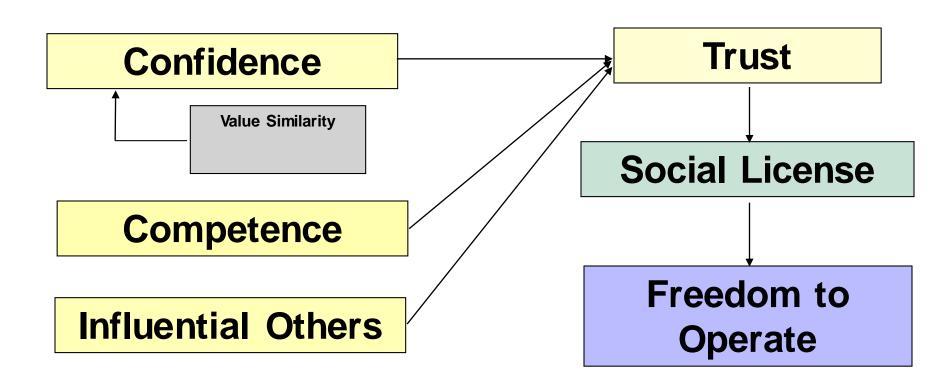


Heidi: "I'm part of a moms group. When there is a big consensus, I think 'there's something here.' You don't need doctors or scientists confirming it when you have hundreds of moms."

* source: Centre for Food Integrity



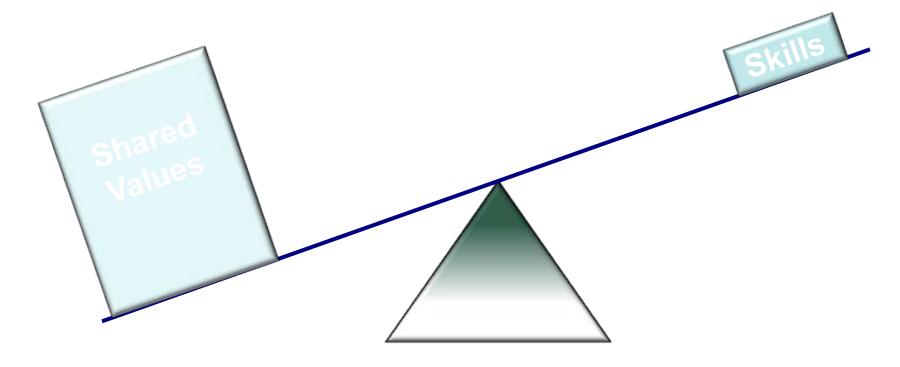
Earning and Maintaining Social License (Sapp/CMA)



- Source: Centre for Food Integrity.
- Trust research was published in December, 2009 *Journal of Rural Sociology*



What Drives Consumer Trust?



Shared values are 3-5X more important in building trust than demonstrating competence

Source: Centre for Food Integrity
Trust research was published in December, 2009 – *Journal of Rural Sociology*

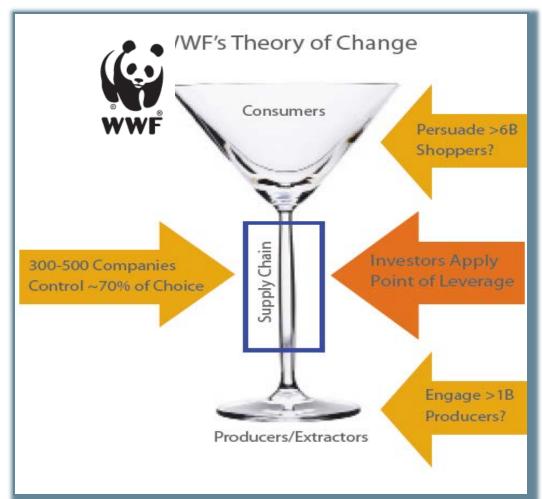


Perfect Storm

- Removed consumer but who wants to know
- Increase in technology
- Resource constraints
- Lots of research pointing out the negative not so much on the positive
- Sustainability action plans

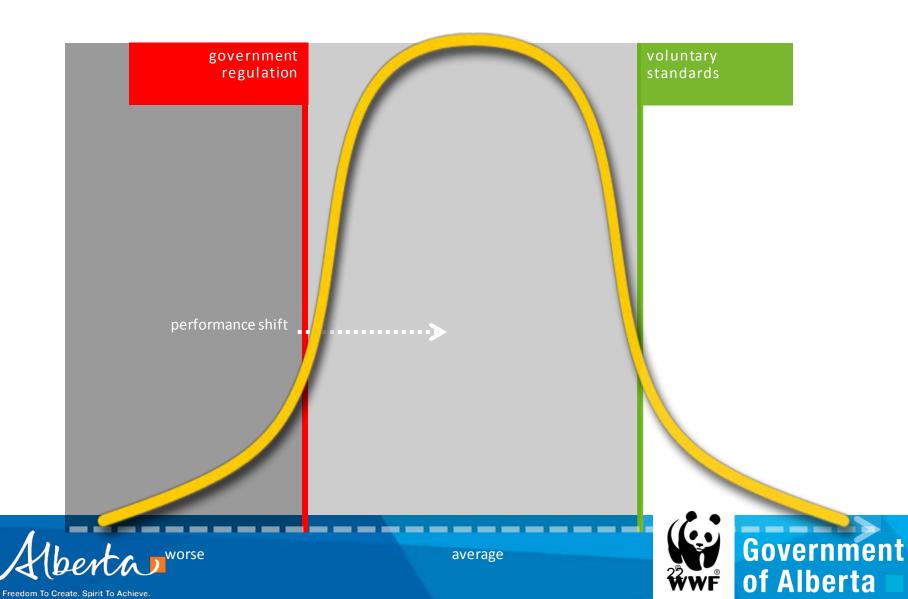


NGO Lobbying and Advocacy





Shifting the performance curve





"Capitalism is under siege ...

The purpose of a business must be redefined around creating shared value (CSV)...

How to **reinvent capitalism**—and unleash a wave of innovation and growth"

Porter and Kramer, HBR Jan-Feb 2011

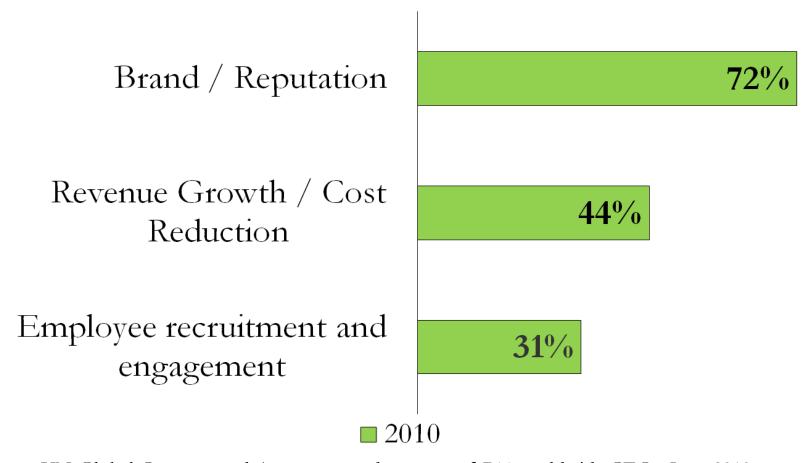


CAPITALISM 2.0

	Capitalism 1.0	Capitalism 2.0
Purpose of the Firm	Maximize <i>share</i> holder value; ROI; Growth	Creating shared <i>stake</i> holder value, including the Environment
Legitimate capitals	Financial	Financial, Natural, Human, Social
Bottom lines	Profit -first	Profit, People, Planet
Source of financial capital	Stock market; Big financial institutions; Absentee owners	Stock market; Smaller financial institutions; Customers; Employees; Local communities
Market focus	Global	Local
Environmental and social impacts	Externalized	Internalized
Accountability boundaries	The Firm	The Firm's value chain, over its products' life cycles
Transparency	As little as possible	Naked
Business model	Take-Make-Waste; Linear	Borrow-Use-Return; Circular

Freedom To Create. Spirit To Achieve.

CEOs' SUSTAINABILITY DRIVERS



UN Global Compact and Accenture study, survey of 766 worldwide CEOs, June 2010



CEO MINDSET IS SHIFTING

2010

Sustainability should be
... fully embedded in strategies and operations

... acted upon by boards

69%

... embedded in supply chains

UN Global Compact and Accenture study, survey of 766 worldwide CEOs, June 2010



88%

50%

2007

Industry Response























Our dedicated Free From[®] farmers deliver their beef, pork and chicken without the use of antibiotics and hormones*. All chicken and pork is raised without hormones and exclusively sourced in Canada.

Watch Free From® videos to learn more >









HOW WE TRACE YOUR BEEF



01: Cattle are reared on approved feed yards and raised to exacting standards...



na inf

02: Cattle are DNA sampled at harvest, linking genetic information with the animal's production...



03: DNA TraceBack enables grocers to tell the story of their meat products with greater precision...



Retailers

Find your nearest Real Canadian Superstore here



VIEW STORES



It's Your Beef

Loblaw Companies Limited is the first Canadian grocer to assure the quality of its beef with DNA TraceBack. Learn more about It's Your Beef, now available at Real Canadian Superstore



Eating Quality

It takes time, passion and attention to detail when producing great tasting beef. Knowing exactly where beef comes from means we can measure every aspect of production, including; a wide range of processing methods, the

Fact

Nearly 76% of Canadians feel it is important to know where their beef comes from, and over 80% say it is important that their beef is fully traceable back to a Canadian farm.*

**FluidSurveys Research Spring 2014



Government of Alberta



Better food NEWS

Better food for all.



Hi lovely people,

Over the past year, Sobeys and I have been teaming up to think of ways to get Canadians eating better, and a big part of that means offering food from better sources. So I challenged Sobeys to raise their game and up their welfare standards to make it easier for you to make better choices too.

We've worked really hard to make this happen and I couldn't be happier with the outcome – Sobeys now stocks Certified Humane® chicken, pork and beef, which means that your meat comes from animals that have been free from stress, been given the opportunity to show natural behaviours, and been reared without the use of antibiotics or growth hormones. I always ask myself: "Would I feed that to my kids?" – and I can wholeheartedly say that I would. We want people to know exactly where their food comes from and be confident in the knowledge that they're eating honest, healthy produce.

Thanks to the guys at Sobeys for all their hard work – we've still got a way to go on our mission for better food, but we've already come far.

Big love,





*Meets the Humane Farm Animal Care Program standards, which include nutritious diet without antibiotics.

Environmental Labels







vork at AsW

Our Menu

Locations

Cruisin' the Dub

Gift Cards

Environment

Taking big steps to leave a small footprint.

At A&W, we're known for caring about our customers, the food we serve and the communities we live in. But there's another concern that has quickly become one of our top priorities: the environment.

We know every choice we make today affects every one of us tomorrow. That's why we're committed to reducing our environmental impact. And we're not just talking the talk. We've already taken steps in the right direction, like identifying five key areas where we can make the most impact: packaging, waste, food, energy and water. We're constantly working to improve in each area, no matter how big or small the change.

Featured Stories

Great-tasting food is our business. Excess packaging is not.

At A&W, we believe that the best way to reduce waste is to simply use less. Read More

Bold flavour. Bold thinking.

Brewing a great cup of coffee Isn't just about making it taste great.. Read More

Every watt counts

We're always looking for ways to make our restaurants run more efficiently.

Read More



Food

It's important that we grow and adapt when sustainable food practices become available. That's why we make every effort to work with responsible suppliers. Learn More



Packaging

Excessive packaging puts a huge strain on our ecosystem. See what we're doing to keep more waste out of landfills.

Learn More



Energy

We're committed to reducing our energy consumption. So we're changing things up in our restaurants, across the board. Learn More



Water

Preserving water is a global concern, and it's imperative we make changes to help conserve this natural resource.

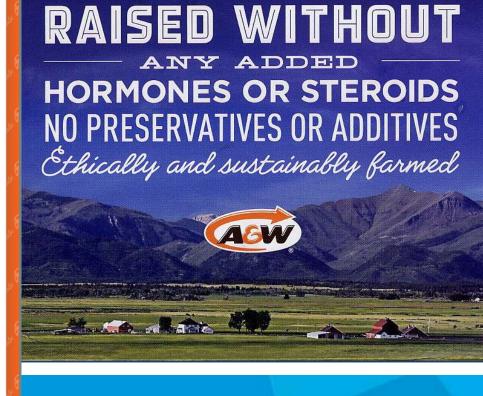
Learn More



Waste

We all know producing less waste is an essential step in moving towards sustainability. That's why we're making serious changes, like composting organic

Learn More



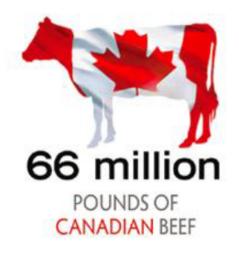
OUR 100% PURE BEEF GUARANTEE

Government of Alberta

McDonald's Desired Outcome

Strengthen our supply chain's ability to deliver safe, <u>sustainable</u> and assured supply of [Canadian] beef for the McDonald's [Canada] system for the long term.







Food Processors are Also Setting Targets



____vernment of Alberta

Freedom To Create. Spirit To Achieve.

Other international Developments...



Phasing in mandatory sustainability requirements for its suppliers; by 2020 it will source 100% of its agricultural raw materials from suppliers who meet established sustainability metrics.



Will begin sourcing sustainable beef in Canada by 2016.



Focused on water, nutrition and rural development



Require suppliers to disclose carbon emissions as part of updated sustainability plans



Quality, responsibility, mutuality, efficiency, and freedom





How Does Primary Agriculture take back the conversation??



Global Round Table for Sustainable Beef

The Global Roundtable for Sustainable Beef (GRSB) is a global, multistakeholder initiative with a mission to advance continuous improvement in the sustainability of the global beef value chain through leadership, science and multi-stakeholder engagement and collaboration





Some of the members....













































































GRSB 5 Principles of Sustainable Beef

- 1. Natural Resources
- 2.People and Community
- 3. Animal Health and Welfare
- 4.Food
- 5. Efficiency and Innovation



Canadian Roundtable for Sustainable Beef

Who are they?

- A national, multi-stakeholder initiative developed to advance existing and new sustainability efforts within the industry.
- An informal group made up of interested parties
- Is meant to complement the GRSB by applying its global principles to the Canadian beef industry.





Initial meeting participants















Cárgili



MULTISAR











Agriculture et Agroalimentaire Canada

MERCK



Ducks Unlimited Canada

Conserving Canada's Wetlands







NATIONAL FARM ANIMAL CARE COUNCIL CONSEIL NATIONAL POUR LES SOINS AUX ANIMAUX D'ÉLEVAGE



Government of Alberta

What have They done?

- Met in July, 2013 in Calgary and recently in Kelowna
- Determining how to apply the GRSB 5 principles to Canada
- Looking at verification or certification models to implement for the Canadian Beef industry.
- Discussing the governance structure of the roundtable.



McDonald's Pilot

- Working with a few producers to determine how to adapt sustainability principles on the farm.
- Developing metrics on sustainability.
- Has formed a McDonald's pilot advisory committee and steering committee



Canadian Round Table for Sustainable Crops

- Exactly the same as CRSB.
- First meeting in Winnipeg in March 2014. Next meeting in November.
- Governance structure and operating principles identical to CRSB.
- Technical committee applying for Growing Forward funding to gain a better understanding of metrics that can be used to measure sustainability.



Initial meeting participants



















Agriculture and Agri-Food Canada

Agriculture et Agroalimentaire Canada



Others...

- Dairy Farmers of Canada ProAction initiative
- Pilot study by Alberta Barley, Wheat, Pulse, and Canola
- Canadian Field print initiative (Pepsico, Unilever, Walmart)
- Alberta Pulse Growers Carbon footprint
- Canadian Canola Growers Association Meeting EU requirements for bio-fuel.
- Alberta Potato Growers sustainability requirements of Frito Lay
- Egg Producers Sustainability strategy
- Food Processors integrating sustainability into their operation.



ARD Hosted a Social License Conference



Executive Royal Hotel, Leduc

8450 Sparrow Drive, Leduc, Alberta T9E 7G4
Toll Free: I-888-388-EXEC (3932)
Room block at a discounted rate, quote group #1485.

Cost: SI50 (including GST)
Registration will be through Ag Info Centre (I-800-387-6030)
RSVP by March 5, 2015. Space is limited.

by a prominent line-up of think-tanks, retailers, leading food companies and producer organizations!







Lessons Learned

- Certification/verification standards should be developed with input from the entire supply chain.
- Audit of these standards should be done by an independent third party.
- Those who manage data well will be successful.
- Innovation and science will be a key driver. (e.g. Science to support certification/verification standards, new BMPs, etc.)
- Extension will become essential to evolve producers and processors from current state to a more sustainable state.
- May need a professional body to do verification and certification.
- Commodity organizations will have to "up their communication game."



What can Producers Do?

- 1. Influence major food companies (e.g. how do you make it low cost for your industry?)
- 2. Promote their industry in partnership with food companies.
- 3. Develop metrics with food companies that make sense.



What can Research Community Do?

- 1. Data will be King. How do we manage it?
- 2.MIT, Harvard, many others graduating MBAs with sustainability component.
- 3. Modeling, quality control
- 4. Science behind certification standards.
- 5. Science behind Best/better management practices



Questions and Discussion

