Sustainability Assessment of Food and Agriculture Systems

(SAFA)

Reflections on the 2012 E-Forum

Natural Resources Management and Environment Department
Food and Agriculture Organization of the United Nations
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1. Introduction

1.1. Rationale

The principle of sustainable development received almost universal agreement at, and since, the 1992 Earth Summit. A whole chapter of the Agenda 21 was dedicated to sustainable land use. Various initiatives, public and private, whose aim it is to contribute to sustainable development, now exist in the food and agriculture sectors. Many of these initiatives employ sets of indicators and criteria to measure, verify and report progress in the economic, social and/or environmental domain.

With a view to offer a fair playing field, FAO is building on existing efforts and developing Guidelines for Sustainability Assessment of Food and Agriculture systems (SAFA) as part of its efforts for the 2012 United Nations Conference on Sustainable Development (UNCSD). The guiding vision of SAFA is a globally sustainable food and agriculture sector, characterised by environmental integrity, economic resilience, social well-being and good governance throughout the sector. The SAFA Guidelines are meant to support a sustainability management that facilitates progress towards this vision in all entities of the sector. This shall be achieved by enhancing the transparency and comparability of the sustainability performance of companies. The intent is not to provide another set of indicators, but a higher-level benchmark that defines what sustainable agriculture and food production entail. The Guidelines shall serve as a template for food and agriculture sustainability assessment, for the use by primary producers, food manufacturers and retailers who wish to substantiate sustainability claims. Indicator systems and tools for the sustainability assessment of food and agriculture systems can be related to the SAFA Guidelines, or built upon them.

1.2. Process of development of the SAFA Guidelines

The draft of the SAFA Guidelines presented during the E-Forum in January and February 2012 was the preliminary result of an iterative development process started in 2009, which included repeated phases of review, stakeholder participation and text elaboration. The continuous, participatory improvement of the SAFA Guidelines will continue beyond 2012, including through testing.

In 2009, a range of texts from governmental, private, non-governmental and research institutions were reviewed. An expert meeting held in September 2009 helped identify core sustainability issues from environmental, social, economic and governance perspectives. Further stakeholder views were sought during a five-week E-forum on Sustainability Assessment of the Food Chain through the portal www.fao.org/rio20/e-forum, from 21 February to 25 March, 2011. Draft SAFA goals and scope, derived from the 2009 consultation and another round of reviews, were made available to the E-forum participants. A broad range of stakeholders from industry, science, international institutions and civil society were invited to participate. A total of 246 people from 61 countries registered as Forum participants. From April to August, 2011, the Swiss College of Agriculture, with the support of FAO and the Research Institute of Organic Agriculture (FiBL), undertook a survey, during which stakeholders were invited to have their say on the purposes and contents of the SAFA initiative. Intensive feedback was received from 18 industry and multi-stakeholder institutions, 15 NGO/public

and 8 science stakeholders. Most participants declared their interest in further participating in SAFA discussions. Parallel to the survey, international conferences and meetings with a stake in sustainable food production and consumption and in sustainable finance were attended, where further discussions with stakeholders from industry and science took place. A further screening of mono- and multi-dimensional sustainability standards, indicator systems, initiatives, regulations and other literature followed. A total of 82 systems were identified, not including those at the national level. A cross-comparison of topics treated in indicator sets and standards systems was done, which finally encompassed 44 systems: 18 industry standards, 5 farm-level systems, 4 systems of multilateral institutions, 7 NGO systems, 5 roundtable standards and 5 systems other types.

1.3. Documents and guiding questions for the 2012 E-Forum

The full text of the draft SAFA Guidelines, a Frequently Asked Questions document describing the purpose and goals of the Guidelines in a nutshell, as well as the narrative of a fictitious SAFA implementation were posted on the E-Forum website. Forum discussions were facilitated with questions on aspects important to the further improvement of the Guidelines, as follows:

- **Sustainability categories and indicators.** Please indicate which categories you consider missing, superfluous or strongly overlapping with other categories? Suggestions on further sustainability indicators are highly welcome as well.
- **Minimum sustainability requirements.** For the rating of sustainability performance, threshold values must be defined for each indicator. The lowest threshold is the indicator's minimum sustainability requirement. For many indicators (e.g. the greenhouse gas emissions of a company), neither information on carrying capacity nor a legal minimum threshold is available. How should the minimum sustainability requirement be defined in such cases?
- **Aggregate sustainability analysis.** The sphere of influence of large companies can include thousands of suppliers. How should sustainability assessments be done in such cases: for a sample of suppliers, for aggregated units (e.g. regional farm groups) or for every single supplier?
- **Database.** Would you welcome the establishment of a clearing house that collects and provides information related with sustainability assessments (information on the indicators used by a company, on regional and sector adaptations, on valuation functions, data sources etc.)? Who should maintain such a database?

2. Forum Participation

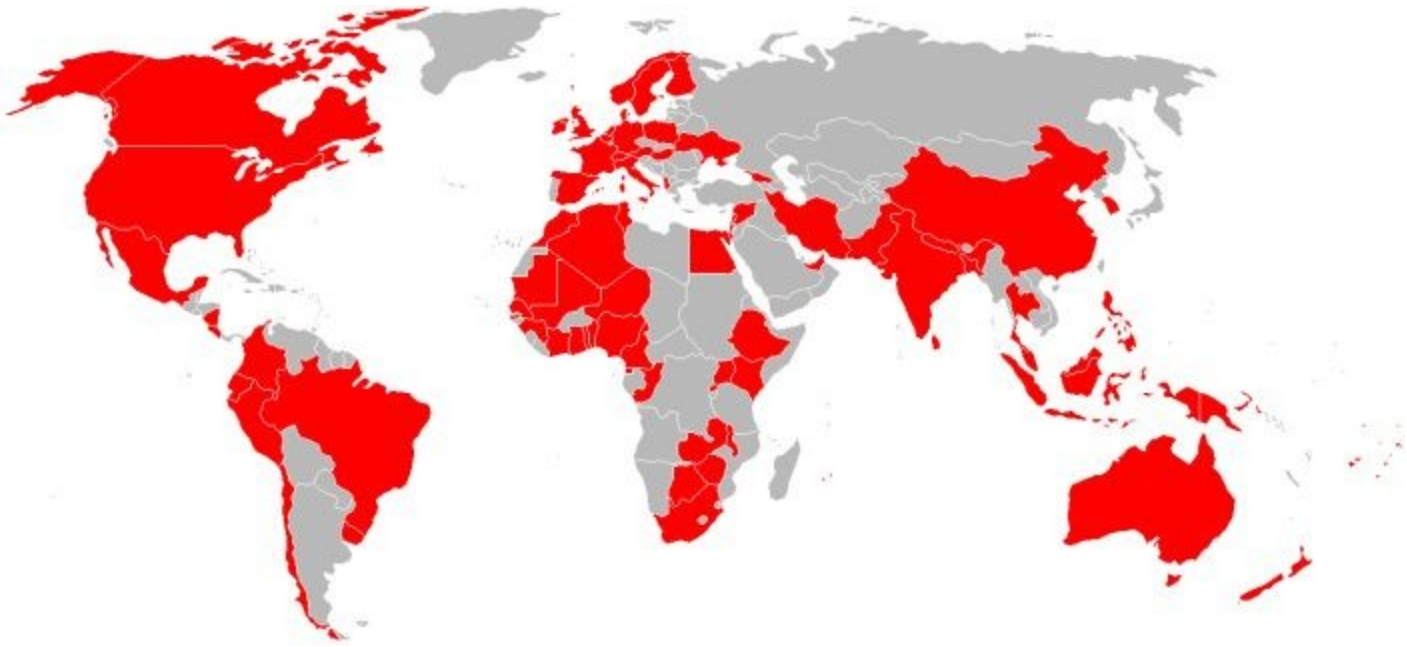
Prior to opening the second E-Forum on 23rd January 2012, the SAFA draft Guidelines were sent to all those who participated in the first E-forum in 2011 and several lists of individuals associated with agriculture research, sustainability indicators and/or food industry, including the ECOL-AGRIC (167 subscribers) network, the ORCA List (241 subscribers), UN inter-agency group working on Rio+20 (some 200 officers), the FAO/OECD Expert Meeting on GEA participants (150), the

UNCSD list, the FSN E-Forum List and other informal networks. The invitation was also picked-up by the FAO news Twitter channel which forwarded it to 29 600 followers.

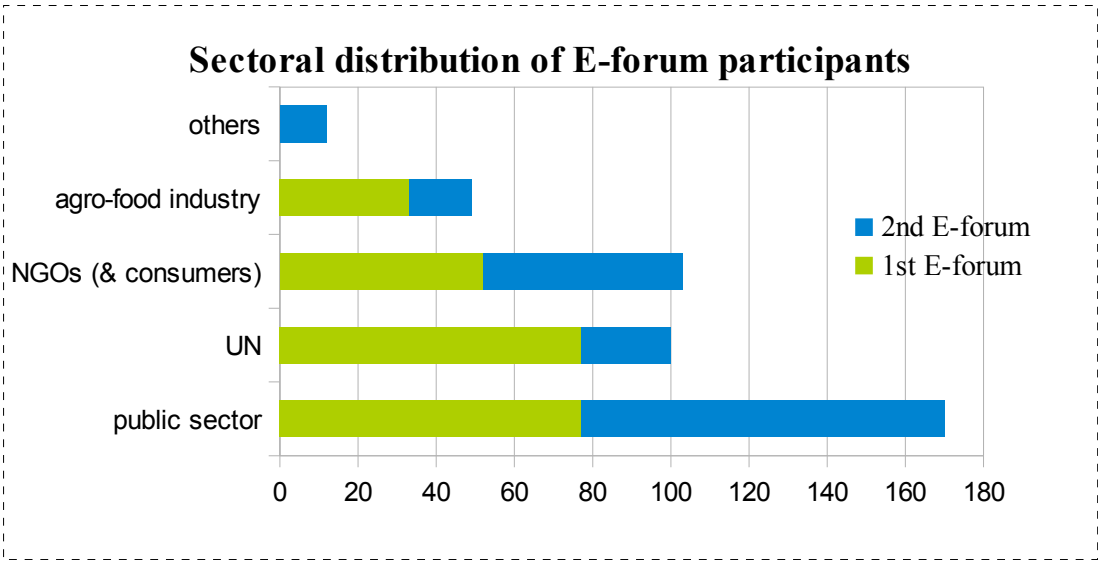
The SAFA draft Guidelines text was posted on the FAO website in such a way that anyone could read and download it anonymously; thus it is not known how many individuals actually read this document. However, in order to participate in the E-Forum itself, people were asked to register. The E-Forum subscribers were 410 people from 77 countries (246 from the 1st forum and 164 additional in the 2nd forum).

Most people registered from the United States of America (67) and Italy (44). These were followed by participants from the United Kingdom (33), Germany (22), Switzerland (18), The Netherlands (15), Canada (12), India (10), Belgium and Brasil (9), France, Denmark, Kenya and Nigeria (8). Besides these, countries where more than 5 people registered from were Sweden, Finland, Bangladesh, Indonesia, Australia and Cameroon.
As per continents, Europe was the most represented with 45% of participants, followed by America (25%), Africa (15%), Asia (11%) and the Pacific (3%).

E-forum participants from 77 countries (highlighted in red)



Forum participants were asked to indicate the sector in which they were engaged. In many cases, participants representing different institutions signaled several options, for instance the public sector, NGOs and agro-food industry. In such cases, we have chosen the first indication and thus, the chart below displays information about the first choice of participants.



The overall number of food industry representatives in the E-forum was lower than expected, while participants from the public sector (i.e. research institutions, universities, government agencies) and from civil society organizations accounted for most contributions. The relatively high number of UN participants is due to the fact that several university researchers working together with UN agencies registered as UN; here again, when a participant gave the UN affiliation as first option, we took into account the first option indicated when grouping participants' affiliation.

3. Summary of Forum Contributions

3.1. General appraisal of the draft SAFA Guidelines

Those participants who commented on the SAFA endeavour, defined the FAO initiative as ambitious, **valuable and timely**, especially in view of 2012 UNCSD agenda on sustainability. The transparent SAFA consultation process was explicitly appreciated.

Proposals for further improvements to ensure practical applicability of the Guidelines included: **involvement of farmer** representatives and further **strengthening the ties between SAFA and existing systems** and efforts, in order to build momentum and create synergies. Prospective partners for a cooperation with a long time horizon included: OECD (agri-environmental indicators), Keystone's Field to Market Initiative, Sedex (supplier ethical data exchange) and the ISEAL Alliance.

Many Forum participants thought that the SAFA Guidelines have a good potential to emerge as a preeminent framework for improving efficiency and impact metrics. It was rated as a **good framework** for translating sustainability principles into performed practices. Other participants

saw the draft as a useful basis with good content but with a need to become even more robust and meaningful.

Criticisms of the SAFA Guidelines mainly pertained to the text being too **complicated** and inaccessible to readers, the fact that the goals, target groups and intended benefits are not being stated in a clear enough manner. In revising the SAFA Guidelines, we will formulate the SAFA goals and potential benefits more clearly and concisely and improve the Guideline structure to enhance accessibility and practical applicability.

3.2. Goals and concept of the draft SAFA Guidelines

Notwithstanding the largely positive reactions to the SAFA effort of FAO, the E-Forum participants raised important and constructive criticism concerning the formulation of the goals and purpose of the SAFA Guidelines. Several statements referred to the Guideline **goals being inaccessible**, not yet convincing and not clear enough. Many participants recommended to condense and reshape the text, and to put more emphasis on a **procedural approach**. A need for a better description of the single steps in the process of Guideline application was repeatedly articulated. Several stakeholders pointed out that not all sustainability categories are relevant at all steps of the value chain, and that the Guidelines should be restructured to reflect such distinctions.

The SAFA Guidelines are not intended to form the basis of a new set of sustainability indicators, but to facilitate easier access to and integration of the various existing indicator systems. This approach was appreciated, and FAO was encouraged to **draw even more on existing standards**. Several reports and standards that could serve as sources of information were brought to our attention, for example the work of the Bioenergy and Food Security Criteria and Indicators project[1]. Unfortunately, the layout of the sustainability category protocols in the draft Guidelines did suggest to many participants that SAFA was indeed a new indicator set.

Through both E-forum and e-mails communications to FAO, concerns were repeatedly expressed about the risk of the SAFA Guidelines' opening the door for **greenwashing**. Two reasons were mentioned for such concerns, namely: (i) a lack of recognition of the inherent non-sustainability of the current global economy paradigm – as suggested by the Guidelines' even treatment of economic resilience with environmental and social well-being; and (ii) the idea that SAFA allows market actors to choose "whichever indicators" they prefer. Another related concern was the too weak reference, in the conceptual part of the Guidelines, to aspects of wealth distribution, including access to resources and opportunities to meet basic needs. This topic will be duly considered in the revision of the draft Guidelines.

Apparently, the structure and wording of the January 2012 draft Guidelines were conducive to such misunderstandings. The intention is not that market actors choose or omit certain indicators as suits them, but rather to guide market actors in their choice of the most appropriate performance indicators in a given set of sustainability categories. The accessibility and applicability of the SAFA Guidelines will be enhanced by **arranging sustainability categories and goals according to sector, type of enterprise and step(s) of the value chain**. A procedure for determining relevant sustainability categories will be described in the next SAFA draft. Thus, users of the

[1] http://www.fao.org/bioenergy/foodsecurity/befsci/en/

Guidelines will only be confronted with those aspects of sustainable development that are relevant in their situation, rather than with the whole set of sustainability categories.

Some contributors noted a bias in the SAFA wording towards (industrial) companies and raised the question whether SAFA was meant to be applicable to smallholders and small and medium enterprises (SME) at all. Indeed, **applicability of SAFA in smallholder and SME contexts is strongly intended by FAO**. In this end, two additional principles for Guideline development were suggested, namely: to consider the interests and needs of vulnerable groups (including smallholders); and to pay even more attention to all suggested categories' and indicators' referring to circumstances within the assessed entity's sphere of influence.

Another suggestion linked to the general SAFA concept was to link categories with each other to make **trade-offs (and synergies) better visible**. For example, trade-offs between profitability on the one hand and contributions to the local economy by providing employment on the other hand, and links between soil use and water resources, should be made explicit in the Guidelines. While this proposal will be considered in the revision of the text, its implementation is likely to lie beyond the scope of Guideline development, as this would require the establishment of a **complex, maybe even mechanistic,** "**sustainability model"** for each category of enterprise within the SAFA domain. The track record of complex farm models, whose practical uptake and impact have remained limited, suggests that scientific rigour and practical user needs need to be balanced very carefully in efforts to develop such models.

3.3. Minimum sustainability requirements

The question of how to define **minimum sustainability requirements** for the sustainability categories included in SAFA motivated very active discussions in the E-Forum. The concept of minimum requirements was welcomed by some. However, other participants considered minimum requirements inferior to a system based on **sectoral benchmarking and/or monitoring** within the enterprise. The latter system would have the advantage of providing more incentives to continuously improve performance, while in a system with static minimum requirements, there can be a risk of stakeholders only striving to meet the minimum and then not improve anymore. In a monitoring system, part of the minimum sustainability requirement for any indicator might be that the analysed entity progresses towards increased sustainability.

The respective benefits and downsides of **total measures and those expressed per unit output** were a subject of debate. Which of these approaches is chosen can have major influence on the comparative performance of intensive and extensive production systems, respectively, concerning for instance resource efficiency (e.g. water use efficiency, energy efficiency).While total measures appear less prone to this kind of flaw, they can prove difficult to rate and compare. One participant brought forward the idea to assess, for example, crop or livestock performance against a potential capacity of the landscape where production takes place. Others as well requested that for many categories, definitions of thresholds or "best practice" would have to take place at the landscape, regional or local level, with inputs from regional stakeholders. In the words of one participant, only "identified **best practice for a specific geographical location**" should be considered.

The idea of using benchmark values for rating performance was strongly opposed by a number of contributors, at least in the current Guidelines form. In this respect, the Guidelines' descriptions appeared inconsistent; clarity concerning the procedure of benchmark identification was found lacking. One participant pointed to the risk of excluding from production vulnerable actors, as they have no capacity to meeting minimum requirements or providing the necessary data. On the other hand, "much more specific, detailed and strong" minimum requirements were requested. Clearly, the selection and formulation of minimum requirements, as well as the decision on which sustainability categories and goals apply to what type of enterprise and in which situation have to be done with utmost caution.

In revising the draft SAFA Guidelines, the reformulation of sustainability goals, existing goals that emanate from international agreements, national law or widely accepted public or private standards will be referred to wherever possible. **Minimum requirements will be linked with the goals of the sustainability categories, rather than with single indicators**. For defining minimum requirements of some of the environmental sustainability categories, the **hierarchy approach** (i.e., minimum = offset of damage; best practice = prevent damage) suggested in the E-forum will be considered. Concerning the measurement of performance in relation with these goals, **absolute measures** will be recommended, where possible. For some categories (e.g. energy use), a combination of absolute (e.g. use of non-renewable energy carriers) **and relative measures** (e.g. energy efficiency) may be most appropriate. The system for defining higher-level thresholds (separating, for example, a moderate from a good performance) will be made more generic, providing guidance on how existing legislation, standards and technology can be used to determine these thresholds in a specific situation.

3.4. Applicability of the SAFA Guidelines

Regarding the practical applicability of the SAFA Guidelines, the main point of critique was the **complexity of the set of sustainability categories**. In their present form, the Guidelines were considered too long: "no market participant can apply this without much assistance by an experienced consultant". This shortcoming will be addressed by restructuring and condensing the SAFA Guideline text and implementation process.

It was also requested that the potential benefits of doing a SAFA for stakeholders in business and farming be stated much more clearly. As an approach for doing a SAFA for companies with large numbers of suppliers, aggregation of the supplier base at national level was suggested. Farm selection could be done by using a risk assessment filter applied to the sustainability categories. In areas "of effective regulation and good governance" (identified by third party data), a lower sampling rate (e.g. data collection from less farms) would be acceptable, and *vice versa*. The exact number of farms to be assessed could be determined using square roots or other proven statistical approaches. This topic will be treated in the section describing SAFA implementation in the next draft of the Guidelines.

3.5. Idea of a SAFA Database

Few comments were received on the idea of establishing a database that should serve as a clearing house of SAFA-related information. However, most such references were positive, citing FAO's

excellent track record in hosting statistical databases. This would be a good starting point for such an endeavour, contributing to more transparency. For some, the usefulness of the database would depend on whether it would include actual SAFA results, or just procedural information, such as indicators selected, thresholds applied, data sources, etc. One participant suggested that FAO uses the Sedex database as a model for a SAFA database. Another commentator advised to build a platform fostering a knowledge exchange among SAFA users in order to contribute to capacity building, rather than to invest into a data repository. FAO will be considering whether or not to establish a SAFA database, and how, after completion and testing of the Guidelines.

3.6. Comments on the sustainability dimensions

Some suggestions were made regarding a more detailed definition of "Environmental Integrity". ["the unit's ability to sustain, in an adequate (characteristic) manner, not hurt in its uniqueness"]. Concerning terminology in general, one participant advised to adopt the language of the Millennium Ecosystem Assessment Reports[2].

The inclusion of the "Animals" category, which refers to animals used by humans and not wildlife, in the "Environmental Integrity" dimension was questioned by three participants. However, no suggestions were made concerning an alternative treatment of this topic.

Alternative configurations of the SAFA set of sustainability categories were in particular suggested for the socio-economic domain. For example, the addition of an additional dimension reflecting culture was proposed. One participant brought forward the idea of integrating both social well-being and good governance into one social dimension, stating that they are both parts of the social dimension of sustainable development. Comments on the categories in the "Economic Resilience" dimension also underlined the need to thoroughly reconsider SAFA structure in the socio-economic domain. Dealing with parts of the economic dimension, in particular with profitability and economic vulnerability, is a mere self-interest of any stakeholder. Thus, it should not be the subject of business-to-business or business-to-consumer communication, and covering these categories should be optional in any sustainability assessment.

Considering that governance is a cross-cutting issue that deals with the "how" of processes, while the other three dimensions are rather concerned with "what" questions, it appears preferable to keep Governance as a separate dimension. It is hereby recalled that the place of the Good Governance dimension was subject of debate already in 2009 SAFA consultations and FAO decided to retain it as a cross-cutting dimension, which is actually an evolution of what was defined as the Institutional dimension by the UN indicators system for Agenda 21, entitled Indicators of Sustainable Development: Guidelines and Methodologies[3].

In revising the Guidelines, consideration will be given to integrating and reshuffling categories, especially with a view to simplifying the Guidelines' use.

3.7. Comments on the sustainability categories

[2]http://www.maweb.org/en/Reports.aspx#
[3]http://www.un.org/esa/sustdev/natlinfo/indicators/guidelines.pdf

Numerous comments were received on the 24 sustainability categories of the draft SAFA Guidelines. The bulk of these contributions referred to categories in the "Environmental Integrity" dimension, while the "Good Governance" dimension did not receive much feedback. This bias most likely reflects the completeness of the draft; the text sections on governance were still in a very preliminary state and thus, difficult to comment on.

At this point, we would like to thank all E-Forum participants who constructively criticised the category protocols and made numerous recommendations for improving the text. As presenting all suggestions would go beyond the scope of this Report (and all are in any case reported in the SAFA Forum weekly summaries), only some highlights are cited below.

Climate: increasing resilience of production systems to climate change and taking mitigation measures should be part of the goals in this category.

Soil: discussions on soil were centered on nutrient efficiency (and how to measure it for nitrogen and phosphorus) and fertilisation on the one hand, and the question whether sustained high yields are a good indicator of soil fertility and of sustainable soil use or not. Diverging definitions of what is sustainable soil use were brought forward. It was recommended to mention the detrimental effects of pesticides and other toxic substances not only in the biodiversity category, but also in the soil and water categories.

Waste: this category might be integrated into the Material Cycles category. Its scope should be widened to include food waste and losses.

Biodiversity: major revisions of this category protocol were requested, including explicit reference to the CBD Strategic Plan for Biodiversity 2011-2020 and the Aichi targets, a stronger focus on the landscape level, and inclusion of information from more recent documents such as the Global Biodiversity Outlook 3.

Animals: very detailed technical suggestions were made concerning the contents and wording of this category, such as a better definition of animal welfare conditions and undesired zoo-technical manipulations.

Economic resilience: whether economic sustainability really is just "the business of staying in business" should be carefully reconsidered.

Operating profit: definitions such as cash flow need to be more precise. The first goal should also include the requirement to make investments in improving sustainability performance in the long term.

Decent livelihood: this category should not only refer to wages, but also to the capability to fulfill one's needs. The capability approach of Nussbaum and Sen was suggested as a basis for the category. Further aspects, in particular inequality, could be added.

Human rights: this seems too wide a title, and narrowing the focus to labour rights would be better. The new UNEG Handbook on 'Integrating Human Rights and Gender Equality in Evaluation – Towards UNEG Guidance' is likely to be a valuable source for the further development of category protocols in the social domain. In the food and agriculture sector, the implementation of the Right to Adequate Food is an essential component of human rights.

Equity: a wider focus of this category than the present one, which is strongly focused on gender, was requested. For data collection in the SAFA context, which may be problematic for this and other governance topics, collecting the opinion of third parties (e.g. local civil society organisations) was suggested.

Participation: not only participation as such, but also its quality, i.e. the nature of relationships, should be rated. Maybe employee satisfaction would rather be a good measure, with participation being only one means to achieve it. Several contributors recommended to generally put more emphasis on the cooperation of stakeholders in the Guidelines.

4. Conclusions and Next Steps

We draw these general conclusions from the E-Forum and envisage the following next steps:

- E-Forum enrolment, contributions and feedback received also from outside the E-Forum reflect that there is much interest in SAFA, in multilateral institutions, sustainability initiatives, national ministries and industry. More opinions must be sought from farmers, food companies and the global South.
    - This shall be achieved by contacting further stakeholders after the revision of the Guideline text and by organising pilot implementations of SAFA; the results of these will be presented by May 2012.
- The goals and purpose of the SAFA Guidelines have to be refined and rephrased to prevent misunderstandings, in particular the interpretation of SAFA as being a new indicator set.
    - To this end, the process of applying the SAFA Guidelines will be described in a clearer and more concise way. The phases of the application process will guide the structure of the core text of the Guidelines (see below). Specifically, the importance of first drawing on existing data and applying existing indicator systems and then filling gaps with additional indicators (that meet requirements specified in the Guidelines) shall be worked out more clearly.
- The text of the SAFA Guidelines must be condensed and organised in a more accessible way.
    - The structure of the text will be re-organised and the introductory parts shortened by the end of March 2012. In particular, the sections on purpose and principles of the Guidelines, on their practical application, and on the sustainability categories and suggested indicators will be separated more clearly. The first two of these shall comprise the actual Guidelines and be no longer than 10 to 15 pages.
- The set of sustainability dimensions and categories should be revised.
    - The structure of the social, economic and governance dimensions was questioned by some forum participants and will thus be subject to further amendments. Some sustainability categories (e.g. Material Cycles and Waste), may be fused into a single category to reduce complexity of the category set. Furthermore,

sustainability categories and goals will be attributed to steps of the value chain, sectors and types of enterprise, so not every user is confronted with the complete set of categories. This task shall be accomplished by the end of March 2012.

- The texts of the sustainability category protocols need to be revised and completed, taking into account the literature sources and standards brought to our attention by the forum participants.
    - This will be done by the end of May 2012. The support of experts on the respective topic will be sought during text elaboration.

Further steps for SAFA development and implementation will be made publicly available during the second half of 2012. We will invite, *inter alia*, suggestions on:

- a possible cooperation of FAO and other institutions and initiatives in providing and maintaining SAFA;
- how to ensure the continuous improvement of the SAFA Guidelines by collecting inputs from all interested stakeholders; and
- whether and how to provide a database or platform serving the knowledge exchange and capacity building of SAFA users.

Looking forward to your continued interest in this collective undertaking, stay tuned!

ANNEX

Summaries of the 2nd SAFA Discussion Forum

(23 January – 17 February 2012)

Week 1 Summary

Many thanks to those who have registered at the 2nd E-forum on SAFA. Active participation has yet to take off, we hope that after having read or scanned through the materials provided to you this week, we could start a livelier discussion next week. We have received some interesting comments and suggestions last week, including:

Question 1 (Sustainability categories and indicators)

Identifying gaps in specific indicators (below, in brackets) concerned:

- wording (e.g. "number of *rare* livestock and plant species")
- unclarity (e.g. "habitat diversity", "share of sustainable energy supply")
- focus (e.g. instead of "stocking density" of livestock, species density; the focus only on explicit discrimination could be limiting with regards to "recruitment" - rather (or as well as) focusing on incidences where discrimination can be proven it could be useful to have an overall measure on the people recruited (gender, age, ethnicity etc.)
- improper benchmark (e.g. related to "soil degradation risk", the benchmark should be a natural undisturbed, active and productive soil, not the regional average as that may well be already degraded; related to "energy efficiency", the minimum requirements seem far too demanding and the analysis to work out what all these measures are may be unfeasible. Perhaps better to relate to known or locally available/implemented good practices, so benchmarking against local practices.)
- incorrect way of measuring indicators: e.g. related to "soil fertility enhancement", production improvement is not a good indicator for soil fertility, since it can be easily boosted with N fertilizer; related to "regional employment generated", not only the quantity but also the quality of those jobs should be considered).

The biodiversity and soil sections were especially criticised and was suggested to be rethought and rewritten. Also, it was proposed to have all information disaggregated as far as possible by gender and age (adult/youth/children) to enable an adequate appreciation of equity issues.

Some aspects were mentioned as missing:

- indicators: positive indicators, showing increase of soil biodiversity, soil life, soil organic matter; indicators measuring not only "accessibility to disabled persons", but also the number of disabled people employed; an indicator looking at the presence of personnel development programmes/ trainings/apprenticeship targeting youth;
- encouragement and support for individual organisations to promote and work in partnerships: both with the communities dependent on agriculture and with other organisations working in common agricultural landscapes;

- an additional dimension that assesses the level of resilience of the agricultural landscape the organisation is sourcing from and the level of partnership or collaboration that is taking place between stakeholders to mitigate risks to the resilience of the landscape;
- a distinct separation between organisation activity/impact and operating environment context, which would provide greater clarity and easier prioritisation of activities to achieve the vision and long term goal.

Question 2 (Minimum sustainability requirements)

Regarding the identification of a minimum sustainability requirement, in general, only one suggestion was put forward, i.e. the simplification of best sustainability practices so that they include identified best practices for a specific geographical location (and not taking sectoral regional averages as best practice). A hierarchy approach was proposed to be used for environmental risks thereby off-setting the minimum performance requirement with best practices.

Question 3 (Aggregate sustainability analysis)

Individual farm basis is not practical and multi-country combinations obscure transparency – instead, large companies are suggested to approach the sustainability analysis on their supplier base, segregated by national level and record whether the assessment is on a national basis for multiple products or multiple reports for similar products for single countries.

Question 4 (Database)

Yes to a database, with information grouped by geography and sector rather than by company. FAO was suggested as to become the custodian of a database.

Miscellaneous

In addition, specific reference was made to look at:

- the CBD Strategic Plan for Biodiversity 2011-2020
- Global Biodiversity Outlook 3
- the Aichi targets
- GBEP sustainability indicators for bioenergy
- Sedex database (Supplier Ethical Data Exchange)

Week 2 Summary

Many thanks to those newly registered at the 2nd E-forum on SAFA, bringing it to a number of above 360. We have received many valuable comments and suggestions last week.

Some of the questions asked have been answered by Jan Grenz. In general, clarifying the use and benefits of SAFA and strengthening its procedural nature was highlighted as the biggest need. To this end, a **FAQ** was uploaded on the website (you can find it among the E-forum documents in the right column), including information on who can apply the Guidelines and for what purposes (also described in section 3 of the draft Guidelines). Furthermore, several people asked us about the relation between SAFA and existing tools and

systems. At the moment, sustainability indicator sets are virtually mushrooming (SPA by SAI Platform, BASF's AgBalance, COSA, RISE, etc.), however **the aim of FAO is not to create another indicator set, but to to establish a common denominator for all interested parties** by

- supporting the development of a common language on sustainability,
- clarifying the categories relevant for sustainability in agriculture and food systems,
- clarifying the minimum requirements for claiming sustainability, and
- providing a generic frame that helps identifying gaps in sustainability management.

Question 1 (Sustainability categories and indicators)

- Some indicators contradict each other and the free choice of indicators may lead to greenwashing;
- linkages between some indicators should be made explicit in cases where adverse effects may arise;
- some criteria have to be assessed in a national context (e.g. child labour should be banned only if given complementary measures are implemented);
- certain "core criteria" for sustainability assessments is required, and it should be more procedural on how to find the adequate indicators based on such core criteria;
- regarding "participation": the quality of participation should be at focus not to increase inefficiency by useless participatory circles. Increasing employee satisfaction was recommended as indicator instead of participation since this later is merely a means to achieve that;
- similarly, wage level is only one aspect of "decent livelihoods";
- explicit mentioning of food waste and losses was recommended.

Question 2 (Minimum sustainability requirements)

- the minimal requirements need to become much more specific, detailed and strong to avoid greenwashing;
- business as usual seem to conform SAFA particularly in the economic aspects, where many minimal requirements refer to the "regional average";
- coding minimal requirements in a per unit output metric may favour reductionist approaches if not combined with a clear demand to account for linkages between indicators (maximising on one indicator is always easier than optimising along a broad range of indicators);
- minimal requirements should not exclude players from the value chain, also they should be tailored to players: implementation of such requirements needs to account for the differences between smallholder farmers and large scale industrialised agricultural producers;
- for each requirement, a best practise should be defined on three different levels 1) legal compliance and a good understanding of the issue, 2) first level + additional requirements, 3) second level + additional requirements.

Question 3 (Aggregate sustainability analysis)

Some questions were raised: Should the statistically relevant assessment – that one participant mentioned - be extended to cover e.g. environmental aspects? If yes, are there any suggestions or practical experience concerning the selection of a sample of suppliers for such an assessment? Statistics provide guidance, but how to ensure that the assessment remains feasible at a reasonable price?

Question 4 (Database)

The Sedex database was mentioned for consideration as a model (which has been already done during the Guideline development).

Miscellaneous

- the title seems misleading: the assessment is for companies rather for 'systems';
- there is a need to make dimensions of sustainabilty more visible in order to enhance acceptance of the tool;
- the Guidelines document is too long and complex and difficult to access for a broad public;
- further recommendations included: Flex Fertilizer System and the Fertilizer best management practices (FBMPs).

Week 3 Summary

Many thanks to those who shared with us their views and comments on SAFA last week. We have received many helpful and specific suggestions, including:

Question 1 (Sustainability categories and indicators)

- too many indicators and for most of them a lot of data need to be collected;
- the term "all technically and economically feasible measures to enhance energy efficiency ..." leaves much room for companies to argue why it was not technically and economically feasible to enhance energy efficiency;
- the indicator on catalytic converters and particle filters is much too narrow – could be replaced by a more general "clean technology" indicator, i.e. percentage of vehicles and machinery that use least pollutant technology.
- vulnerability indicators overlap with profitability and liquidity indicators of operating profit; moreover, 'ratings' are not data needs but data interpretations, yet certain data is needed to rate a performance;
- only land use profitability is measured under “profitability of ecosystem use” - so either the indicator name should changed to land use profitability, or specification is needed on how to measure ecosystem use in fisheries;
- how does increased “labour profitability” contribute to sustainability? (replacing people with machines increases labour profitability, but this is not necessarily more sustainable); this indicator was suggested to be eliminated as the cash flow and the living wage indicator already assure high labour profitability;
- with the exception of the investment indicator, strategic management indicators are process indicators, so do not assess sustainability performance but how a company want to achieve it;
- contrasting an earlier opinion, “decent livelihoods” indicators were said to be sufficiently covered;
- indicators measuring greenhouse gas emissions were asked to be strengthened to aim at zero carbon emissions.

Question 2 (Minimum sustainability requirements)

- Some participants opinioned that for many indicators, the reference to a sector or regional average benchmark provides a fundamental scapegoat for companies that do not intend to improve the sustainability of their practices. Some indicators do not add anything to the legal minimum requirements, so how can they be regarded as sufficient for moderate sustainability performance?

- It was recommended that minimum requirements exceed the benchmark averages, because only that can initiate an upward spiral aiming at increasing sustainability throughout that sector and region. Thus it was suggested that the current ‘fair sustainability performance’ becomes the minimum requirements for a 'moderate performance’.
- Alternatively, instead of comparing indicators to average sector/region benchmarks, the scores of companies could be compared to their respective scores of the preceeding year. In this case the first assessment would be the benchmark, and the performance of companies is expected to increase each year by a certain percentage inspiring continuous improvement of sustainability performance at the company level.
- The current language in case of many indicators is neither consistent nor very useful: "equal to the regional benchmark" or "equal to the benchmark" or "equal to the sector benchmark" (unclear which benchmark is meant, who is setting this benchmark etc.)
- What is a regional critical level in case of soil erosion rates?
- What is a stable supplier, buyer and lender under vulnerability?

Question 3 (Aggregate sustainability analysis)

No comment.

Question 4 (Database)

- A fully operational region/sector benchmark database will take years to be created.

Miscellaneous

- Unclear or confusing 'definitions' (e.g. operating cash flow) and often unexplained or incomplete 'relevance of the subject'.

Week 4 Summary

During this last week of the E-forum, we have received a number of very constructive comments and contributions from participants. Some of you applauded the work so far invested into the development of SAFA. The following summary highlights the main inputs received, but not all specific comments received. However, all comments are seriously considered by our team for the revision of the Guidelines. The 2nd SAFA Forum Report will soon be made available.

Question 1 (Sustainability categories and indicators)

Generally:

- a set of indicators on each level of the value chain would be more useful than a long list of indicators - since not all indicators are equally suitable for all levels of the value chain, it is recommended to identify which indicators are suitable for the assessment of which levels;
- some noted that many indicators can be calculated by the companies themselves, others seem more appropriate to judge from the outside (e.g. human rights indicators) - others suggested to consider indicators that are within the scope of a producer's ability to control (capturing the producer's impact on a particular indicator rather than penalizing or rewarding them for forces outside their control);

- simple, measurable indicators are needed, presently there are some indicators which are not measurable, e.g. "emissions of air pollutants" or "pollutant concentration";
- the user selects is not a proper approach, since what criteria would he or she use; one participant suggested instead that either (a) the farmer/system/company can indicate the type of produce/activity and maybe other contextual factors, and on that basis pre-selected indicators are recommended; (b) organisations/specialists/extension workers recommend indicators for their constituencies; or (c) combination of both.

Specifically:

- scope of indicators: the two categories 'material cycle' and 'waste' was suggested by several participants to be combined; “profitability of ecosystem use” presently only covers land, not ecosystems in a comprehensive sense; the title “human rights” seems too broad as indicators cover work related aspects of human rights only;
- missing indicators: e.g. landscape (it may be combined with biodiversity), capital profitability;
- language: mention livestock specifically in the relevance of the subject under water;
- lose definition: e.g. nutrient use efficiency;
- soil indicators: the language around soil fertility is excellent and the indicators well chosen; productivity is not a good indicator of soil quality and the notion that soil fertility enhancement is inherently negative is wrong; the metric should be tons of soil loss per hectare-annum, benchmarked to regional averages, with reduction goals to approach T (90% of T at least) as a no-action level.

Question 2 (Minimum sustainability requirements)

- In case of water indicators, require the development of short and long-term water supply scenarios and management plans, including the possibilities for extreme events and rare incidences; regional should be defined as basin-wide;
- in case of animal indicators, minimum requirements should be “alterations avoided where possible, and no animals treated without precautions to prevent pain”;
- carrying capacity is not adequately robust to define thresholds of metrics across all the indicator categories - the mechanism for threshold (benchmark) development should be more inclusive and comprehensive;
- it would be better to implement an incentive system such as "best of class", "process-oriented", which would diminish the importance of the minimum requirements;
- the concept of a single best practice will require either unrealistic capital investment requirements or selecting an optimum average, thus it was suggested that best practice for each specific location is identified by relevant stakeholders;
- regarding a “per unit output” metric: an absolute (i.e. total consumption) indicator for a crop or livestock enterprise per unit area needs to be identified and assessed against a potential capacity of the landscape where the crop or livestock is produced;
- each sector should be responsible for committing to open, transparent, science-based benchmarking of cardinal metrics (air, water, soil, energy, climate, biodiversity, social), assessing potential for achieving goals, implementing strategies, monitoring progress, and communicating on annual and 5 year cycles status of each metric.

Question 3 (Aggregate sustainability analysis)

- aggregation seems difficult if the company is active in several countries with different legal bases and diversified sectors – it would be hard to justify that bad results in one country may be offset by good results in another.

Question 4 (Database)

- one participant questioned the need for a database, but rather that the people/companies/farmers who are in the same region and have applied SAFA, interact with each other.

Miscellaneous

- the objective approach of SAFA should be defined better
- develop standard models for different classes of companies
- the title 'Guidelines' does not set well since the document is rather a set of indicators showing a status quo
- sustainability goals are often too vague and subjective (e.g. in case of material cycles and energy)
- best sustainability practise should be changed to best sustainability performance
- the timelines for each metric should be based upon local risk factors by metric within each category; larger impacts (e.g. GHG reduction and habitat restoration) may have longer reporting periods for implementation and effectiveness
- reference was made to the following resources, approaches and documents:
  - Field to Market (FtM) Fieldprint Calculator (www.fieldtomarket.org)
  - Land Use Change and Agriculture Program of IIASA (LUC) and the FAO provide the Harmonized
  - World Soil Database (http://www.iiasa.ac.at/Research/LUC/External-World-soil-database/HTML/index.html?sb=1)
  - Alliance for Water Stewardship
  - report by the UN Special Rapporteur on the Right to Food on contract farming, at: http://www.srfood.org/images/stories/pdf/officialreports/srrtf_contractfarming_a-66-262.pdf