

REPORT

10th Anniversary – General Assembly 2012

May 2 – May 4, 2012
Hotel Ermitage, Evian, France

The 10th Anniversary of the Sustainable Agriculture Initiative (SAI) Platform was celebrated by 30 member companies in Evian, France in a 3 days meeting, where they discussed the challenges and opportunities related to sustainable sourcing, and ways for the food chain to address them.

The aim of SAI Platform is to support agricultural practices and agricultural production systems that preserve the future availability of natural resources.

Hence, SAI Platform's most important task is to make scientific research as well as practical knowledge in the field of sustainable agriculture available to the members of the platform and to actively communicate about all relevant aspects of sustainable agriculture to different stakeholders.

Day 1 - Wednesday, May 2: Executives Event

The Event was opened by the founding members of the SAI Platform, Peter Brabeck-Letmathe, Chairman, Nestlé; Marc Engel, Chief Procurement Officer, Unilever; and Emmanuel Faber, Co-Chief Operating Officer, Danone.

Peter Brabeck-Letmathe, Chairman Nestlé welcomed all participants and recognized the steady progress and achievements of SAI Platform and its active members over the past 10 years. He urged them to continue strengthening the voice of SAI Platform which is now seen, heard and understood by the public and corporate sector as a credible and influential one. [See Presentation](#)



He focused his opening speech on the most urgent issue – global water consumption and its shortage which directly affects agriculture sourcing and production. He emphasized that *'there is no agriculture without water and there is no future without sustainable agriculture. Agriculture must become fully sustainable otherwise agricultural processes of natural resources cannot continue as they do now.'*

By 2030, the demand for water is forecast to be 50% higher than today, and withdrawals could exceed natural renewal by over 60%. Agriculture is responsible for 70% of water. While the productivity of the agriculture sector was increased, this also came at a high price: environmental degradation, unsustainable farmer practices, overuse of soils, input of fertilizers all led to water pollution – an unsustainable situation.

Most critical challenges and opportunities facing agriculture today as defined by Peter Brabeck:

1. Water in agriculture (long term efficient water consumption)
2. Waste reduction in agriculture (food wastage – up to 50% of all the food that has been produced (in both developing and developed countries). If we could diminish food waste, we can save 1350 m³ of water out of 4200 m³)
3. Sustainable intensification of the agricultural production system

Peter Brabeck concluded by reminding active members that whatever they will do on behalf of the SAI Platform must be done on pre-competitive topics and based on transparency - using open communication, respecting all food systems and different types of stakeholders.

With more than two-thirds of the world water being withdrawn by agriculture, food security is at stake. Peter Brabeck is convinced that sustainable intensification is a long-term solution to these problems – he urged active members to start using natural renewable resources, without wasting, polluting and without destroying the soil. He suggested to members to get together and get involved in solving the world's water crisis if they want to successfully continue feeding the growing population. This way, he sums up *'together we will be able to feed a 10 billion-strong population on this earth'*.

Marc Engel, Chief Procurement Officer, Unilever congratulated SAI Platform and its active members with what had been achieved so far in the past 10 years, especially when working in and respecting the pre-competitive environment. [See Presentation](#)

Unilever has been part of few sustainable initiatives from which they have learned a lot, i.e. Certified Sustainable Palm Oil (RSPO), Marine Stewardship Council, RTRS, Sustainable Food Laboratory, and the SAI Platform.

The company was particularly affected by the Marine Stewardship Council work and vision, and it was in 1985 when it boldly decided that by 2005, 100% of fish it buys will be sustainably sourced. Ten years later, the company is able to sustainably source only 60% of the fish, and as Marc Engel puts it, this is because simply they do not have all the answers available.



Unilever committed to 3 goals to be achieved by 2020, as specified by Marc Engel:

1. Help 1 billion people improve their health & well-being
2. Halve environmental footprint of Unilever products
3. Source 100% of agricultural materials sustainably

Marc Engel also underlined the importance of 'responsibility across the whole lifecycle', stating that Unilever focuses on lowering their water and energy footprint in the whole value chain: 26% towards raw materials, 3% into manufacturing, 2% into transport, 68% into consumer use, and 1% into disposal. Of course, the big challenge is to trace the sustainable material, trace the supply chains and convert the tail of the cost-benefit equation of sustainable sourcing of more than 350 raw materials. Finally he mentioned that various challenges lie in the certification and verification of the sustainable products, as multinational and international companies must deal with different rules and rights for each country/continent.

However, with all the challenges in mind, he underlined valuable points each company can achieve if they act sustainably:

1. Inspire people
2. Earn consumer preference
3. Innovate products and processes
4. Develop markets
5. Realize cost benefits

Marc Engel saw the biggest challenge in changing consumers' behaviour towards sustainable food, as well as how can companies explain the issues of sustainability to consumers in a language they will understand and talks to them (making the case for the best practices in the consumers engagement while respecting the pre-competitiveness of the SAI Platform).

He warned that *'every type of agriculture does not grow in every place'*. For this reason, it is very important that we will have the right crops growing in the right places. Successful agriculture can really make a big difference; setting examples for governments that can then turn them into policies.



A welcome speech by a pre-recorded video was given by **Emmanuel Faber, Co-Chief Operating Officer, Danone**, who underlined four most important issues for Danone with regards to agriculture: economic, social, nutritional and environmental issues. He highlighted a critical role the food business plays by having the ability to transform the agriculture practices of tomorrow.

[See Video](#)

In the afternoon of the same day, panel presentations and discussions featured some of the Active members.
[See Presentations](#)

Jean Bernou, CEO McCain Foods Continental Europe kicked-off with a statement on what sustainable sourcing means for McCain Foods: *'Without potato there is no McCain Foods; without the growers, there is no potato; and without growers there is no McCain Foods.'* Sustainable sourcing for McCain Foods relates to products which are produced on the farms. McCain Foods needs to be able to demonstrate where the products come from all the way through the value chain. The quality of the potato is the priority for McCain Foods, with the objective to cultivate potato with a minimum effect on environment.

In its sustainability strategy, McCain Foods focuses on the most important domains: 1) environmental sustainability (water, bio-diversity – an indicator of the healthiness of the system, soil and carbon footprint), 2) farming communities' economic sustainability, 3) rural communities. Their strategy is applied to farmers, i.e. they communicate to them how they can use water in a responsible way, or how they can use the right amount of the water at the right time, using the fact that the farmers themselves have the ability to implement these insights in their own environment.



Jean Bernou concluded that McCain Foods is on a good way to reach its objective of sourcing sustainable potatoes by 2016; however, they need a support help from the SAI Platform, particularly with building recognized certified standards - a tool to measure certification in different countries and markets.



The next speaker was **Thad Simons, President and CEO, Novus International** - a company which produces nutritional supplements for the livestock industry. Thad Simons highlighted the fact that although his company offers various technical innovations and opportunities to increase the efficiency of their clients' business, their challenge lies in the fact that most of the farmers do not apply these innovations. For the past twenty years, Novus' vision has been working with customers to achieve higher quality of food, by using tools and technologies which optimize the amount of nutrients that can be extracted from the soil.

He further highlighted that all groups of different stakeholders must work together to design and implement solutions and cooperate to close the sufficiency gaps – i.e. how can we have the technology exchanges, incl. knowledge between companies and the farmers, so they could improve their productivity?

Dr. Rhona S. Applebaum, PhD, Vice President, Chief Scientific & Regulatory Officer, The Coca-Cola Company focussed her comments on scientific research. She suggested borrowing the concept of translational science as applied in the health and wellness industry and making the topic of sustainable agriculture and sourcing more understandable to farmers as well citizens and policy makers.

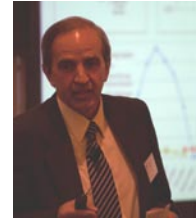
Rhona Applebaum kicked-off by stating that SAI Platform will (and should) take members into the future, in terms of both sustainable agriculture and sustainable sourcing. *'Agriculture and sourcing is at the heart of the sustainability challenge'*, she said. However, while sustainable sourcing is first and foremost underpinned by sustainable agriculture, it is also affected by factors linked to the supply chain, carbon emissions, but also water and soil usage. She advocated a holistic approach taking into account all ecological, economical, social and philosophical (ethical) aspects.



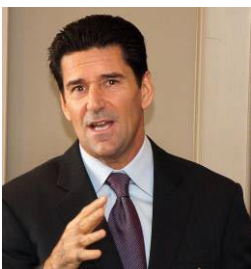
She highlighted the fact that The Coca-Cola Company is focusing on the sustainable sourcing systems, which need to be environmentally sound, of excellent quality, be source conserving, resource positive, socially supportive and economically viable. She also reiterated the fact that The Coca-Cola Company recognizes the challenges that are linked to sustainable agriculture and sourcing and sees the need to work with industry, suppliers, farmers, and all types of stakeholders at all levels. In this regard, she called for transparent, truthful and authentic communications and working together not only with industry, but also with the governments and civil society (term coined as golden triangle).

Rhona Applebaum concluded that The Coca-Cola Company's business can only be *'as healthy as the communities in which we serve, and in which operate. This means that healthy, sustainable supply for The Coca-Cola Company is the key, it is what we need; it is critical for our business and it is what continues to define our brand.'*

Farmers were represented on the panel by **Doug Young, owner of Spruce Haven Dairy Farm in New York State** and an active member of SAI Platform. Doug Young set the scene by asking the members and SAI Platform a few questions – can farmers be sustainable by 2014? How can I transform my farm from what it is to what it should be? Where can I get help with that? How can you get the farmers to change? He urged the companies which cooperate and work with farmers to encourage them to implement sustainable practices – and fast.



Another farmer representative was the inspirational **Leontino Balbo, Director, Balbo sustainable sugar-cane production group in Brazil** who told the story of his company, which took 22 years to be completely sustainable. Partnerships with universities and more than 10 different qualified institutions were necessary to conclude official research study and the project, and invest in superior technologies. The system is based on phenomenology (ecosystem revitalizes agriculture) – a way of agriculture that simultaneously produces and revitalizes live organisms contained in the eco systems, by focusing on ‘live cycle as a whole’. The final results (beside production) are 20% higher yields, 30% of water savings, 35% less carbon emissions and huge recovery of bio diversity.



Firstly, the company created their first, own Brazilian harvester (for green cane). When they harvested green cane (instead of burning), they spread the remaining trash on the soil. This way, they created a special soil and a different environment (a result of exposing soil to UV). Then, instead of composting of the plants, they decided to compost - enrich the soil (as ultimately the soil fed the plant). By doing so new organisms were cultivated –this took 8 years to prepare (in the meantime, soil could not be burned). Herbicides (ant’s own) were added to the soil in order to for the ants not to disturb the plants. Million trees were planted in order to keep the level of water in balance. The soil and environment which was created is now natural, bio-diverse, providing a good food chain for Brazilian wild life and generating good conditions for wild life multiplication. Balbo Group now produces 100% sustainably sourced cane (certified organic) at the cost of normal cane.

Conclusions and the future role of SAI Platform were provided by **Vincent Crasnier, Environment Director, Danone**, and member of the SAI Platform’s Executive Committee. Vincent Crasnier started with the quote borrowed from Marc Engel: *‘What matters is the journey. But the setting the target will provide the momentum.’* He continued to share the key ingredients for the success of SAI Platform by 2020, specifically calling for the organisation to continue with its successful development journey. He summed up with questions directly intended for the internal discussion between SAI Platform members.



[See wrap up presentation](#)



Day 2 - Thursday, May 3: General Assembly



Thursday morning's session was opened by **Ghislain J. Pelletier, President of the SAI Platform**, sharing observations during the conference: *'while the word sustainability is now also picked up by consumers, they are also confused by what it means.'* He suggested that this issue should also be tackled by SAI Platform (creating fact sheets with specific messages what sustainability actually is, etc.). He also touched upon certification and many different types of labels being used on behalf of sustainability (i.e. Fair Trade, Organic, and Sustainable etc.) and urged active members to be aligned on the main message they are sending – what sustainability is and what it means for them.

[See Presentation](#)

He summed up with an advice to members: *'Time is moving fast for you. Together, you need to come up with more conclusive actions and strategic directions.'*

In the next session **Hans Jöhr, Corporate Head of Agriculture, Nestlé and Honorary President of SAI Platform**, kicked-off the discussion by talking in detail about what the journey of SAI Platform meant for him: a learning process, and a journey through which he realized that *'we (Nestlé) also do not know, but we are learning'*.

He highlighted one critical issue for which he urged SAI Platform to take a strong stand: the one of food security and nutrition. He highlighted the fact that unsustainable practices still continue and that there is a need for more training – something the SAI Platform could perhaps start facilitating?



Hans Jöhr concluded that alignment in value chains is crucial – without alignment, we create more waste, we create wrong consumer incentives and we do not remunerate the farmers for changing their practices. In this regard, he urged SAI Platform to be the support board for its members and help with the alignment tactics and techniques.

Tony van Leersum, Ambassador for the SAI Platform, congratulated SAI Platform on its developments and hard work over 10 years and shared two personal priorities. 'I am committed to improving sustainability and agricultural practices in emerging countries like Ukraine and Eastern Europe; and I work with smallholders in developing countries, like East Africa, helping them to produce food under more sustainable conditions.

He too highlighted the fact that no matter what region, country or continent, there is no 'one-size-fits-all' approach: we cannot change nature and therefore, certain crops cannot grow in certain places. We need to educate politicians on what can be done sustainably. And in this regard, SAI Platform now has the credibility to influence policy makers.

There is a tremendous role for the SAI Platform to help improve the lives of the smallholders in Africa. He also highlighted that there is 'low hanging fruit' in Egypt, and Turkey, where food producers are already aware how to get to the market.

Tony Worth, EISA's Chairman, farmer and member of the Advisory Council, congratulated SAI Platform on the successes and developments so far. He kicked off by saying that *'farming is a long-term business'*, and we need to hand over our knowledge and assets to the next generations. He specifically pointed out the term of 'integrated farming', a concept which was developed in the mid 1990s, which provides a framework on how to run a farming business. It allows a farmer to compare results from the current year with the previous year and aims at continuous development.

He also mentioned his cooperation with LEAF (Linking Environment And Farming), an organization based in the UK, which promotes environmentally responsible farming. Apart from helping farmers produce good food, with care and to high environmental standards, LEAF also enables them to compare their results from last year and between each other and make these results visible to the general public. Other public activities include Open Farm Sunday, Let Nature Feed Your Senses and year round farm visits to their national network of Demonstration Farms. Tony Worth called for a balanced approach to sustainable farming, stating that many companies are sustainable in one part of their business, but not sustainable in all parts.'

Being a farmer himself, he also touched upon the issue of SAI Platform's visibility toward farmers in the UK. He stated that not many farmers in the UK are aware of the SAI Platform and pointing out that SAI Platform is 'virtually unknown in the farming industry in the UK'. While he was impressed by the number of papers, studies and factsheets SAI Platform produces and makes available on their websites, he maintained that he could not see how these documents can help farmers in the UK become more sustainable.

Tony Worth emphasized the fact that it is the 'culture of farming' that needs to change, together with farmer's mentality and habits in farming, in order for agriculture to become more sustainable. And to change farmers is not an easy task, as farmers do not like to change. He reasoned that farmers need to be 'incentivised' if they were to change their habits – they need to be shown a new route to a market or be given a monetary reward (or preferably both), they need a system to work with, to help them change – something that SAI Platform could help with. He concluded that 'if SAI Platform is serious in supporting sustainable agriculture', they should endorse and support their work with one voice, promote it publicly and with stimulate incentives for farmers by food processors'.

The final input for the 'Rolling up our Sleeves' discussion was given by **Chris Brown, Head of Ethical and Sustainable Sourcing, ASDA** and also a member of the Advisory Council, who argued that the 'term sustainable is being used very broadly'. He further pointed out that we must use precise terms and develop simple and easy metrics to be able to demonstrate our results in sustainable agriculture. He emphasized the importance of the SAI Platform, which in his opinion gave many brands an opportunity to drive things forward in a pre-competitive area where brands could collaborate and share information. He concluded that it will be very difficult for any brand to become fully sustainable and to be able to fully source their products if they don't engage with farmers and get familiar with their farming practices.



Andrew Seidl, Head, Global Economics and Environment Programme, IUCN, stated the environment community has changed position towards the private sector: from a pessimistic doom approach to a positive "we are all part of the solution". He pointed out that there has always been a miscommunication between the governments and environmentalists, highlighting the fact that he spends half of his time convincing governments that nature is important and other half of the time convincing environmentalists that economy, markets, corporations, profits and governments are not evil. We must recognize that if we don't have the private sector on board, we cannot solve the global problems. In this regard, IUCN decided to focus (for the next 30 years) on four most important areas : food, fuel, water, biodiversity. And while the IUCN understands that communities and industry have enormous dependencies on these areas, they decided to value them, capture them, analyze them, and explore different opportunities within these areas (from the producers perspective).

Finally, he concluded that perhaps it is the landscape scale management that we should focus on. 'Perhaps we should not be talking about the sustainable reforming but about sustainable landscape management. And if we do that then we can create opportunities which are more robust and resilient, and in the long term more profitable for the farmers and stakeholders.'

Jeroen Bordewijk, Ambassador for the SAI Platform, invited companies to participate more actively in WG activities.

He said the good news is that consumers are picking up sustainability, but the bad news is that they are confused about it. If companies go out talking about sustainability, they must talk the same language. Civil society (NGOs) are putting pressure on standards. Is that what we want? How do we make sure we avoid proliferation of different standards? We must act fast.

It takes a long time to get things moving, especially with governments. Cooperating with NGOs made it possible to put issues on public agendas. SAI Platform needs to work with NGOs if they can add value. There is not enough critical mass nor credibility yet to approach governments. A way to do it is with NGOs.

After the speeches, the **formal part of the General Assembly 2012** started. The antitrust caution statement was read by Peter-Erik Ywema, General Manager, SAI Platform (the official minutes are covered in a separate document). The quorum was reached: out of 33 Member Companies with voting right, 19 were present at the meeting.

Members approved the [2011 GA Minutes](#), the [Report of the President 2011](#), and the [Report of the Treasurer](#), who was entrusted with the control of the SAI Platform accounts for 2011.

The executive committee members were discharged of their responsibilities and stepped down after one term (two years) of service. Ghislain Pelletier stepped down as President but declared to be available for the Executive Committee for a next term. Also Ernesto Brovelli and Vincent Crasnier re-applied. Thomas Ingermann and Sikke Meerman did not re-apply and were thanked for their contributions. Frank van Ooijen of Friesland Campina, Carol S. Kitchen of Land O'Lakes, Nathalie Richie of Kraft, and Dirk-Jan de With of Unilever candidated as well. The General Assembly unanimously elected all candidates to the Executive Committee.

Dr. Ernesto A. Brovelli, Senior Manager of Sustainable Agriculture of The Coca-Cola Company was proposed by the newly elected Executive Committee as the new President of the SAI Platform. He was elected by unanimous vote of the Active members present at the General Assembly for a 2-year long term. Vincent Crasnier was elected as the Vice-president and Carol Kitchen as the Treasurer.

The [Year Plan and Budget 2012](#), the [Revised Strategy](#) and the [WGs' Roadmaps](#) were unanimously approved.

An inspirational 'Walking the Talk' session focused on the successes of members working within 6 different working groups: beef, coffee, dairy, fruit, arable & vegetable crops, and water & agriculture. The most important take-away from the working groups is that they all have their individual work programs up and running. The arable WG focuses on financial aspects of sustainable farming; the beef and coffee WG on climate and GHG calculations; the dairy group actively participates in global dairy sector networks on a wide range of topics, the fruit group discusses the topic 'how/where to source sustainably?' and finally the water group elaborates on its strategic project with an appeal for further joined collaboration on the critical topic of water & agriculture.

[See Presentations](#)



Dr. Ernesto A. Brovelli, new President of the SAI Platform, expressed towards the members his commitment to making sure that further developments and productive meetings will take place under his leadership, with the goal of improving SAI Platform's effectiveness. He also recognized the need for the organisation to strengthen cooperation on sustainable agriculture and sourcing, taking note of the important achievements this cooperation has produced thus far. Finally, he called on all members to come together to create the future we all want by fulfilling their roles in the SAI Platform with full commitment.



Day 3 - Friday, May 4: Field Trip

On the last day of the event, the participants were invited to a field trip which included various stops and visits:

- Evian's spring
- Evian's 'impluvium' – i.e. the surrounding farming area where local authorities, farmers and Danone are jointly implementing sustainable agricultural practices to allow for a successful farming sector while fully protecting the spring in the meantime
- Evian's water bottling plant.

This was followed by a visit of the beautiful wetland named 'Pre Curieux' - reached by a solar energy powered boat.

