



## **Sustainable Agriculture Business Principles White Paper: Summary of Australian Consultation Workshops<sup>1</sup>**

In November 2013, the Global Compact Network Australia (GCNA) convened consultation workshops in Sydney and Melbourne to gather feedback from the Australian food and agriculture sectors and stakeholders on the UN Global Compact's Sustainable Agriculture Business Principles White Paper (White Paper). Representatives from companies, industry organisations, civil society and academia participated in the consultations.

The following is a summary of feedback received, which was incorporated into the UN Global Compact's global consultation process.

### **1. The perspective of farmers**

A key piece of feedback received was that the White Paper did not sufficiently take the perspective of farmers into account, both as the ultimate implementers of any Sustainable Agriculture Business Principles (SABPs), as business owners themselves and as key stakeholder and rights-holders.

*[Note: As a result of this feedback from Australia, the UN Global Compact confirmed that it would invite the World Farmers' Organisation to participate in its global consultation process – GCNA, December 2013.]*

### **2. A simplified structure**

The consultations also suggested that the structure of the SABP framework be simplified, so ensure that it is easy for companies and others to engage with and implement. As a general comment, it was suggested that it was not clear what the SABPs were actually asking companies to implement.

In relation to the sixteen factors identified in the White Paper, feedback suggested that these were problematic for a number of reasons: first, it was not clear how the factors linked with the outcomes in a practical way; second, it may not be possible to identify all relevant factors; third, some factors were 'action oriented' and others were merely descriptive of issues. A suggestion was made that relevant factors could be embedded in the actual principles, or be reframed as 'success criteria' for each principle.

### **3. Existing initiatives**

It was suggested that the SABPs should provide clarity around how they fit with existing industry/sector and other standards, principles and initiatives. It was noted that business and industry is moving towards more concrete indicators, with the SABPs needing to explain how these linked in.

Further, clarity is needed on how the SABPs fit within the UN Global Compact's ten principles, with reference being made to other initiatives as relevant (e.g. the UN Global Compact's other issue platforms (Women's Empowerment Principles, Children's Rights and Business Principles, GRI in relation to materiality)

### **4. Scope and definitions**

The White Paper does not define "agriculture". Clarity is needed around whether the SABPs are also intended to address: (1) aquaculture / aquatic systems (including sustainable fishing); and (2) forestry. It was suggested that the scope of the SABPs should consider including these.

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<sup>1</sup> Note: Since the consultation was held, the Sustainable Agriculture Business Principles have been renamed the Food and Agriculture Business Principles

## 5. Vision, business case and implementation

It was suggested that an upfront statement of intent or vision be developed, to clarify what the SABPs are seeking to address and what success looks like.

The SABPs need to also be clear on why and how businesses should adopt and implement them. What specific actions do businesses need to take? Can businesses sign up to the SABPs? If so, would there be a reporting requirement? If there is no reporting requirement, where does credibility come from? What is uniquely valuable about the SABPs for a business, as opposed to all of the other standards and initiatives out there? How does a business look to implement them (e.g. set a goal in relation to each factor, which will support achievement of the principles, and report on each one annually?).

## 6. Language

It was suggested that consistent language be used across all factors, as currently, some describe an issue, whereas others are action oriented. (In particular, suggest that “Optimal Use of Soil and Water” be changed to “Soil and Water”; “Managing Waste” be changed to “Waste”; “Protecting Children” be changed to “Protection of Children”.) It was also noted that there is inconsistent language as between the outcomes (some are approaches, some are objectives).

Further, participants suggested that the language used be positive rather than negative.

## 7. Specific Frames / Principles

### a. Be Environmentally Responsible

- Clarity needed on scale (system or farm?). As currently drafted, this is not something that a single business could achieve.
- Needs to take account of and be applicable for protein production, as well as crop production.

### b. Ensure Economic Viability and Share Value

- Clarity needed on what is mean by ensuring economic viability, given that business already does avoid activity that is unprofitable for itself.
- Consider incorporating developing the capacity of stakeholders including farmers.
- Stakeholder engagement is critical to this principle.
- Competition and sourcing policies are also important to sharing value.
- The SABPs should highlight the importance of businesses conducting due diligence in relation to their impacts on stakeholders.

### c. Respect Human Rights, Create Decent Work and Help Rural Communities to Thrive

- SABPs should emphasise the interconnectedness between agricultural systems, workforce, rural communities, producer well-being etc.
- Businesses could also contribute to strengthening the capacity of agricultural communities to determine their own futures.
- Making a distinction between businesses and farmers is problematic, as farmers themselves are running businesses.
- This Principle should refer to child labour, trafficked labour and migrant labour.

### d. Encourage Good Governance and Accountability

- Clarity is needed on what “be transparent” means (e.g. corruption, labelling, how companies deal with farmers).

- As a matter of ethics, it was suggested that the SABPs reflect the importance of large companies respecting consumer and producer choice.
- Impact assessment and due diligence throughout the supply chain are critical, and should be incorporated into this Principle.

**e. Improve Access to and Transfer of Knowledge, Skills and Technology**

- As technology is a means rather than an end, it was suggested that consideration should be given to whether this should be a Principle itself, or a means for supporting the other Principles.
- Focusing on investing in new technologies can divert attention from issues (e.g. there is sufficient food produced; key issues are distribution and waste, not necessarily the need to produce more).
- This Principle should recognise that knowledge, skills and technology are not just “top down”. Further, the importance and value of local knowledge (including Indigenous knowledge) should be referred to.

**f. Aim for Food Security, Health and Nutrition**

- The draft Principle is currently too broad; it is not a realistic goal that any business could adopt.
- This Principle should note the risks around farmers becoming moving away from producing their own food to become cash crop producers, and ensuring resilience at this level.
- Consideration should be given to grounding this Principle in the human rights to food and water, with recognition given to people in impacted communities (e.g. those living in communities near to land owned by or in a business’ supply chain, and the need for due diligence in this respect).

**8. Recognising the complexities**

More recognition of the complexities and interrelatedness of factors / outcomes / frames etc. would be helpful. Further, the SABPs should provide guidance around (or at least acknowledge) the difficulty of trading off between different factors (e.g. a company may be able to reduce water usage, but this will involve increasing energy consumption).

**9. Missing factors, frames, issues**

A number of missing factors, frames and issues were identified, including: stakeholder engagement; consumers; due diligence; responsible sourcing / traceability; pollution; management of resources; farmers; migrant workers; recognition of the right to food and water (as opposed to broad human rights statements); establishment of, and investment in, local markets (not just about getting producers into the global supply chains).

**10. Zoning**

In the Australian context, it was noted that as a matter of planning and zoning, it is important to ensure people have the “right to farm” by protecting agricultural land for agriculture.