What are supply chain initiatives?
History, drivers

Supply chain initiatives are an outcome of supply chain management. In 20th & 21st centuries, changes in business environment – globalization, proliferation of multinationals, joint ventures, strategic alliances, information technology -- contributed to the advent of supply chain networks and coordination among members in the network.

*Common business goals are a hallmark of supply chain initiatives.*
What are supply chain initiatives?

History, Drivers

**Historical background and context:**

- Supply Chain Initiatives – began early 1900s – assembly lines, re-engineering, downsizing
- Integration era (1960s-90s) – electronic information management brings focus on increasing value, cost controls, and integrating across supply chain
- Globalization era (1990s) – attention to global supply chain relationships to increase competitive advantage, reduce costs through global sourcing, markets
- Specialization era – (2000s) current era; advent of sustainable supply chain initiatives

The Jump to **Sustainable** Supply Chain Initiatives: The Impetus? What the literature shows.....


The ‘triple bottom line’ - Profit, People, Planet – is now commonly used to define the 3 pillars of sustainability, including for sustainable supply chain initiatives.

“**Consumers** are becoming more aware of environmental impact of purchases, and of companies ‘triple bottom line’ ratings, and, with **ngo’s**, are setting the agenda for transitions...”
Observations....

- The agricultural sector has largely been a target, not a full player – but, **everyone** in supply chain needs to be at table to inform decision making: what is possible? What works? What doesn’t work?
- Decision support systems are needed to incent change and innovation within the agricultural sector:
  - BMP’s
  - Cost-benefits of implementation (risks)
  - Tools, calculators, *models*
- Currently, multiple initiatives, multiple companies, multiple metrics, surveys > food & ag sector data fatigue. Need standardized metrics, data systems.

Process based on the Ontario Environmental Farm Plan
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Why Environmental Farm Plan Process

1. 20 year experience and trust by farm community
2. Show what we have done in the past
3. Prevent redoing already completed modules
4. Use existing infrastructure for training

The Three P’s

PROFIT
- Business management
- Succession planning

PEOPLE
- Food safety
- Animal welfare
- Social responsibility
- Employees/community

PLANET
- EFP plus greenhouse gas mitigation
- Mitigating climate extremes
- Phosphorous management
Governance

Final decisions made by farm leaders.

Steering Committee

Gord Surgeoner – Ontario Agri-Food Technologies*
Don McCabe – Ontario Federation of Agriculture*
John Maaskant – Farm & Food Care Ontario*
Scott Graham – President’s Council*
Lorne Small – Christian Farmers Federation of Ontario*
Alan Kruszel – Ontario Soil & Crop Improvement Association
Paul Uys – Former VP Sustainability - Loblaws
Cher Mereweather – Provision Coalition
Jim Richardson – OMAFRA
Patricia Tolton – AAFC

*Voting members
Working Group

Dave Armitage – OFA
Harold Rudy - OSCIA
Bruce Kelly – Farm & Food Care
Terry Daynard
Gord Surgeoner – OAFT
Cher Mereweather – Provision Coalition
Paul Uys – The Food Institute (University of Guelph)

Principles

1. Use existing systems wherever possible (e.g. animal welfare Codes of Practice, Global Gap)

2. Use Environmental Farm Plan to provide much of the data

3. Individual data belongs to farmer and can be transferred to other systems by the farmer

4. Context is critical
   • Reduced farm land
   • 4 million more Ontarians
   • Double exports
   • More local (import replacement)
   • Profitability is a must
Objectives

To begin the process of developing a (farm and food) Sustainability Plan that is recognized by the Ontario government and processors.

- Digital
- Better communications (beyond farm)
- New modules
- Ultimately national and global recognition

Environmental Farm Plan Expanded

1. Business Management (sustainability doesn’t exist without profitability)

2. - Greenhouse gas mitigation
   - Phosphorous management
   - Mitigation of climate extremes

3. - Animal welfare
   - Food safety
   - Social responsibility – employees/community
Target Audience

1. Farm Associations in Ontario
2. Buyers of our products (Provision Coalition)
   - Ontario and globally
3. Government of Ontario (Canada)

Concerns

- More paper to fill out
- Cost to producer
- We are already started down that road – proAction, GlobalGap, Sustainable Soy
- Reduce our standards
MOU

- Individual data protected (aggregate available)
- Ontario Farm Premise ID – no cost
- Audits voluntary
- Farm leaders – final data requirements
- Work with other platforms where possible
- Data can be transferred to other platforms

Next steps

1. Further engage Commodity Groups, pointing out that nothing is written in stone, but……

   a) Environmental Farm Plan will be stand alone in the Plans (enhanced - e.g. greenhouse gas mitigation)

   b) OSCIA will be delivery agent, building on existing infrastructure

   c) Our database (as envisioned) will be a ‘clearing house’

   d) We will meet or exceed internal standards

   e) Our goal is to reduce duplication and importantly, build on other programs that farmers may have completed (e.g. proAction, Sustainable Soy, GlobalGap).
Next steps

2. We must meet with NGOs, retail, senior bureaucrats and MPPs and provide them with copies of the book and explain what we have done on the environmental side and where we are going.

3. Funding - we need to
   a) Define a 5 year budget
   b) Define a pilot budget for near term
   c) Find matching sources of funding necessary to achieve total budget needs.

Key Differences

1. Whole farm sustainability
2. Working with our buyers (Provision Coalition)
3. Recognition of next generation
Conclusions

It is the beginning of a process.

Questions

1. Voluntary
2. Audits are business-to-business decision
3. Module requirements (final determination is by farm leaders)
4. Environment Farm Plan will be recognized component
5. We will meet or exceed international standards
Thank You

Questions?

www.sustainablefarms.ca

@FarmFoodBeyond