

## ***Charting New Waters:***

### ***Agriculture, the Supply Chain and Conservation Policy***

**July 12-14, 2011**

***Wingspread Conference Center, Racine WI***

#### **Executive Summary**

On July 12 – 14<sup>th</sup>, Future 500, in partnership with The Johnson Foundation at Wingspread, The David and Lucile Packard Foundation, the S.D. Bechtel, Jr. Foundation, and the Walton Family Foundation, convened an unusual assembly of 40 national thought leaders to develop and recommend key policy changes in US agricultural policy and to further water stewardship as seen through the lens of the 2012 Farm Bill. Participants, selected from agriculture, conservation, environmental, foundation, socially responsible investor groups, taxpayer constituencies, and private sector brand companies actively participated in the convening and gained unanimous concurrence on several key objectives.

#### **The overarching objectives for the Convening were to:**

1. Build and further relationships between a strategic and diverse coalition of stakeholders
2. Develop joint principles for market-based responses to US agriculture policy and water stewardship
3. Develop principles for policy changes through the lens of the 2012 Farm Bill and other policy mechanisms for better water stewardship, whole farm production and use of federal funds
4. Establishment of two or more initial working groups of members to continue engagement and fuel policy direction (other groups will form from this effort)
  - a) A working group on policy issues focused on return on investment in conservation and the future of 21<sup>st</sup> century agricultural and water policy
  - b) A working group on supply chain purchasing policies to advance water quality outcomes

#### **The principles established for the convening were:**

1. All conversations at the convening are confidential to assure candid and honest discussion
2. Seek to develop consensus on broad agriculture and water issues to advance collectively

3. Articulate specifics of action and share with participants to let them individually decide on supporting

**Participants established common ground and agreed unanimously upon policy principles for:**

1. Improved return on investment (ROI) on Conservation Title programs, embracing performance metrics as outlined in the Smart Conservation paper
2. Improvement of water stewardship through the leveraging agriculture, food and beverage supply chains
3. Improved whole farm production and farm income security program through changes in government farm insurance programs

It was agreed that the Future 500 would continue to coordinate policy positions and align interests, and that organizations with Congressional influence would leverage their connections to foster policy in the 2012 Farm Bill and the future of national agriculture and water policy.

**Top Stakeholder Concerns Regarding Water Stewardship**

Stakeholders agreed that we are moving towards a “water crisis” which necessitates new, innovative approaches with a long-term, systems based approach. Stakeholders agreed upon the pressing need for improved positive and engaged communication and cooperation between user groups and the purchasers of agricultural products. Additional stated concerns of water stewardship included:

- The need to improve the environmental performance of agriculture
- The need to align incentives to foster and reward environmental performance
- Increased pressure on agricultural production to meet growing populations and food demand, and having to do so with less land, less water
- Ensuring there is enough clean water for agriculture and natural systems
- The need to fully examine the true cost of clean water (lacked full consensus)

**Key Policy Outcomes**

There was constructive dialogue on the opportunities and challenges facing agriculture and water policy in the 21<sup>st</sup> century. There was a healthy difference of opinions in some areas, most notably the role of regulation, the amount of water used by agriculture and the pricing of water. Broad based concurrence was achieved on:

1. Championing performance based conservation strategies to increase returns on conservation based spending (ROI), to be forwarded by a multi-stakeholder coalition to NRCS, Congress and others

2. Development of supply chain performance indicators to improve water stewardship while guaranteeing economic viability through the value chain
3. Investigate strategies to increase whole farm production and farm income security program through changes in farm insurance programs

Additionally, there was commitment by a critical number of participants to participate in working groups to further develop:

1. Principles for effective 21<sup>st</sup> Century agriculture – freshwater policy
2. Improved ROI on Conservation Policy
3. Improved water stewardship through the supply chain
4. Improved whole farm insurance programs

**Individuals who volunteered to participate in those working groups include:**

21<sup>st</sup> Century Ag & Water Policy/Conservation Title ROI Working Group: Andy Buchsbaum (NWF), Dan Wrinn (DU), Jon Scholl (AFT), James Cummins (Miss. Fish/Wildlife Foundation), Pat Sinicropi (NACWA), Jonathan Kaplan (NRDC), Chandler Goule (NFU), Bob Bendick (TNC), Brian Moore (Audobon), Steve Eillis (Taxpayers), Roger Wolf (Iowa Soybean), Terry Fankhauser (Colorado Cattlemen), Lynn Broaddus (Wingspread)

Supply Chain Working Group: Leslie Lowe, Jon Wilson (TIAA-Cref,) Bob Bendick (TNC), Scott Faber (Grocery Manufacturers Assoc.), Jonathan Kaplan (NRDC), Barbara Hiden, American Beverage Association, Heidi Paul (Nestle)

Others who are interested in participating in these or other working groups are welcome. Please let us know if your interest and we will include you in the effort.

**Next steps**

The next steps in this project will focus on four key areas:

1. Concerted, near-term effort by the Future 500 and select convening participants to secure the direct participation and support of brand name companies in promoting policy changes in national agricultural policy
2. The near-term, formal organization and convening of the working groups to develop policy direction and language to forward to their national organizations
  - Recommendations developed and forwarded on best practices for implementing Smart Conservation policies on NRCS restoration projects
  - Formal policy positions forwarded to Director White and the National Resource Conservation Service (NRCS) as well as key Congressional representatives on the House and Senate Ag Committees (advisement only, not lobbying)
3. On-going work by the Future 500 and select convening participants to further

develop common supply chain specifications by brand name companies to improve water stewardship

4. Communications

- On-going work by the Future 500 and select convening participants to further develop common supply chain specifications by brand name companies to improve water stewardship
- Outreach to key constituencies and organizations not represented at the convening on policy outcomes, and engagement on coordination of efforts on new policy directions
- Reports to funding foundations on outcomes