



Grain Farmers of Ontario's Sustainable Value Chain Program Principles

Overview

Grain Farmers of Ontario developed the Sustainable Value Chain Program Principles to help inform the design of sustainability programs that aim to support, promote, and demonstrate on-farm sustainability. The growing interest in on-farm sustainability, coupled with the wide range of program design options, has led Grain Farmers of Ontario to draft these principles, which outline what companies should consider in their sustainability programs from a farm perspective. Integrating farmers' and local organizations' perspectives within program design and development should be a priority component of sustainability programs. These principles offer a starting point for companies to understand these perspectives and scope further engagement.

Farmers operate within complex systems and may face different limitations and opportunities. Recognizing this diversity among farmers and the land they manage when applying these principles will be critical in achieving sustainability outcomes valued by farmers and companies along the value chain.

Stakeholder engagement, field observations, and literature informed the drafting of the principles.

About Sustainability Programs

Sustainability programs refer to corporate-led or value chain-driven programs that aim to support, promote, and demonstrate on-farm sustainability.

Many companies and value chains are developing programs to demonstrate and achieve positive sustainability outcomes at the farm level. The development of these programs is driven by factors including climate change and biodiversity loss, standards and regulations, competitiveness, and stakeholders' expectations and preferences. The landscape of sustainability programs is expanding, and programs are evolving in reach and sophistication as companies and value chains develop approaches to scale impact and align with international standards.

Programs can vary in the sustainability pillars they cover, the types of data required to demonstrate progress, and their integration within value chain logistics. Some sustainability programs focus on validating an existing level of sustainability and encouraging continuous improvement. Other sustainability programs focus on demonstrating outcomes from practice adoption to meet targets, scale action within value chains, and improve landscape resiliency.

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Principle	Description (What does it mean)	Context (Why this is important)	Example (hypothetical)
1. Build a transparent governance framework to administer the program.	A sustainability program develops a governance structure that is agreed upon by relevant parties and capable of advancing program development, implementation, and improvements overtime.	Applying good governance principles and building a transparent governance framework can help build trust and credibility in sustainability programs among farmers and other stakeholders.	A company implements a program in their value chain that has a governance framework that includes a stakeholder advisory board that provides high-level steers and dedicated program staff that implement the workplan.
2. Foster inclusivity and collaboration with farmers and industry associations in program design and implementation.	A sustainability program includes relevant stakeholders and program users' (e.g., farmers, grain elevators) input in the design and development of the program.	Engagement with farmers and the organizations that represent them is a key factor in determining the uptake and success of a program. This engagement can help ensure the program's implementation considers the practical challenges and opportunities that farmers face.	A company that is developing a sustainable sourcing program engages with farmer organizations and local stakeholders prior to development, during the design and pilot phases, and allows for ongoing engagement as the program evolves.
3. Recognize that farmers incur risk and costs to implement and maintain practices and collect data by providing market-relevant incentives .	A sustainability program provides incentives that are sufficient in supporting practice changes, maintenance, and data collection that is required by the program.	Maintaining and adopting practices and technologies that result in sustainability outcomes can create costs, and added time, labor, and complexity for farmers. Payments to farmers, unless other preferred market access/value is present, can help mitigate these costs and barriers.	A sustainability program includes upfront and maintenance payments, cost share options, or premiums to farmers that maintain or adopt practices.
4. Utilize credible and science-based approaches to develop the program and its goals.	A sustainability program demonstrates clear alignment between the practices, technologies and systems promoted and the desired outcomes.	Taking a science-based approach brings credibility and assurance to sustainability programs, enabling involved supply chain actors to make reputable claims and set realistic targets.	A company uses reputable measuring, monitoring, reporting and verification guidance, protocols, and methodologies such as those developed by the Intergovernmental Panel on Climate Change and Greenhouse Gas Protocol.
5. Seek and facilitate harmonization and integration across sustainability programs.	A sustainability program that is introduced to a region does not undermine or contradict existing programs.	There are many sustainability programs popping up across value chains, which ask farmers to answer similar questions about their sustainability progress. This trend can result in complexity and high transaction costs (e.g., administrative, data).	A company completes an environmental scan of existing value chain programs within the region they seek to introduce a new program to identify if there is an opportunity to utilize or align with a program that farmers are already participating in.
6. Learn from regional-specific knowledge and localized practice and technology adoption.	A sustainability program supports and promotes practices and technologies that are applicable to the program's region and local production systems.	A practice that results in an environmental outcome in one region may not have the same impact in another region due to several factors including climatic conditions, crop type, and soil type.	A company learns about regional-specific knowledge, experiences, and conditions before selecting practices, technologies, and data collection systems, and other key components of their sustainability program.

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7. Engrain flexibility and adaptive management approaches into program design and operations.	Involved stakeholders are aligned on the scope of the program and the types of modifications that may be needed for farmer and program success.	Farmers are at different stages of the adoption and innovation curve. To enable farmer success this variability should be considered when designing programs that encourage practice and technology adoption and/or data collection.	A program focused on reducing GHG emissions from fertilizer use supports farmers adopting a range of different improved nutrient management practices at varying levels of complexity (e.g., 4Rs basic, intermediate, and advanced).
8. Enable knowledge sharing and development opportunities within or complementary to the program.	A sustainability program directly provides or connects farmers to technical assistance that supports farmers in their adoption of practices and technology, and data collection.	Creating knowledge sharing opportunities (e.g., farmer-to-farmer, agronomist-and-farmer) can be a valuable approach in supporting farmers in their efforts to continuously improve on-farm sustainability.	A sustainability program includes farmer-to-farmer knowledge sharing events (e.g., farm demos) and access to local agronomists and early adopters that can offer voluntary advice on practices, technologies, and record keeping.
9. Develop streamlined protocols and governance processes for data collection, use, protection and sharing .	A sustainability program is standardized and transparent about its approach to data governance and seeks to minimize red tape and administrative burden to farmers.	Building a robust data collection approach that does not duplicate existing data collection efforts and provides clarity on what the data asks are and why data is being collected is critical to producing quality data that returns value to the program and farmers.	A sustainability program coordinator communicates the data collection protocol and what the data will be used for and by whom to farmers at the enrolment stage and throughout the program's duration.
10. Communicate proactively and comprehensively the risks and requirements for participating farmers, including limitations/restrictions on data utilization or participation in other programs.	A sustainability program is upfront and clear in their communication to farmers on the risks and requirements that the program entails.	Communication and transparency on program benefits and risks is critical to enable farmers to determine which sustainability program or market best suits their operation and can support companies in building good working relationships with farmers.	A sustainability program holds an information session for interested farmers before program kick-off to share program details, opportunities, and risks. Material responsibilities and agreements within contracts should be clearly communicated before signing so that farmers can make an informed decision.