LEGAL BRIEFS



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Agricultural Sustainability Standard Could Affect You

ustainability is becoming an increasingly important issue to American businesses, including the food industry, where some producers are subject to multiple, inconsistent, customer-driven sustainability checklists. For a variety of reasons, many view the development of a national agricultural sustainability standard as desirable.

One ongoing effort to promulgate a nationwide agricultural sustainability standard addresses "the full breadth of environmental, social and quality issues associated with agricultural crops, encompassing a 'lifecycle' scope of assessment — for example, from seed to store." A certifying company, Scientific Certification Systems, developed the draft standard under the auspices of the American National Standards Institute. The Leonardo Academy is acting as the ANSI-approved standard developing organization.

The proposed standard, titled Sustainable Agriculture Practice Standard for Food, Fiber and Biofuel Crop Producers and Agricultural Product Handlers and Processors (SCS 001), was published on April 13, 2007, and is available for review at www.porkmag.com/business. ANSI Standards Action republished the draft standard in July 2008.

Stakeholders ranging from the American Farm Bureau Federation to USDA have expressed concerns about certain aspects of the draft standard, as well as the procedures that were used to develop it and the way its proponents plan to finalize it.

The Broad-reaching Impact

While the draft standard in its present form excludes livestock operations, the Leonardo Academy has indicated that the committee finalizing the standard could ultimately decide to include the livestock industry in its requirements. Even without such a change, a widely adopted sustainability standard could affect the availability, nature and cost of feed for pork operations. This could be particularly true if it pushes significant

amounts of agricultural production toward "sustainability" practices that may increase costs or reduce yields.

ANSI coordinates the development and use of voluntary consensus standards and represents the United States in international standardization forums, including the International Organization for Standardization — or ISO. Governments sometimes adopt ANSI standards as legal requirements, establishing practices that constitute "due care" in tort litigation. Federal law requires agencies to use privately developed consensus standards rather than developing new regulations whenever appropriate. Some retailers who seek to make sustainability claims have also indicated that they would look to consensus standards as a basis for their own sustainability programs.

Needless to say, this ANSI standard, if finalized, could have broad-reaching impact.

Extending from Farm to Fork

The draft standard is lengthy and complex, but highlights of its provisions include:

- Applicability. The draft standard applies broadly, covering activities from seed to store as they relate to food, fiber, biofuels and flowers.
- **Purpose.** The stated purpose of the standard is to create a common set of environmental, social and quality requirements by which to demonstrate that an agricultural product has been produced and handled in a sustainable manner.

The draft standard calls for third-party certification of compliance before an entity could claim to be "sustainable" under the standard.

- Intended users. The standard's intended users are
 - 1) Agricultural producers;
 - 2) Handlers of agricultural products such as distributors, wholesalers, importers, transporters and retailers;
 - 3) Policymakers;
 - 4) Third-party certifiers;
 - 5) Purchasers of agricultural products, including consumers, businesses, institutions, government

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agencies and other entities.

For more specifics related to producers, see the sidebar, "Requirements for Producers."

The Future, and Input **Opportunities**

The draft was published as a "trial-use" standard, which, according to ANSI rules, could make it effective while its provisions are in the process of being finalized. However, Leonardo Academy has characterized the entire draft standard as a "placeholder," any or all of which could be changed. A standard development committee intends to finalize the standard by April 2010.

In late July of this year, Leonardo Academy announced who will serve on the standard development committee. You can find a link to view the list at www.porkmag. com/business.

The Leonardo Academy constitution requires that 25 percent of the committee seats be filled by "environmentalists." Committee members are from the floral industry (the draft standard is based on a sustainable floral standard called Veriflora, also issued by SCS), some mainstream agricultural groups, organic production interests and others. The committee's kick-off meeting was scheduled to take place this past September.

Even though the standard committee has been selected, potential opportunities to participate remain. Leonardo Academy continues to accept applications to fill nonvoting subcommittee seats. Subcommittees' participation may offer opportunities to demonstrate to the committee membership how particular provisions might operate in the real world. So it might be worth considering your organization's involvement.

Materially affected interests also should have a right to comment on, object to and appeal the final standard or the standard development process. ANSI's rules governing the creation, comment and appeals process may subject appeals to time limitations and other procedural requirements. This may

make it advisable for any party considering appealing any aspect of the final standard to seek legal counsel sooner versus later. PE



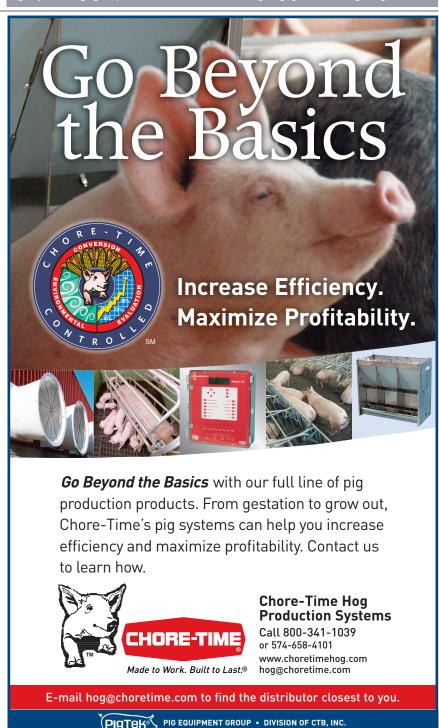
Requirements for Producers

For producers, the current version of the draft standard sets requirements for a variety of actions, many of nich significantly differ from current conventional farming practices and even some organic production praces. Among these requirements are:

• Pest/disease management – "[L]east toxic pest and disease management and control systems, integrating

- organic practices as these are proven to be practical."

 Limitations on and phase-out of "synthetic" pesticides and fertilizers Organic soil-enhancement and fertility principles and practices are recognized as "best practice" for crops and regions where such practices are
- All seed must meet organic standards.
 No biotech plants.
 Pesticide residue limits.
 Employment provisions The draft standard imposes specific employment-related requirements that may go beyond existing legal requirements in the areas of collective bargaining rights and union organizing activiti



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