
Certifying Agricultural Sustainability

**A report to the
Oregon Sustainability Board**

March 15, 2004

**The Oregon Department of Agriculture
&
The Oregon Board of Agriculture**

INDEX

I. OREGON AGRICULTURE & SUSTAINABILITY

- A. Introduction
- B. From a Position of Strength
- C. The Oregon Department of Agriculture Sustainability Plan
- D. Sustainability Board Recommendations
- E. Defining Sustainability
- F. Controversies in Agricultural Sustainability
- G. Measuring Success

II. SUSTAINABILITY CERTIFICATION & OREGON AGRICULTURE

- A. Sustainability Board Recommendation on Certification
- B. To Certify or Not to Certify: The Benefits & Risks of Certification
- C. Arguments Against a State Certification Program
- D. Existing Certification Programs
- E. Guiding Principles & Board Recommendations
- F. Agency Actions & Timeline

I. OREGON AGRICULTURE & SUSTAINABILITY

A. Introduction

Agriculture is more than one of Oregon's leading industries: It represents the foundation of most of our State's rural communities and the stewardship of half of all private land. Above all, Agriculture helps define what makes Oregon special.

Managed properly, agriculture plays a pivotal role in a healthy eco-system. With the creation of Governor Kulongoski's Executive Order in Sustainability, now is an ideal opportunity for Oregon's agricultural industry to step forward and demonstrate its commitment to the economy, environment and community of our State. In partnership with others, let's recognize and encourage efforts in Sustainability, including those in voluntary certification programs, for the betterment of our industry and to enhance Agriculture's great importance in Oregon's future.

Ken Bailey
Orchard View Farms
Oregon Board of Agriculture

B. From a Position of Strength

Any discussion of Sustainability should recognize Oregon's agricultural community for its ongoing efforts that help ensure the long-term viability of our State's economy, environment and community:

- Agriculture contributes to Oregon's overall economic well-being with farm-gate sales of \$3.6 billion, and in combination with related sectors represents 9% of the gross state product (GSP). All told, agriculture sustains 1 of every 12 jobs in the state, and provides \$2.8 billion to Oregon's payroll.
- Agriculture's very existence provides a foundation for economic and civil infrastructure in the rural parts of Oregon.
- Agriculture represents a fundamental *traded sector* by which renewable wealth is created each year, bringing into the state new dollars (as opposed to shifting dollars from one Oregonian to another).

- Agriculture is unique in bringing dollars into rural areas from urban parts of the State, reversing a cash-flow that would otherwise occur.
- Agriculture helps distribute the State's population, reducing urban concentration;
- In an age of great mobility, by its very nature Agriculture remains committed to the land. Most Oregonians who can claim three or more generations in our State are very likely involved in Agriculture, or have a family member who is or was. This adds to the stability of rural Oregon communities.
- Oregon is blessed with climate and soil conditions that reduce pest and disease vulnerability. We add to that advantage with the support of our State for a strong program of pest and disease control – and less pests mean less pesticides.
- Oregon's farmers include some of the most progressive in the world, with stewardship practices that protect and enhance the environment from which they draw a living. Not always publicized, but with significant benefits, such programs include Senate Bill 1010 with its focus on water quality, streamside restoration activities, recycling irrigation water on container nursery operations, as well as waste water containment protocol for dairies and other livestock operations.

C. The Oregon Department of Agriculture Sustainability Plan

Along with other major state agencies, the Oregon Department of Agriculture has been asked to develop a report on Sustainability for review by the Governor's office. The report highlights new and ongoing efforts in sustainability, focused on internal operations as well as activities with agricultural producers.

With a meaningful and lasting impact to the State's economy, environment and community, Agriculture is an important industry to Oregon, and worthy of efforts to promote its sustained vitality. The Oregon Department of Agriculture takes to heart its role in providing guidance and assistance to agricultural producers and processors, and makes unique and significant contributions to the State's efforts in Sustainability. The action steps in the Sustainability Plan embrace this mission - not because it's the latest fad, but *because it is what we do*.

The agency's report was formally approved by the Sustainability Board on February 20, 2004.

D. Sustainability Board Recommendations

As part of the Governor's Executive Order 03-03, the Oregon Department of Agriculture was asked to address four actions identified by the Sustainability Board.

The Board recommends that the Director of the Oregon Department of Agriculture (AG) should:

- a. In collaboration with the Department of Administrative Services, the Department of Corrections, the Department of Economic and Community Development, and stakeholder groups, AG should develop strategies, baseline data and targets to increase the purchase of locally produced and grown food, groceries and produce by state institutions.
- b. By March 2004, develop a report for the Board on how to increase the sustainability of Oregon agriculture through the use and promotion of voluntary sustainability certification programs. In developing this recommendation, AG should work with the State Board of Agriculture, the US Department of Agriculture, the agricultural industry and groups that have developed agricultural certification programs (such as the Food Alliance and Oregon Tilth). The report should examine the pros and cons of existing certification programs and the marketing advantages to agriculture from using the programs. If the report concludes that certification programs can help improve agricultural sustainability and offer marketing advantages to Oregon agriculture, the report should make specific recommendations on how to promote existing programs and/or develop a new program, a work plan, schedule and budget for implementation of the recommendations.
- c. Maximize the opportunities and resources associated with the 2002 Farm Bill Energy Title that provides assistance to growers for project development of bio-fuels, bio-mass, wind energy, methane digesters, carbon sequestration, and other similar programs. In collaboration with the Energy, Economic and Community Development Department, the Governor's Office, and other federal, state, and local agencies, organizations, and private businesses, the department should implement a program to assist growers in identifying financial and technical assistance to maximize these opportunities.
- d. Complete the development of Agricultural Water Quality Management Plans for all basins in the state by January 2004. The department should work with Soil and Water Conservation Districts, USDA agencies, and other state and local entities to identify and provide technical, financial and educational assistance to the advisory groups helping the department develop the plans.

E. Defining Sustainability

Few tasks have proven more challenging than what on the surface would seem an easy task: defining one word. However, when that word is “Sustainability” the definitions can sometimes be mutually exclusive and laden with nuances that provoke argument. Our agency endeavors to create unity through this exercise, and to draw upon different perspectives that enhance rather than divide.

In 1999, the USDA described the difficulty of defining Sustainability in agricultural terms. A report concluded, “There is no single indicator of agricultural sustainability... just about everyone is on the sustainability bandwagon, and sustainability has come to mean all things to all riders on this bandwagon.”

In Oregon, the 2001 legislative session passed into law HB3948, creating what's commonly known as Oregon's Sustainability Act, with the following definition:

'Sustainability' means using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives.

Specific to our industry, “Sustainable Agriculture” was addressed by Congress in the 1990 Farm Bill, stating that,

The term sustainable agriculture means an integrated system of plant and animal production practices having a site-specific application that will, over the long term:

- Satisfy human food and fiber needs
- Enhance environmental quality and the natural resource base upon which the agricultural economy depends
- Make the most efficient use of nonrenewable resources and on-farm resources and integrate, where appropriate, natural biological cycles and controls
- Sustain the economic viability of farm operations
- Enhance the quality of life for farmers and society as a whole.

In Oregon, it is encouraging to see different groups unite in efforts to define Sustainable Agriculture. Oregon's leading producer organization, the Oregon Farm Bureau, has recently convened a Task Force on Sustainability, with one goal to develop a definition.

As dialogue continues on this important topic, the agency offers a definition to serve as a basis for further discussion:

Sustainable Agriculture meets the Triple Bottom Line, with components that are equally Economic, Environmental and Social:

Sustainable Agriculture is “economically viable,” providing a secure income to those whose careers are dependent on agricultural production and processing.

Sustainable Agriculture is “environmentally sound,” maintaining or enhancing the quality of natural resources for future generations.

Sustainable Agriculture is “socially responsible,” ensuring a safe supply of agricultural products, and promoting the well-being of employees, families and communities.

So why spend so much effort defining Sustainable Agriculture? Noted business authors Robert Kaplan and David Norton provide a succinct and powerful reason:

“You can't manage what you can't measure. You can't measure what you can't describe.”

Simply put, a definition of Sustainable Agriculture provides us with a foundation for strategy and action that will yield meaningful results.

F. Controversies in Agricultural Sustainability

Those unfamiliar with Agriculture may wonder why the issue of Sustainability causes such controversy. It may be helpful to list some of the issues that create so much debate.

Voluntary vs. Mandatory

Many producers are wary of government's development of Sustainability plans, fearing that voluntary standards will eventually lead towards new regulations. This issue is covered further in a section of the report on Certification, with the same caution: In order

to ensure that mainstream agriculture continues to engage in this process, it is critical that the trust not be broken. Voluntary programs need to remain voluntary.

One Size Fits All

Related to the above issue, there are those who disagree with efforts in Sustainability that attempt a blanket and proscriptive approach across all crops and locations. These are seen to ignore the diversity of Oregon's 200+ commodities as well as the complexity of managing across many different ecological needs.

Biotechnology in Sustainability

Just as Sustainability has multiple definitions, Biotechnology creates controversy because it can be defined in significantly different ways, generating heated debate that could threaten the good efforts of those supporting sustainable agriculture in Oregon.

For this reason, and for the sake of harmony, *within the bounds of certification*, no stance will be taken on biotechnology, genetically modified organisms or GM foods. However, the agency acknowledges that this is a significant issue that threatens to position neighbor against neighbor, and will be examined during the coming months.

Organic & Sustainable Agriculture

Many of those participating in discussions with the Oregon Department of Agriculture are growers of organic products or those with an interest in organic products. Organic agriculture represents a vibrant niche market with significant percentage growth over the past decade; recent data shows 26,790 acres in Oregon now certified by Oregon Tilth.

Feedback from several participants in our discussions emphasized that Organic Agriculture should be recognized and promoted as one form – though not the only form – of Sustainable Agriculture.

Labor Issues in Sustainability

Key issues in the agricultural industry include minimum wage requirements and collective bargaining. Frequent stories in the media feature the conditions of farm workers and draw great attention from around the State. Agriculture's well-being depends on this issue being handled successfully and soon.

G. Measuring Success

If one goal is to enhance and encourage Sustainable practices in Oregon Agriculture, then there should be ways to measure whether our efforts are successful, whether they be in education, certification or other activities. Ideally, these should tie into Oregon's existing statewide benchmarks; however, industry, in collaboration with other partners, may wish to consider other indicators to demonstrate the success of their efforts.

A number of criteria can be used to judge the usefulness of a given indicator:

- Is it measurable?
- Is it relevant and easy to use?
- Does it provide a representative picture?
- Is it easy to interpret and does it show trends over time?
- Is it responsive to changes?
- Does it have a reference to compare it against so that users are able to assess the significance of its values?
- Can it be measured at a reasonable cost, and can the data be updated?

Early discussions on the topic of Sustainability Certification did not produce clear choices for Measures; consequently, the list below includes all elements from the original discussion document. *As part of an ongoing dialogue, these measures will continue to be reviewed and discussed.*

At the State Level: Economic

- Average real net farm income
- Debt servicing ratio
- Income Disparity (i.e. Highest 20% vs. 20% Lowest)
- Per Capita Income
- Living Wage Jobs
- New Companies

At the Farm Level: Environmental

- Nutrient balance
- Soil condition
- Rangeland condition and trends
- Agricultural plant species diversity
- Water utilization by vegetation / irrigation efficiencies
- Chemical residues in products

- Salinity in streams
- Impact of agriculture on native vegetation
- Strip cropping, reduced tillage, no-till, cover crops, crop rotation, filter strips and application of other methods

At the Farm Level: Economic

- Farm profitability and net income
- Reinvestment in equipment and chattel
- Access to capital
- Efficiencies in resource use, energy, etc.
- Adoption of new technologies and business practices
- Usage of risk management tools

At the Farm, Regional or State Level: Social

- Managerial skills
- Level of farmer education
- Extent of participation in specific training or seminars
- Implementation of particular sustainable practices
- Labor components
- Involvement in community activities, such as contributions to food programs, etc.

At the State Level: Socio-Economic

- Age structure of the agricultural workforce
- Access to key services
- College Completion
- High School Completion/Drop-Out Rate
- Research and Development
- Affordable Housing
- Population Dispersion

It is hoped that this document provides an overview of Sustainable Agriculture that can facilitate discussion of Sustainability Certification, which follows in Part II.

II. SUSTAINABILITY CERTIFICATION & OREGON AGRICULTURE

A. Sustainability Board Recommendation on Certification

The goal of this section is to respond to the second of four recommendations forwarded by the Sustainability Board and supported by the Governor in his Executive Order 03-03. To reiterate, the specific recommendation reads as follows:

The Board recommends that the Director of the Oregon Department of Agriculture (AG) should:

- b. By March 2004, develop a report for the Board on how to increase the sustainability of Oregon agriculture through the use and promotion of voluntary sustainability certification programs. In developing this recommendation, AG should work with the State Board of Agriculture, the US Department of Agriculture, the agricultural industry and groups that have developed agricultural certification programs (such as the Food Alliance and Oregon Tilth). The report should examine the pros and cons of existing certification programs and the marketing advantages to agriculture from using the programs. If the report concludes that certification programs can help improve agricultural sustainability and offer marketing advantages to Oregon agriculture, the report should make specific recommendations on how to promote existing programs and/or develop a new program, a work plan, schedule and budget for implementation of the recommendations.**

B. To Certify or Not to Certify: The Benefits & Risks of Certification

Certification for Sustainability has drawn considerable attention, and in talks with industry and stakeholders diverse opinions arise - some positive, some negative, and quite a few mixed. Ambivalence is common because certification can often be both good for one party and bad for another; certification created with good intentions can nonetheless prove harmful if poorly designed and poorly applied or misused.

Sustainability Certification is not new; its very presence in many forms demonstrates its usefulness to buyer and seller alike. For some growers, certification provides recognition for good effort. This recognition might only be used for internal purposes, providing for management confirmation of achieved goals. Commonly, certification is used externally to differentiate one's product, gaining price premiums or otherwise unavailable market access.

Buyers have often used certification to confirm that particular standards have been met, or to ascertain that the seller has followed through on promises made with respect to the product or the process. Typically, issue of certification follows a third-party audit, the buyer following a philosophy of “trust but verify.”

As useful as certification can be, there are also risks and downsides to consider. For the grower, these risks include not realizing benefits commensurate with the resources expended, or having selected a certification that is not aligned with one’s products or markets, thus failing to achieve expected results.

To an exaggerated degree, it is possible that certification can be used on a punitive basis, that is, excluding from the market those who do not pay to receive an audit. Some buyers who require certain certification pay no premium for the product, with all certification costs borne by the grower. With farm incomes dangerously low already, this is not itself a sustainable situation. In order to fulfill its good potential, sustainability certification needs to ensure that it is a voluntary not compulsory process, positive and not punitive in nature, with all parties enjoying benefit.

There are concerns regarding the State’s involvement in sustainability certification. Chief among these, shared by many in the agricultural community, is that Today’s voluntary certification will become Tomorrow’s mandatory regulation. To ensure the continued support and participation of the agricultural community, it is therefore essential to ensure that this does not happen in Oregon. Also important, the State’s focus should be on supporting the producer and processor, while avoiding the appearance of endorsing any particular certification program.

At this point an illustration may be useful, taken from actual experience. In a meeting of growers where a new certification program is introduced, about 8 of 10 producers will resist or attempt to delay the program, expressing frustration with the changing demands of the marketplace and hoping the need goes away. However, the remaining two producers will be noting the majority’s reluctance, and may decide upon certification in response in order to differentiate themselves from the rest. If they chose what becomes the market standard, these early adapters will achieve a strong competitive advantage, while the rest of the industry will be left to play catch-up.

Oregon is similarly situated to the growers in the above example. Competing in a global marketplace, Oregon has traditionally been in that top twenty percent representing early adapters, reaching towards higher standards to distinguish our agricultural products on

the world stage. Some Oregon crops, mislabeled and disparaged as coarse commodities, have achieved world recognition because of the strong efforts applied in this State. It is important for the long-term well-being of Oregon agriculture that certification programs be considered as one means of distinguishing our products and adding value to our sales - because the risk of not knowing is too great, putting us in the dark and forcing us to catch-up with our competitors.

Agriculture's very importance to Oregon means the State should be committed to assisting producers, whether some choose certification programs or not. The choice should remain up to the grower, with the State taking no action to compel participation in such programs. However, assistance should be available to those who seek help with certification, thereby raising the stature of all producers in the State and helping Oregon compete effectively in the world marketplace.

C. Arguments Against a State Certification Program

As difficult as it can be to define Sustainable Agriculture, there are inherent difficulties in certifying its practice. Many growers point out that there is no one technology or practice that can define sustainability for every farmer in every part of the state. Soils, crops, weather patterns, farm size and structure, and environmental landscapes differ across Oregon.

Overwhelmingly, those who initially participated in this process believe that certification can indeed promote sustainable practices and even provide niche marketing opportunities to enhance profitability. Just as strongly, participants advised against the State creating its own program.

The advice, "Don't reinvent the wheel," was repeated by several groups representing very different perspectives of Oregon agriculture. Many people described formidable challenges that a state program would face:

- Program administration & maintenance costs
- Liability risk
- Education and Promotion costs (very significant if targeting consumers)
- Trademark development, registration and defense
- Gaining retailer acceptance in lieu of other Certification Programs

The complexity a state certification program would face would be considerable, including such issues as:

- Consumer- vs. Trade-Focus
- Local-, National- and International-Focus
- Whether to include a Food Safety Element
- Whether to include a Quality Element
- Program Funding
- Determining Pass/No Pass Standards
- Whether to Have One Certification Level or Several

Consistent with the “Don’t reinvent the wheel” suggestions, some participants urged the State to support existing certification programs, whether by way of recommendations, education and/or promotion, with some calling for differing forms of financial assistance. The nature and degree of support and assistance will be covered later in this report.

D. Existing Certification Programs

It is the experience of the agency’s marketing and inspection programs that no single Certification Program can meet all the needs of Oregon’s agricultural producers and processors, nor answer the desires of fragmented consumer and interest groups that span the globe. Oregon’s producers and processors market to a variety of end-users, some retail-focused, others geared toward the foodservice and manufacturing sectors. The vast majority of Oregon’s markets are outside the State, scattered across the U.S. and around the globe. Each market reflects different demands, not always consistent and sometimes mutually exclusive of each other.

Brief descriptions of some programs follow. This list is not comprehensive, but merely captures some of the certification programs that have proven popular with agricultural producers and processors in the Northwest. Note, too, that the order in which these programs are presented suggests no hierarchy of importance: each program is acknowledged as providing some distinct utility in Sustainable Agriculture.

Good Agricultural Practices/Good Handling Practices

The Good Agricultural Practices (GAP) program relates to on-farm practices that impact food safety; similarly, the Good Handling Practices (GHP) program refers to practices in

the packing shed and distribution center. Largely led by efforts of the Oregon Department of Agriculture, the USDA's Agricultural Marketing Service (AMS) developed an audit-based verification program that attests to participants' voluntary adherence to the Food and Drug Administration's "Guide to Minimize Microbial Food Safety Hazards for Fresh Fruits and Vegetables." Participants are audited against a checklist that demonstrates adherence with GAP's & GHP's.

Increasingly, grocery retailers and food service distributors are requiring both GAP and GHP certification from their suppliers of fresh produce products. Although these certification programs don't address specifically Sustainable Agriculture, they do include many related and overlapping components, such as Traceability and water and soil quality. Farms and handlers with GAP/GHP certification have many systems in place that provide a platform for other types of audits.

More information on GAP/GHP is available at:

<http://www.ams.usda.gov/fv/pdfpubs/gapghpbrochure.pdf>

Food Alliance

Food Alliance is a Portland-based non-profit organization that promotes sustainable agriculture using market-based incentives. Food Alliance operates one of the nation's leading certification programs for environmentally friendly and socially responsible agricultural practices. To date, Food Alliance has certified over 200 different agricultural products on farms and ranches in 10 states, including fruits, vegetables, wheat, wine, livestock and dairy. Food Alliance has an affiliate office in St. Paul, Minnesota.

Food Alliance provides an independent, third party certification program for farms and ranches that:

- Protect soil and water resources;
- Conserve and enhance wildlife habitat;
- Provide safe and fair working conditions;
- Reduce or eliminate their use of pesticides; and
- Provide healthy and humane care for livestock.

In addition to conducting certification, Food Alliance actively develops new markets by enlisting restaurant, food service, retail and distributor partners nation-wide who are committed to sourcing and promoting Food Alliance certified products.

More information on Food Alliance is available at:

www.foodalliance.org

National Organic Standards

The National Organic Standards (NOS) provide uniform federal standards related to the production, processing and marketing of organically produced foods. State as well as private organizations are accredited as organic certifiers through the National Organic Program (NOP). In Oregon, this certification is provided largely by Oregon Tilth. Farmers, processors and handling operators seeking organic certification can be certified and inspected annually by Oregon Tilth or other entities, and their products marketed both domestically and internationally.

More information on the National Organic Standards and Oregon Tilth is available at:

<http://www.ams.usda.gov/nop/indexIE.htm>, <http://attra.ncat.org/guide/nop.htm>

<http://www.tilth.org/>

Salmon-Safe

Founded as a program of Pacific Rivers Council, Salmon-Safe works to restore water quality and native salmon by working collaboratively with landowners to transform land management practices. In 2001, Salmon-Safe became an independent 501(c)3 conservation organization to facilitate the expansion of our science-based agricultural and urban certification programs. Operations endorsed by our professional certifiers are promoted with the Salmon-Safe label.

Since 1996, Salmon-Safe has worked with more than 100 private landowners to reduce water quality and biodiversity impacts from farming in Oregon, Washington, Idaho, and California, while helping family scale farmers to compete in global commodity markets and meet regulatory mandates to protect fish. The Salmon-Safe public education campaign has been featured in 200 supermarkets and natural food stores, delivering important marketplace benefits back to certified landowners. A new Salmon-Safe organic partnership with Oregon Tilth promotes biodiversity protection to more than 300 Northwest organic farmers. Salmon-Safe's joint venture with the Oregon wine industry's LIVE project has certified the ecological sustainability of a third of Oregon's total wine grape acreage. An innovative urban park and natural area project, developed in

collaboration with the city of Portland, is being launched in the summer of 2004. Salmon-Safe has been evaluated by Consumers Union, publisher of Consumer Reports, as part of their comprehensive review of leading national ecolabels. Salmon-Safe received high marks for objectivity, transparency, and overall program rigor.

More information on Salmon-Safe is available at:

<http://salmonsafe.org/>

Low Input Viticulture and Enology (L I V E)

Low Input Viticulture & Enology, or LIVE, is an Oregon program certified by the International Organization for Biological Control and Promotion of Integrated Systems (IOBC). It provides vineyards and wineries official recognition for sustainable agricultural practices modeled after international standards of integrated production. It provides buyers assurance of fruit quality and of the practices used to achieve this quality.

Treating the entire farm as the basic unit, LIVE aims to protect equally the environment, the quality of the product, and the economic viability of the farm. The program offers growers a number of ecological options reflected in a positive point system that is used to determine certification, along with a list of vineyard practices that are either prohibited or required.

More information on LIVE is available at:

<http://liveinc.org/lwhat.html>

EurepGAP

Owing to the agency's commitment to making the State viable internationally, Oregon is the only U.S. state with membership in EurepGAP. EurepGAP is an emerging global standard for fresh fruit and vegetable production that ensures Traceability from the consumer to the field, covering soil and land management, fertilizer and pesticides usage, as well as worker health, safety, and welfare. The standard was developed by the Euro Retailer Produce Working Group (EUREP), representing Europe's leading food retailers, in order to promote their commitment to providing consumers with safe, healthy, and environmentally friendly produce.

Although developed in Europe, EurepGAP has spread globally, with nearly a million hectares (2.47 million acres) now certified on every continent around the world. And as many of Europe's leading retail proponents of EurepGAP expand their global reach, this program is spreading to Asia where most of Oregon's exports are directed. And not only are Oregon's key markets adopting EurepGAP, so too are our key competitors.

More information on EurepGAP is available at:

<http://www.eurep.org>

ISO 14000

Developed in 1996, ISO 14000 endeavors to guarantee that an operation has taken the environmental impacts of its activities into consideration, has a plan for mitigating environmental harm, is keeping track of its performance and – most importantly - is dedicated to improving it. As the University of Wisconsin extension office stated: “ISO 14000 is increasingly viewed as a passport for doing business in the growing world economy where markets are demanding assurances of quality.”

More information on ISO 14000 is available at:

<http://www.uwex.edu/AgEMS/isoems.html>

Proprietary and Integrated Pest Management Programs

Recognition should be given to sustainability programs developed by individuals and groups that are specialized to accommodate their particular situations. Some of these efforts are tailored to meet the requirements of specific growing areas or customers, and may even meet or exceed standards set by the programs described above. Most of these propriety programs include Integrated Pest Management (IPM), that helps growers mitigate the threat of crop damage while minimizing the effect to environmental and human health. Many IPM programs across the State, assisted by the research and extension services of Oregon State University, reflect some of the world's best practices, and embody a spirit of collaboration. These programs may provide opportunities for certification and market promotion which will be explored in coming months.

More information on Oregon's IPM programs is available at:

<http://oregonipm.ippc.orst.edu/>

E. Guiding Principles & Board Recommendations

Some Guiding Principles should include:

- Any Certification program must be voluntary.
- The Certification must be meaningful, based on tangible and measurable components.
- The Certification process should be performed in accordance with prescribed codes of practice (ISO 65) to ensure that auditors' work is performed with expertise and impartiality.
- Oregon's certification efforts must take into account the global market.
- Certification programs must meet the demands and expectations of consumers and buyers.
- The marketplace should be a guide in terms of what is certified; additionally, the state's objectives in sustainability should also guide what is certified.
- Implying no criticism of any existing program, if it is found that our efforts don't produce expected results within a determined period of time, State resources should be focused on other activities to support Sustainability.

Board Recommendations:

1) Certification Programs

- Oregon should not develop its own Certification program.
- The State should not adopt any single program as the 'official' State Certification program.
- The State should support those who voluntarily chose meaningful certification programs such as Food Alliance, Certified Organic, GAP, EurepGAP, etc., recognizing that each fulfills particular needs, and to some degree enhance Sustainability in the agricultural community.

2) Education and Promotion

- The State should work with accreditation authorities to provide education and training sessions to encourage participation in Sustainability Certification programs, and with the Agency's marketing staff should assist growers in determining which programs are most appropriate for their target markets.
- The Board should support the Agency's marketing program to continue to actively promote in both domestic and international market those producers who differentiate themselves and their products through Sustainable practices, some with Certification.

3) Infrastructure & Programs to Support Industry

- The State should ensure that the Agency maintains a basic ability to carry out voluntary audits on a fee-basis.
- The State and the Agency should explore means to support growers and processors develop their physical infrastructure in order to meet the requirements of the targeted Certification program.
- The State should facilitate grower access to federal and private funding which support practices that contribute to Sustainability. A few examples include NRCS programs (Conservation Security Program, Environmental Quality Incentives Program), Sustainable Agriculture Research and Education grants, value-added grants and Organic Farming Research Foundation grants.

F. Agency Actions & Timeline

Continued Dialogue

Meaningful dialogue contributed significantly to the development of this report and will be encouraged as elements of this plan are carried out. Meetings with producers and stakeholders will continue throughout 2004 in various locations, with sub-groups identified for specific actions.

Low-Hanging Fruit

The initial focus will be on easily-accomplished activities that build collaboration between various producers and stakeholders. Some of these efforts may fall outside the realm of certification, but will provide opportunities for those of different perspectives to

work together on common goals. Some of these activities are described in the Agency's Sustainability Plan.

Budget Development

A specific budget will be developed to coincide with the Agency's budget schedule, with a preliminary submission due in August 2004. Given the above recommendations, some elements may include:

Promotion & Education

Forums and printed materials will enable information on certification programs to be disseminated to interested parties. Web site development will also be explored.

Travel

Travel funds, covering both incoming and outgoing, will allow key decision-makers in Oregon's agricultural community to see firsthand world-class efforts in sustainability certification for application here.

Certification & Market Manager

A position within the Agency may be requested in the upcoming budget, to provide advice to growers about available certification plans and to take advantage of state and federal programs. This position will also interact with retailers and distributors, to anticipate industry trends in certification to the benefit of Oregon's agricultural producers.

Special Programs

Dialogue with growers and stakeholders will continue in order to identify programs to assist in sustainability efforts and support the State's ability to provide auditing and marketing services. These will not duplicate existing state or federal programs, but leverage and compliment those efforts to assist Oregon producers and processors.

Measuring Success

Certification should not exist for its own sake. Merely targeting new membership or acreage certified might miss the overall objectives. Consequently, it is important to first identify over-arching key measurables (see first section), and from this determine how Certification can help 'move the needle' in ways that are meaningful for Agriculture in Oregon. As efforts in Sustainability continue, consensus in this and other efforts will be sought to provide successful and lasting results.

III. APPENDIX

Sources

Food Alliance

<http://www.thefoodalliance.org/>

Good Agricultural Practices

<http://www.ams.usda.gov/fv/pdfpubs/gapghpbrochure.pdf>

ISO 14000

<http://www.uwex.edu/AgEMS/isoems.html>

ISO 65

“ISO/IEC Guide 65:1996 – General Requirements”

Kaplan, Robert S. and David P. Norton

Authors of The Balanced Scorecard, and Strategy Maps

Quoted in the Financial Times, February 19, 2004

Low Input Viticulture and Enology (L I V E)

<http://liveinc.org/lwhat.html>

National Campaign for Sustainable Agriculture

<http://www.sustainableagriculture.net/vision.php>

National Organic Standards

<http://www.ams.usda.gov/nop/indexIE.htm>, <http://attra.ncat.org/guide/nop.htm>

Oregon Legislative Assembly, 2001 Regular Session, and House Bill 3948

http://pub.das.state.or.us/LEG_BILLS/PDFs_2001/HB3948.pdf

Oregon State University’s Integrated Plant Protection Center

<http://oregonipm.ippc.orst.edu/>

Oregon Tilth

<http://www.tilth.org/>

Salmon-Safe

<http://salmonsafe.org/>

U.S. Congress and the 1990 Farm Bill

Definition of Sustainable Agriculture, described by Kansas State University

<http://wsare.usu.edu/subpages/sustag.htm>

USDA

“Sustainable Agriculture: Definitions and Terms”

http://www.nal.usda.gov/afsic/AFSIC_pubs/srb9902.htm

USDA Economic Research Service

Discussion of the difficulty of defining Sustainability in Agriculture

<http://www.ers.usda.gov/publications/aib752/aib752fm.pdf>

University of Wisconsin Extension, description of ISO 14000

<http://www.uwex.edu/AgEMS/isoems.html>