

# CHALLENGES TO ESTABLISHING A CREDIBLE SUSTAINABILITY STANDARD (GOING BEYOND MANDATORY STANDARDS)

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# How to define a „credible sustainability standard“

- In order to be able to introduce a credible sustainability standard, one of the most important prerequisites is that the participants in the standard are seen as credible.
- For the past 50 years, Bioland members have been developing an ecologically, economically and socially sound alternative to the intensive conventional farming system that depends on industry and outside investors.
- democratically legitimised bioland guidelines are a guarantee for accurate, transparent standards
- The structure of the association has a horizontal as well as vertical dimension. The association is based not only on producers, but actors along the whole organic value chain (processors, manufacturers, distributors, trade, consumers and gastronomy).
- Bioland is the leading association for organic farming in Germany
- Bioland is always in one of the top places among consumers in awareness surveys

 The whole Bioland system is a comprehensive sustainability agreement.

# Challenges to a „credible sustainability standard“

- Sustainability is by definition designed for a long period of time. It is therefore necessary to give participants in the value chain the confidence to work according to sustainability standards in the long term.
- A sustainable agriculture therefore cannot be provided at “no charge”. Especially the food retailers are in conflict to offer products at attractive prices for consumers, while ensuring covering costs for producers.

The **Article 210a** of the CMO is arranged as a key legal tool, very important and powerful for producers to foster a resilient farm sector. In order to do so, it has to allow for full price transparency towards the consumer and producers, but also along the whole food value chain.

# Bioland's approach: “Added Value Assurance System Bioland Milk”

- The “Added Value Assurance System Bioland Milk”\* is a sustainability agreement under development since the being in force **of Art. 210a of the CMO**.
- Milk production due to Bioland guidelines aims to achieve all the sustainability objectives defined by the Article 210a (3) of the CMO (with the exception of the reduction of food waste)
- It is based on democratically determined Bioland guidelines, integrating actors of all the stages of the agri-food supply value chain.
- The Bioland members and partners have the obligation to comply with measures that enable the long-term sustainable Bioland milk production
- One of the measures to be complied with will be a compensation payment for the added sustainability value embodied in the Bioland milk products
- The compensation payment will be calculated regularly due to a transparent, objective, and recognized calculation method on the basis of full cost calculation. The committee takes into account external expertise of data entities.
- The kick-off is planned for summer 2022.

\*(Mehrwertsicherungssystem Bioland Milch)

→ The “Added Value Assurance System Bioland Milk” ensures transparency along the value chain and enables long-term sustainable production.

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