# Quality assurance schemes for farm level sustainability improvement

Karel de Greef et al.

QPC Module II (farm level sustainablility)

&

Livestock Research of Wageningen UR





# Quality assurance schemes for farm level sustainability improvement

# Quality Assurance systems & Sustainability an innovation process

a bit philosophical





### Context & intro

- Pork is a commodity (world wide)
  - → cheapest system; little room for manouvre
- Ambitions for improvement of sustainability:
  - Push: Legislation affects competitive position [uniformer]
  - Pull: Market: needs an 'earning system' [more diverse]
    - → diversification: improved characteristics
    - → Changed production method + QA-System: rules, communication & organisation



# Overview EU (2010)

### Diversity:

- Conventional pork is dominant; similar system & performance
- Many small alternative systems home sell 2<sup>nd</sup> chain
  - Rules: cahier de charges

#### Charicatures:

- North-west countries (NL, UK|): market role
- Nordic countries (S, N): state role
- Latin countries (F, I, ES): tradition role
- ? Germany ; Belgium ; Danmark



# Key themes of diversified systems / QAS's

- Food safety
- Animal welfare / housing system
- Environmental performance
- Product quality
- Traditional system / breed



# Role of Sustainability initiatives & QAS's in diversification & in innovation

Three+ examples from NL, to demonstrate a principle

IKB

food safety HACCP-alike

Environmental label

environment+

Better Life

animal welfare

- Dairy
- Organic?

Rule based versus intention based



#### Back ground info:

#### The context of innovation in Dutch Pork Sector

- Export oriented sector (60-70% exported)
- Hardly any vertical integration
- Operational excellence cost price
- Critical society (critique & interventions)
- Fragile / difficult economic situation





# Role of Sustainability initiatives & QAS's in innovation

Three+ examples from NL

IKB

Environmental label

Better Life

Dairy

food safety HACCP-alike

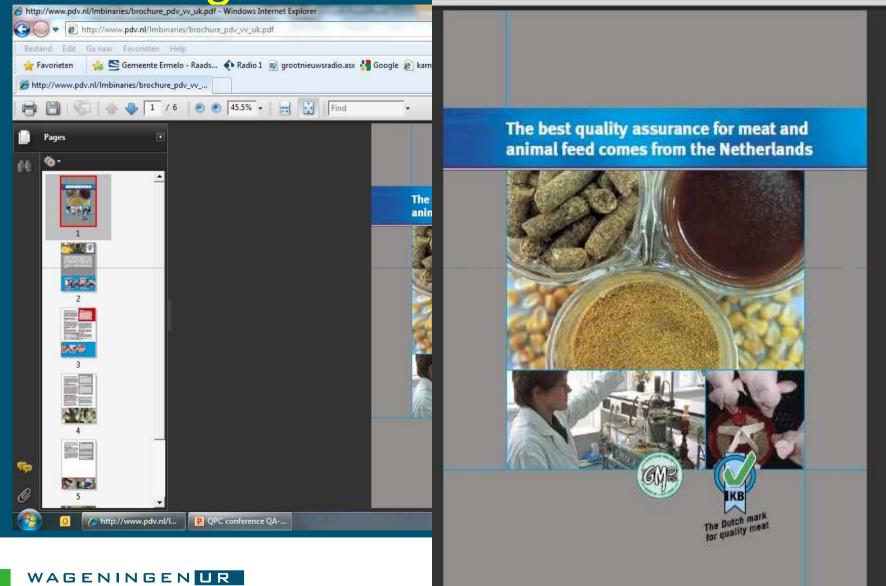
environment+

animal welfare



# IKB - integrated chain control

For quality of life



# IKB - integrated chain control

What it aims for

B2B-trust in food safety

What it is

HACCP-based rules (hygiene, GxP etc.)

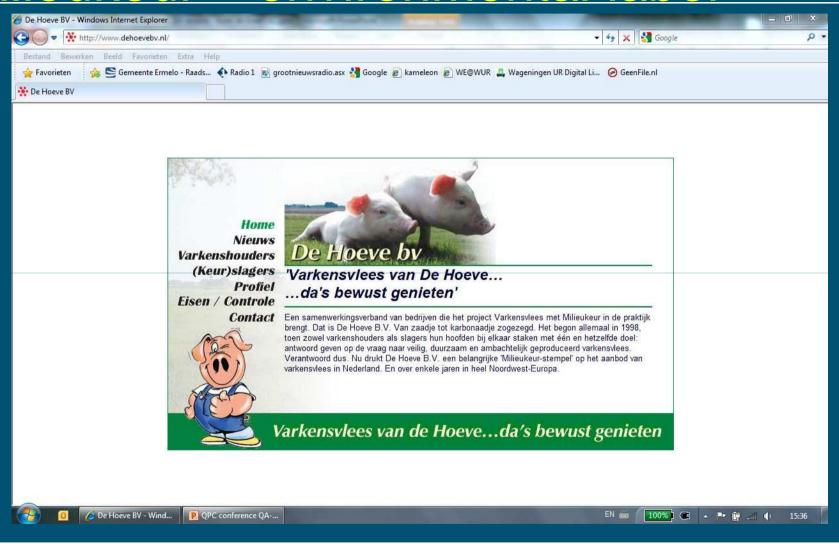
What it does

Stratifies processes

Uniforms the system



# Milieukeur – environmental label





# Milieukeur – environmental label



# Milieukeur – environmental label

#### What it aims for

better sustainability + own market share ~B2C

#### What it is

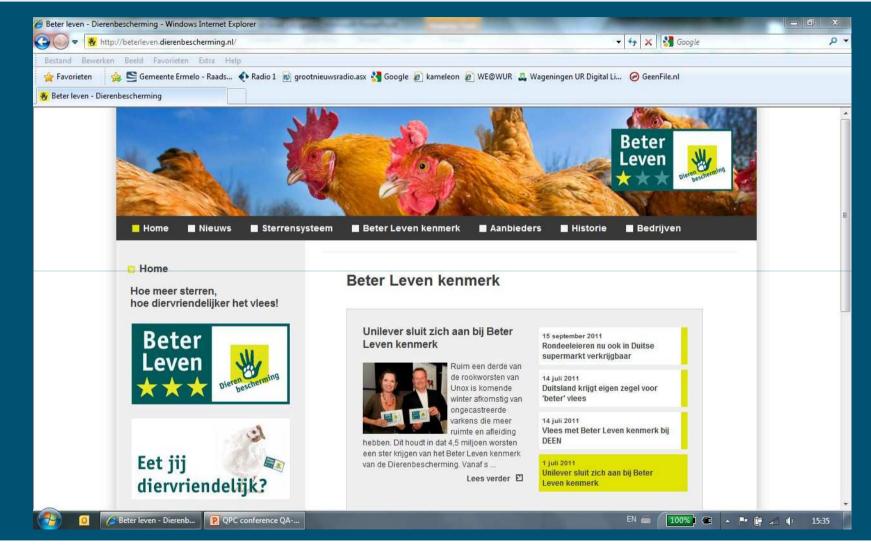
conventional system with extra sust.performance partly cafetaria model (choice-list)

#### What it does

highlights and accomplishes extra sust.performance empowers a group of farmers (own chain)



# Beter Leven – Better life label of NGO





### Beter Leven – Better life label of NGO

#### What it aims for

higher base level / improved 2<sup>nd</sup> chain by improvement of husbandry conditions

#### What it is

Label provided by large animal-NGO Adapted conventional system (extra space, enrichment)

What it does substantial 2<sup>nd</sup> regular<sup>(+)</sup> chain



# comparison

IKB sector rules

Milieukeur farmers cafetaria + rules

Beter Leven NGO rules + cafetaria



# What they do for innovation

IKB sector rules trust

New standard, enhanced uniformity loss of added financial value

Milieukeur farmers cafetaria + rules QA

"A plus is nearly free" & "integration is possible"

Fixes Commodity thinking; Adds cafetaria choices = ~diversity

Beter Leven NGO rules + cafetaria QA

Re-define base level of animal welfare

Confirms lowest cost price dogma



# **QA for Diversity and for Innovation**

- QA in <u>Commodity</u> system *locks in:* resistant to changes & more uniformity



## **Evaluation 1: innovation needs QAS**

- North-West Europe: enhanced sustainability 'through the market'
- → Other 'earning model': added costs compensated?
- NL: non-integrated xtreme commodity oriented: resistant to change
- Still, cracks become visible in the commodity harness
- Combi of substantial unease & pressure and market initiatives creates new (better) systems
  - Role of the "Better Life" logo illustrates QAS-relevance



# Caring Dairy - tailor made sustainability





# Caring Dairy — tailor made sustainability

What it aims for

More sustainable dairy farming

What it is

sustainability improvement on the best farm-level opportunities

What it does

Adresses sustainability

- tailor made
- including the farmer & farm



# comparison

**IKB** 

Milieukeur

Beter Leven

Caring Dairy

sector

farmers

NGO

market party

rules

cafetaria + rules

rules + cafetaria

ambitions & choices



# QAS-lesson from Caring Dairy?

"do well"

+ profit from
- the loyalty towards farmers
- trust in farmers



# **Evaluation 2**

- Early (food safety) QAS's: guarantee/Trust for non-bad
- Regular QAS's (A.Welfare, environment): Rules for better
- New QAS's (market room?) Trust for better

Less ratio, more feeling



# Conclusions & Message

There is a public need for making pork production more sustainable

- 1. QAS's clearly facilitate sust initiatives innovation process: the commodity changes also!
- Diversity is thought to be beneficial for future viability
  - → QAS's support this and should protect this

Plea for flexible QAS's or for many QAS's

And exploit the consumers emotion!



# Quality Assurance systems & Sustainability an innovation process

QAS

in a commodity environment

It's about the product & the process, not about the rules!

And it's about the Consumer.....

