



GROWING OUR FUTURE

**What's next for regenerative agriculture in the US?
From incremental change to deep transformation to
create a just and regenerative future.**

**FORUM
FOR THE
FUTURE**

CONTENTS

Executive summary	4
Acknowledgments	6
Introduction	7
Why a just and regenerative agriculture system is needed in the US	7
What's changing in the US agriculture system?	9
Social and environmental impacts of the current agriculture system	10
Goals of the future regenerative agriculture system	11
Taking stock of the transition	12
Changes in US agriculture, 2020-22 assessed against 10 leverage points	13
Risks emerging amidst momentum	14
Catalyzing change through collaboration: <i>Growing our Future</i> in focus	15
Thinking, acting and working differently through a collaborative platform	16
Financing the transition	18
The challenge	18
Intervention: Piloting an ecosystem service marketplace for cotton	19
Next steps on ecosystem service markets	21
Policy change	22
The challenge	22
Intervention: Identifying shared policy priorities	23
Next steps on policy change	26
Pathways to market	27
The challenge	27
Interventions: Elevating social outcomes and promoting regenerative value networks	28
1. Elevating social outcomes in food and regenerative agriculture standards	29
2. Replicating and scaling regenerative value networks	31
Next steps on pathways to market	34
What's next for regenerative agriculture?	35
Conclusion and recommendations	36
With thanks	38
References	39



About this report

This report was written by Forum for the Future, with funding provided by Walmart Foundation, The VF Foundation, David Rockefeller Fund, and Nestlé.



About Forum for the Future

Forum for the Future is a leading international sustainability non-profit with offices in London, New York, Singapore and Mumbai. We leverage our expertise in systems change and futures to accelerate change on global challenges, and to cultivate the capacity of organizations and individuals to create long-term and transformative change. For over 25 years, we've been working in partnership with business, governments and civil society to accelerate transformation toward a just and regenerative future. Find out more at www.forumforthefuture.org.

About *Growing our Future*

Led by Forum for the Future, *Growing our Future* is a unique collaboration that is bringing together representatives from over 135 organizations across the US agriculture system (including farmers, BIPOC communities, agribusinesses, food service, food retailers, manufacturers and investors) to accelerate the transition to regenerative agriculture, with focus areas on policy change, financing and innovating new pathways to market. *Growing our Future* is co-created with diverse actors including major incumbent actors through to diverse and less-heard voices. It seeks to elevate the voices of historically under-represented communities, including Black, Indigenous farm communities and farm communities of color. It engages a broad range of organizations across the food and agriculture system, from financial institutions, to policy makers, to leading businesses and those just beginning their journey towards regenerative agriculture. Find out more at <https://www.forumforthefuture.org/scaling-regenerative-agriculture-in-the-us>.

Disclaimer: The research included in this report was made possible through funding by the Walmart Foundation, The VF Foundation, David Rockefeller Fund and Nestlé. The findings, conclusions, and recommendations presented in this report are those of Forum for the Future alone, and do not necessarily reflect those of the Walmart Foundation, The VF Foundation, David Rockefeller Fund or Nestlé.

© 2022 Forum for the Future, Publication date: June 2022

“The VF Foundation is proud to support *Growing our Future’s* work, collaborating with a diverse set of stakeholders to help scale regenerative agriculture practices, with a specific focus working with BIPOC farmers and communities. We believe the project’s holistic approach – looking at policy, financing, and innovative pathways to market – will drive positive, systemic change for people and the planet.”

– GLORIA SCHOCH, DIRECTOR, GLOBAL IMPACT, VF CORPORATION; EXECUTIVE DIRECTOR, THE VF FOUNDATION



EXECUTIVE SUMMARY

This report makes the case for urgent and deep transformation in the United States' agricultural system. It assesses the dynamic but piecemeal progress being made towards regenerative agriculture and locates the role of the *Growing our Future* collaboration in that process of change. At the mid-point of this three year collaboration, it describes progress being made in each workstream and what we have learned about what needs to be done now – to further shift policy, finance, market pathways, emerging regenerative agricultural standards and ways of working across the sector.

The current dominant US agriculture system is driving carbon emissions, ecosystem degradation, growing inequality, precarious farming livelihoods, and exacerbating vulnerability to climate change. We urgently need an agricultural system that restores soils, addresses historical inequities and builds resilience of the land and of farmer livelihoods. We need a system that becomes part of the solution to a just and regenerative future.

The transition to a socially-just and environmentally-sound agriculture system will require stakeholders from across the system to drive multiple types of change, shifting which crops and practices are subsidized, how farmers access finance and markets, the land management approach they use and products they produce, and what we price and value. These changes should not be underestimated; they amount to a fundamental reconfiguration. This new American agriculture system needs to be co-created by diverse actors, particularly those who have been disenfranchised for so long.

Two years ago, *Growing our Future's* [original diagnosis of the regenerative agriculture landscape in the US](#) identified 10 levers of systemic change.

Since then, half of those levers have seen considerable new action in favor of regenerative agriculture – around policy change, valuation of ecosystem services, alternative types of financial flows, demonstration of the business case and coalition-building amongst farmers. But there are four big reasons why this is not enough: these positive shifts are still nascent; other levers of change remain untapped; silos remain, with initiatives often addressing only one problem or sector in isolation; and social justice issues get neglected in favor of climate action. Greater and deeper collaboration is therefore needed to fully reconfigure the US agriculture system.

To this end, *Growing our Future* brings together over 135 actors aiming to rewire the agricultural system to accelerate regenerative agriculture, by improving links across silos and driving more effective collaboration – including between powerful incumbents and historically marginalized groups. Three intervention areas now pilot new ways of collaboration, with a focus on finance for farmers' transitions, agricultural policy, and pathways to market for regeneratively-produced products.

Financing the transition to regenerative agriculture is essential. Farmers need new forms of finance to enable new types of investment because time horizons, risks and outputs are different, compared to conventional agriculture. Ecosystem Service Markets (ESM) – in which producers can get paid for the quantified and verified benefits provided to society – are rapidly emerging as one potential solution. The *Financing the Transition* workstream is supporting an ESM pilot in cotton growing systems, with both conventional and marginalized farmers and other partners.

Insights from the pilot design illustrate trade-offs and key design issues for potential corporate buyers of credits, facilitators of the trade, and farmers. These issues go well beyond the much-discussed question of how to measure soil health to verify credits. There are fundamental questions about whether and how much farmers themselves gain, whether the emerging markets can be inclusive, and whether they are a useful way for corporations to help farmers in their supply channels to transition.

In the policy arena, \$14.2 billion of federal farm subsidies per annum prioritize commodity yield maximization and increased efficiency at the expense of soil health and farmer livelihoods. Corporates have influence over policy, but often exert this without understanding the needs of farmers for the regenerative agriculture transition, particularly historically marginalized farmers. Policy measures are underway to support regenerative agriculture but they will exacerbate injustice if not implemented inclusively.

The *Policy Change* workstream brings actors together to collaborate on policy influence. It has identified policies that will support the transition to regenerative agriculture, and outlined how advocates can also ensure access to policy programs for marginalized farm communities. Next it will provide tools for companies to harness their positions of power to advocate for these policy priorities.

The current agricultural marketplace works well for large farms and large buyers focusing on low-cost bulk trade in a few subsidized commodities. However, this does not deliver the environmental or livelihood outcomes needed and farmers farming regeneratively have limited market access.

Pathways to market that enable environmental resilience, improved incomes and nutritious food are emerging but still niche and struggle to scale. In addition, while new benchmarks have developed (e.g. Soil Regen Regenerative Verified and Regenerative Organic Certification) to help large buyers assess environmental outcomes and shift their procurement to regenerative agriculture, many largely neglect social outcomes.

The *Pathways to Market* workstream is focused on addressing these two market challenges by exploring how to a) build a decentralized but scalable market system, by identifying and sharing insights from emerging solutions that enable regenerative producers to access, connect and benefit from bigger marketplaces, and b) elevate social as well as environmental outcomes in the new benchmarks emerging to help buyers assess and shift their procurement to regenerative agriculture.

A DYNAMIC SECTOR NEEDS COLLABORATION TO GO FORWARD

Regenerative agriculture in the US is emerging and is still highly dynamic. The *Growing our Future* partners navigate this via two core principles: that the transition will be deep, and thus will involve all players in the system; and that it must be farmer-centered and address equity as well as environmental resilience. The experience to date from our convenings and the workstreams has shown the value of building dialogue across the community, and illustrate the importance of testing, learning and sharing insight.

We invite you to join us to meet the urgency for transformation, while ensuring a robust shift that delivers across our social, environmental and economic goals and paves the way for a thriving just and regenerative future.

To learn more and explore how your organization can help transform the agriculture system in the US, please contact Mary McCarthy at m.mccarthy@forumforthefuture.org.

To find out more about Forum for the Future's work on Sustainable Nutrition visit www.forumforthefuture.org/Pages/Category/food

ACKNOWLEDGMENTS



We would like to thank *Growing our Future* participants and their participating organizations for their valuable input through countless hours of design workshops, workstream meetings and 1:1 conversations. Without your generosity of time and expertise the collective work of the community and this report would not be possible.

5 Loc Cotton	International Platform for Insetting	Regenerative Food Systems Investment (RFSI)
Ahold Delhaize USA	Intertribal Agriculture Council	Rodale Institute
American Sustainable Business Council	LIFT Economy	Soil Capital
Armonia	Milken Institute	SAI Platform
Ceres	National Latino Farmers and Ranchers Trade Association	Savanna Institute
David Rockefeller Fund	National Young Farmers Coalition	SCS Global Services
Ecosystem Services Market Consortium (ESMC/ESMRC)	Native, a Public Benefit Corporation	Good Eating Company by Sodexo
Encourage Capital	Nestlé	Steward
Environmental Initiative	NewForesight	Sustainable Food Lab
FAI Farms	Non GMO Project	Target
Field to Market	Open Harvest Co-op Grocery	Textile Exchange
Google	Oregon State University	TeamAG
Great Plains Regeneration	Patagonia	Tuskegee University
Health Care without Harm	Planetary CARE	University of Minnesota
HowGood	Quantis	Vayda
ICE Canyon	RegenAll	VF Corporation
InHarvest	Regenerative Agriculture Foundation	The VF Foundation
		Walmart Foundation
		Walton Family Foundation

Report authors at Forum for the Future:

Mary McCarthy, Lesley Mitchell, Michelle Stearn, Valentina Toledo, Natasha Mehta, Neil Walker, Caroline Ashley, Georgia Rubenstein, Ulrike Stein. Creative Design: [Talooka Studio](#)

INTRODUCTION



WHY A JUST AND REGENERATIVE AGRICULTURE SYSTEM IS NEEDED IN THE US

Food and agriculture have the greatest impact on climate change after the energy sector, responsible for around a third of all greenhouse gas (GHG) emissions. Yet they also have major potential as a solution, through more environmentally friendly diets and a shift to regenerative production systems.

The World Meteorological Organization¹ has confirmed that we now have a 50:50 chance of staying below 1.5°C global heating in the next five years, with the 2022 IPCC report outlining drastic and potentially unlivable scenarios affecting large swathes of the human population, and agricultural production, if we fail to act.² Transforming food and agriculture is front and center of our biggest global challenge.

Current approaches to agriculture have succeeded in raising productivity and driving profit in the short-term. But the inherently extractive approaches of the 20th century have driven ecosystem degradation, growing inequality, fragile supply channels, vulnerability of farm communities, while reducing access to healthy food. These challenges will be exacerbated with increasing climate disruption, reducing crop yields. The current state of geopolitical turbulence, impacting global supply channels for core commodities such as wheat, oil and fertilizer, will magnify disruption.

The case for urgent action to restore soils, build resilient food and fiber production and adapt to climate change is clear. However, the current US agriculture system also contributes to social

inequality across supply channels. As agriculture transforms to meet the climate challenge, we have a window of opportunity to build out a socially just and equitable future for food and farming, one that steps away from its legacy of oppression of farm communities of color, directly addresses climate justice and recognizes the value of traditional and indigenous knowledge. To be a genuinely “just” transition, it needs to be co-created and co-designed with the diverse range of actors who have a stake in its future.

We need a safe, productive agriculture system that can deliver the right kinds of products that enable healthy diets for all. To achieve this, the US agriculture system requires fundamental reconfiguration.

This means reshaping supply channels to manage more diverse and different crops and support new pathways to market; paying the true cost of ecosystem impacts and rewarding restoration and stewardship of vital environmental resources; adopting new farming methods that build soil health and resilience; re-allocating subsidies to support regenerative farming; and ensuring that farmers are paid a fair value, so they and their communities can thrive and invest. It requires

new business models, financing mechanisms, risk sharing and investment that supports transformative outcomes and enabling policy that prioritizes the transformation. New research, data and evidence will be needed to ensure robust confidence in the transformation. Companies have a key role to play in shaping many of these dimensions through their strategic approaches to purchasing, their policy advocacy, and marketing, with a unique role in enabling greater consumer connection to regenerative goods.

In the last 18 months, the *Growing our Future* initiative has been pivotal in bringing actors across the US food and agriculture system together to co-create a vision for a just and regenerative future for food and farming, identify priority pathways to action, and build out interconnected, collaborative workstreams on policy, finance, supply channels and social impact.

This report presents key insights not just about these very real challenges, but also into how to design systemic, collaborative, pre-competitive change. *Growing our Future* has begun to unlock potential new ways of working: from prototyping equitable ecosystem services markets; exploring how to engage more diversified supply channels; understanding what is needed to enable regenerative agriculture to deliver positive social outcomes; and where farmers, business and civil society can align on policy priorities.

Published at the halfway stage in a three-year program, this report also looks forward to the next phase of work, building and testing these concrete solutions, developing tools to grow farmers', financiers' and businesses' capability, and engaging the wider food and agriculture community to drive mainstream transformation. The program has so far engaged over 135 organizations, from indigenous farmers to multinational businesses, creating new connections, hearing otherwise absent voices, and sourcing new insights and innovation. We hope this report is an inspiration to explore your own potential to shape this urgent transformation, and to join in collaborative action.



LANGUAGE MATTERS

Farm communities: We use this term to refer to all the people and roles responsible for producing the agricultural goods that become our food, clothes and personal care products. We do this to ensure we are considering the needs of non-owner operators and farmworkers, particularly for historically marginalized communities that have encountered structural barriers to farmland ownership.

Marginalized farm communities: This refers to the diversity of farm communities that have been impacted by the history of extraction and oppression within our agricultural system, including Black, Indigenous, Latine and other farm communities of color as well as young, women and small farmers. In some sections, we interchangeably use “socially disadvantaged farmers” when referring to legislation where this moniker is defined by federal statute.

Value networks: A value network, as defined by American business consultant Verna Allee, is “any set of roles and interactions in which people engage in both tangible and intangible exchanges to achieve economic or social good”³ We use this in place of “supply chains or value chains” to describe a more holistic picture of value exchange and to recognize that many communities of color find the “supply chain” terminology harmful because of its associations with the history of slavery in the US.

WHAT'S CHANGING IN THE US AGRICULTURE SYSTEM?



SOCIAL AND ENVIRONMENTAL IMPACTS OF THE CURRENT AGRICULTURE SYSTEM

The current agriculture system in the US is not broken. In fact, it works extremely well to deliver the outcomes and purpose it has been designed to achieve. The US agriculture system has been very successful in growing productivity and driving short-term profit. Despite significant effort over the last few decades to pursue more sustainable production, the result has been ecosystem degradation, biodiversity loss, increasing inequality, fragile supply channels, vulnerability of farm communities, while reducing access to healthy food.

IMPACTS	EXAMPLES
Externalizes environmental impacts	>>> Agriculture is responsible for 8-10% of US GHG emissions and is the largest contributor to US N ₂ O emissions in 2018, accounting for 77.8% of total N ₂ O emissions. ⁴
Economies of scale and intensive, specialized production	>>> 40.8% of US agricultural land is operated by large-scale farms earning sales of \$500,000 or more, but these large operations comprise merely 7.5% of the total number of farms. ⁵ Since 1963, harvested soybean and corn acreage has increased by 76% (74 million acres), while acreage for other feed crops such as oats, barley, sorghum, and hay have declined by a combined 50 million acres. ⁶
Maximize calories produced	>>> The elevated CO ₂ levels driven by climate change will reduce nutrient density in key staple crops. Wheat grown in such high CO ₂ levels had 9% less zinc and 5% less iron, as well as 6% less protein, while rice had 3% less zinc, 5% less iron and 8% less protein. ⁷
Competitive price reduction for consumers	>>> Food is roughly a third cheaper than it would be if externalities of environmental and costs to human health were included in market pricing. ⁸
Maximize profit for power holders in supply channels	>>> Food prices at grocery stores are up 5.6% from a year ago, the largest increase in nearly a decade, while farmgate prices have dropped by 4.8%. Today, farmers receive an average 14.6 cents for every dollar consumers spend on food. ⁹
Systemic racial injustice	>>> Indigenous tribes have had limited access to federal funding because requirements do not recognize Indigenous farming practices. ^{10,11} Similarly there is a documented history of discrimination against Black and farm communities of color within the US Department of Agriculture (USDA) impacting farmland access. ^{12,13} “American Indian/Alaskan Native” farms account for 0.9% of all agricultural sales, Black-owned farms 0.9%, Hispanic farms account for 5.6%, and Asian owned farms account for 1.9%. The vast majority of farm ownership in these demographics are in small to mid-sized farms. Black farm communities have lost 90% of the land they once owned. ¹⁴

Figure 1 - Environmental and social impacts of the current agriculture system

GOALS OF THE FUTURE REGENERATIVE AGRICULTURE SYSTEM

CURRENT AGRICULTURE SYSTEM	SHARED GOALS	REGENERATIVE AGRICULTURE SYSTEM
<i>Profit maximization for a small number of powerful players over the short-term</i>	PRODUCTIVE VIABLE PROFITABLE FOOD SAFETY	<i>Equitable economic prosperity allowing people and planet to flourish long-term</i>
Externalizes environmental impacts	>>>	Restores ecosystems services at the landscape level (soil health, water quality, biodiversity)
Economies of scale and intensive, specialized production	>>>	Localize and diversify production systems
Maximize calories produced	>>>	Maximize nutrition and public health
Competitive price reduction for consumers	>>>	Connection between consumers and production
Maximize profit for power holders in supply channels	>>>	Equitable distribution of value
Systemic racial injustice	>>>	Fosters racial justice and social equity

Figure 2 - Goals of the future regenerative agriculture system

Shifting to regenerative agriculture offers the opportunity to address these enormous environmental and social impacts of the current agriculture system. At the outset of this initiative, the *Growing our Future* community outlined a future vision for a just and regenerative agriculture system, which would fundamentally transform the goals of our agriculture system: from one focused on maximizing yield and profit to one that supports equitable economic prosperity, allowing people and planet to flourish long-term.

This vision of a future just and regenerative agriculture system is one of a system that has been fundamentally reformed and rewired, requiring changes at all levels: from on-farm management practices, to incentives, investments, infrastructure, relationships and mindsets. Shifting the goal of the agriculture system in the US to be in line with the transformation outlined by the *Growing our Future* community is a massive undertaking. It requires changes in behavior and investment from every actor connected to the agriculture system. While the magnitude of transformation required may be daunting, there are signals that critical elements of the agriculture system are shifting.

TAKING STOCK OF THE TRANSITION

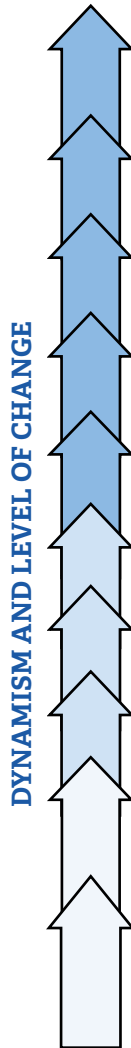
The last two years since publishing the first collaborative landscape analysis ([Growing our Future: Scaling Regenerative Agriculture in the US](#)), have been incredibly dynamic for the regenerative agriculture system. We have seen a myriad of corporate commitments around regenerative sourcing, the rapid emergence of ecosystem service marketplaces and renewed momentum in the policy sphere, alongside a major federal commitment to research funding of innovative solutions.

There is a range of leverage points that can tip the agriculture system toward transformation, from policy, for example, to finance or to farm community engagement. The initial landscape analysis identified several key levers for change, presented in Figure 3. A range of examples from the last 18 months illustrate the pace, scale and diversity of change.

In at least five of these areas, we see considerable action in favor of regenerative agriculture: around policy change, valuation of ecosystem services, new types of financial flows, demonstration of the business case and coalition-building amongst farmers. While infrastructure investment, strengthening routes to market and prioritizing nutritional benefits show real potential for impact, they are lagging in momentum. None of these leverage points acts in isolation and we will need much more – and more joined-up – activity to transform the US agriculture system.



CHANGES IN US AGRICULTURE, 2020-22 ASSESSED AGAINST 10 LEVERAGE POINTS



LEVERAGE POINTS	PROGRESS SINCE 2020
Shape policy to build a resilient agricultural economy	Policy shifts within the USDA such as the Climate-Smart Commodities Partnership and the Equity Commission are demonstrating the powerful role policy can play in driving change. With the renewal of the Farm Bill on the horizon, the extent to which policy can deliver more transformative change remains to be seen.
Recognize and value ecosystem services	After years of development, an abundance of ecosystem service marketplaces are beginning to emerge, from the public launches of the Ecosystem Service Market Consortium and IndigoAg in May and June of 2022, to carbon credit programs within established agribusinesses. While there is an incredible amount of energy around these programs, it remains to be seen whether they can provide adequate incentives to deliver positive environmental and social impacts.
Build and demonstrate the business case	With over 30 brands making regenerative sourcing commitments, it seems the potential impact of the climate crisis and potential gain from taking a leadership role, the business case is starting to solidify. However, mounting pressure from increased living costs could drive both consumers and businesses to put their environmental ambitions on the back burner.
Finance the transition	The investment momentum for regenerative agriculture is building. From the Regenerative Fund for Nature , to the partnership between AXA, Unilever and Tikehau Capital it seems almost every month there is a new fund announcement. But there is still plenty of room for investors to meet the estimated \$700 billion in capacity needed over the next 30 years .
Empower farmers to enable grassroots coalition building	Particularly with the 2023 Farm Bill on the horizon, grassroots farmers movements are mobilizing to seize this significant opportunity to garner support for their communities. The Native Farm Bill Coalition , a nationwide initiative to lift up the voices of Native American producers and Tribal governments to advance a common policy agenda and the National Young Farmers Coalition are two notable examples.
Invest in new infrastructure	Announced June 1, 2022, the USDA Framework for “ Shoring Up the Food Supply Chain and Transforming the Food System to Be Fairer, More Competitive, More Resilient ,” accompanied by more than \$2 billion in investment is a huge step to help “balance the efficiency with resiliency” according to Secretary Vilsack. This builds on USDA investments in rural infrastructure, including \$167 million to improve access to high-speed broadband and \$466 million to build climate resilience in tribal communities . However, the redevelopment of physical and technical infrastructure for product storage and processing facilities, which is needed to adapt to support greater species diversity and batch sizes from small grains and mixed farming systems, is relatively nascent except and will require greater engagement and investment from the private sector to complement the government investments.
Strengthen routes to market	
Prioritize nutritional benefits to enable healthy diets	Results of recent studies are just starting to emerge and all of them are indicating the benefits to human health for food grown in regenerative systems. This is still relatively new body of evidence and largely known only within the regenerative agriculture community, but as momentum grows this leverage point could help propel others.
Mobilize landowners to enable regenerative practices to mainstream	Organizations like American Farmland Trust (AFT) continue efforts to mobilize agriculture landowners to support the transition of over 40% of agricultural land in the US over the next 15 years. Efforts like the National Young Farmers Coalition, One Million Acres for the Future Campaign , and are trying to ensure farmers committed to positive environmental impact have access to land. Yet, these efforts are up against some of the worlds wealthiest , looking to farmland as an investment asset. The trend in overall land consolidation is concerning for the next generation of farmers and equity.
Engage with consumers to increase demand	Companies like Panera and Chipotle’s Real FoodPrint are two among many making efforts to communicate with consumers about the environmental impact of their choices. Yet the overall impact on consumer demand is mixed. In one recent survey by BBMG, 59% of people under age 30 often or always consider how responsible a brand is when choosing food and drinks. While the International Food Information Council found in a representative survey of the US population, regenerative agriculture, with other environmental sustainability topics trails behind taste price and convenience as a purchase driver.

Figure 3: Changes in US agriculture, 2020-22 assessed against 10 leverage points

Leverage points were identified and described in the [Growing our Future 2020 report](#)

RISKS EMERGING AMIDST MOMENTUM

One thread woven throughout each dynamic area of change is the urgency of the climate crisis and efforts to reduce Scope 3 GHG emissions associated with agricultural supply networks. It is this urgency that brings most corporations and mainstream agriculture organizations to the blossoming regenerative agriculture movement. While this is encouraging, there is also a risk, namely, that the social impacts of the current agriculture system, which are felt acutely and historically by Black, Indigenous and farm communities of color, will continue to be ignored.

Many efforts to transition to regenerative agriculture operate in the same silos as the status quo agriculture system - isolated by commodity or sector, not reflecting the diverse farm landscapes that will make up a regenerative future. Likewise, many existing initiatives address only one part of the problem (using either a soil health or a social justice lens) rather than designing for multiple

positive outcomes. Harnessing the growing momentum around regenerative agriculture into meaningful impact requires rapid translation and learning across diverse environments and markets, between small- and large-scale initiatives and regional contexts.

Most importantly, none of these challenges can be solved by a single actor. For example, farmers need new routes to market; food or apparel companies need to find new ways to access supply, and both face financial risks in reshaping routes to market. Multiple offtakers will face similar challenges, and farmers may face disparate and competing demands from their customers. This is not just a case of refining the rules of the game, but literally re-growing the playing field. Pre-competitive collaboration will be essential to achieve consolidated action on key areas of aligned concern, from supply channel design and infrastructure, to policy signals.



**CATALYZING
CHANGE
THROUGH
COLLABORATION:
GROWING OUR
FUTURE IN FOCUS**



In 2020, the *Growing our Future* community was launched as a system-wide initiative which today brings together more than 135 organizations – from farming communities to agricultural producers to retailers and brands - together to collaboratively catalyze the transition to a just and regenerative agriculture system in the US.

To achieve the deep, lasting transformation we are working toward, we must also fundamentally re-wire the current system – shifting people’s mindsets, fostering new relationships and ways of working, and building the capacity of the system to always be working toward “equitable economic prosperity, that allows people and planet to flourish long term”.

THINKING, ACTING AND WORKING DIFFERENTLY THROUGH A COLLABORATIVE PLATFORM

CHANGING WAYS OF COLLABORATING

The *Growing our Future* community itself was convened with the understanding that while there has been significant activity and interest in the regenerative agriculture space, that activity was largely happening within existing silos. For example, there is currently insufficient interaction between incumbent players and marginalized groups; food and fashion companies rarely connect and farm communities are often disconnected from the very organizations and resources seeking to support them. By convening the regenerative agriculture stakeholders with a specific focus on fostering connectivity, our aim is to support participants to see the whole, inspiring new ideas of what the US agriculture system is and empower individuals as change agents.

FOUR KEY PRINCIPLES

Participants collectively identified four key principles that we are drawing on as we design and implement our workstreams and other activities: *fostering connectivity; centering farm communities; addressing power and equity; and supporting mindset shifts*. These help ensure that our interventions are not simply different approaches to policy or marketing, but are simultaneously addressing specific challenges while intentionally bringing in some of the deeper changes we hope to see across the system.

Fostering connectivity



Recognize trust, data and technology as critical enablers of change.
Break down silos between stakeholders and across workstreams.
Support data alignment and connectivity.

Centering farm communities



Provide farm communities with credible information, evidence and tools to give confidence in regenerative agriculture.
Enabling marginalized farm communities to fully participate and self-determine their own thriving future in the agriculture system.

Addressing power and equity



Fostering racial justice and social equity.
Recognizing Indigenous knowledge and supporting Indigenous communities.
Shifting the power dynamics that underpin the system today.

Supporting mindset shifts



Shifting from short-term to long-term mindset.
Understanding, valuing, accounting for the true cost of food/crops.
Shifting from a siloed view to a more systemic, holistic view.
Shifting to a regenerative and just mindset.

CHANGING HOW CHANGE IS PERCEIVED

We are working to raise awareness of the potential of regenerative agriculture, spark dialogue, and support learning through case studies featuring Native-owned farms, media engagement and a newsletter highlighting updates from across the system and the *Growing our Future* community. The focus is on mainstream actors who have been less involved in the discussion to date, and on fostering a more nuanced understanding of regenerative agriculture than we tend to see in mainstream media – one that integrates both social and environmental elements. In turn, we intend for this to contribute to influencing today’s dominant narrative and mindsets around what the agriculture system is, and what it could be in the future.

CHANGING HOW PARTICIPANTS ACT

Through our three workstreams, we are piloting specific interventions: to align policy priorities amongst stakeholders; to unlock critical funding for growers; and to shift how agricultural products are marketed and sold. We hope the interventions will accelerate and deepen much needed progress.

None of these interventions alone - or even these interventions as a portfolio of work - will fundamentally shift the agriculture system toward one that is just and regenerative. Rather, the aim of this community is to ensure more agents of change from across the agriculture system have the capacity to positively shape the transition to a just and regenerative agriculture system.

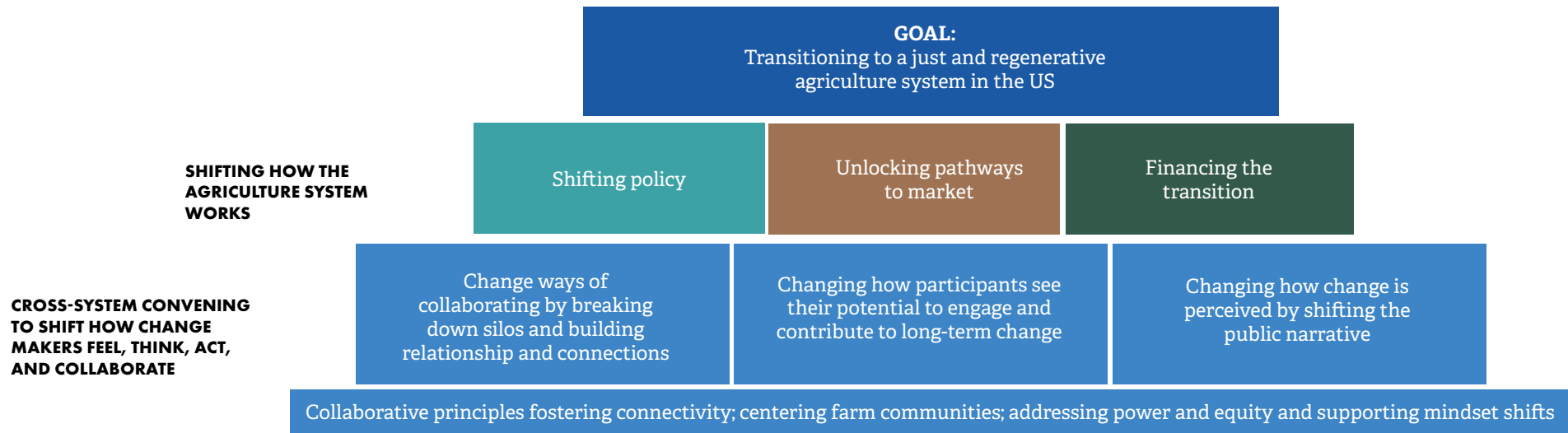


Figure 4: *Growing our Future's* theory of change

FINANCING THE TRANSITION

THE CHALLENGE

Farmers adopting regenerative practices should not be alone in shouldering the cost and risks present in the first stages of transition. They should have better access to finance, to help them cover the transitions costs, reap the rewards of value created, and incentivize others. There is not only a need for more capital to support this transition but also a shift in the quality of capital available to help growers. As one *Growing our Future* participant put it, farm communities face a “chasm of uncertainty” as they give up the traditional agriculture system and market for regenerative agriculture.

For farm communities and investors, finance needs to accommodate different timelines and risks to conventional agriculture, be accessible and valuable to a range of farmers, and provide information on risks and returns, which is currently lacking or hard to unearth.

While there are several ways to finance the transition, one rapidly emerging possible tool for this is **Ecosystem Services Markets (ESM)** in which producers can get paid for the quantified and verified benefits provided to society, such as soil carbon sequestration, biodiversity, reduced GHG emissions, improved water quality and reduced water usage. The payers or purchasers of these verified benefits (or credits) are usually

corporations or municipalities. Their aim might be to drive good agricultural practice in their supply channel, or more generally to offset their own emissions.

In this nascent market, there are multiple objectives, varying methodologies, and some core principles yet to be established. Much focus to date has been on technological and methodological issues, such as how to monitor and verify ecosystem impacts. A small number of operating initiatives exist, with payments to farmers and ongoing ecosystem monitoring, but there are a host of questions and trade-offs that need to be understood and worked through.

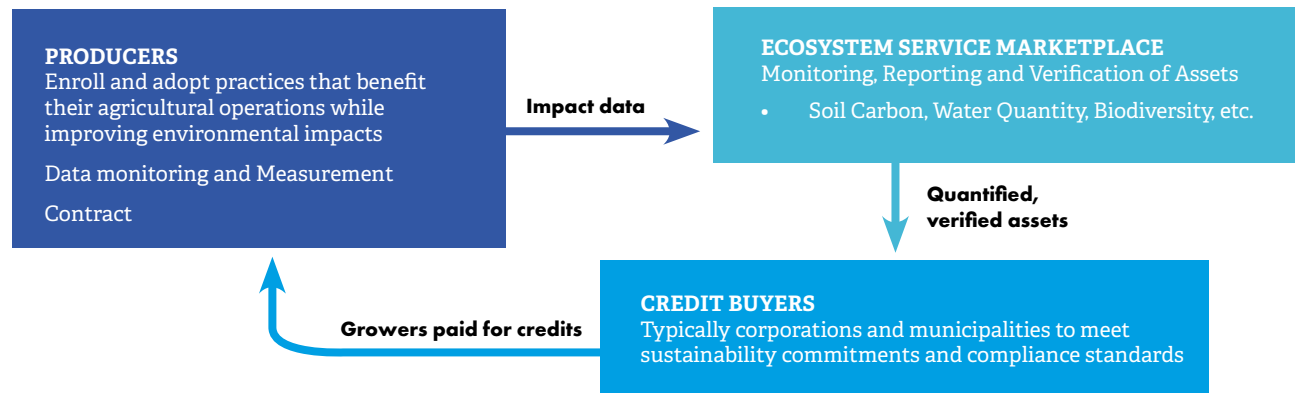


Figure 5: The basic flow of information and assets between ecosystem service market actors.

INTERVENTION: PILOTING AN ECOSYSTEM SERVICE MARKETPLACE FOR COTTON

Working in partnership with the [Ecosystem Services Market Consortium \(ESMC\)](#), and cotton producer networks, *Growing our Future* is working on a farm-level pilot to transition several cotton farms, including both marginalized and large conventional cotton growers, to regenerative agriculture using the financing provided by ecosystem service markets. As part of this pilot, and involving other *Growing our Future* community members, we will also work to diagnose, and design solutions to address barriers to participation for BIPOC farm communities and smaller farmers.

Throughout the pilot design phase we heard several key questions from producers and brands which highlighted some of the different variables to consider within ecosystem service marketplaces. Each marketplace takes a slightly different approach to balance different trade-offs.¹⁵ Producers and buyers need to weigh these different variables to decide which marketplace is the best fit for their goals.

Consider these trade-offs around producer participation	Consider these trade-offs for buyers' engagement in ESM (corporation or municipality)
<p>LEADER V. FOLLOWER Early entrants to ESM can benefit from these revenue streams for years to come, but take on the uncertainty associated with young marketplaces. Waiting to see which ESM really benefit growers could help clarify the risks and trade-offs but also delay the transition to more sustainable practices.</p> <p><i>Note:</i> Currently all agriculture-based ESM only pay producers for the adoption of <i>new</i> practices as a way of ensuring additionality. This inherent challenge for early adopters who currently cannot receive any payment for the beneficial practices they have already adopted. While some ESM are pursuing solutions to this challenge with credit verifiers, none currently exist.</p>	<p>RIGOROUS VERIFICATION V. INTENSIVE DATA COLLECTION While there is no one standard approach for verifying ecosystem service credit in agriculture, some ESM are undergoing third-party verification, relying more or less heavily on soil sampling or remote sensing. In general there is a trade-off between cost and feasibility with level of rigor.</p>
<p>HANDS-ON V. HANDS-OFF TECHNICAL SUPPORT Some ESM have prescriptive management plans while others provide little to no direct technical assistance for growers. Consider what resources you already trust and have available to help you navigate which practices are right for your land and climate.</p>	<p>ALL-INCLUSIVE V. DIY Each ESM differs in the level of project development support they provide. Producer identification and enrollment is a significant amount that can either add cost through contracting a project developer or require more time for your team.</p>
<p>CARBON V. STACKED CREDITS Carbon credits are driving most of the news around ESM. Many also offer water quality and water quantity credits which can help improve the financial reward for producers, but these markets are still nascent with relatively little demand. Some are considering including biodiversity credits as well but both the science and demand lags behind carbon and water.</p>	<p>MASS BALANCE V. TRACEABILITY Traceable credits would allow you to make direct on-package claims but involve more partners and actors across supply channels. Mass balance is more common for large commodities and more scalable in the short-term but would require intentionality to move toward increased traceability.</p>
<p>UPFRONT PAYMENT V. PAYMENT FOR VERIFIED CREDITS Most ESM are outcomes-based marketplaces but vary in the level of funding provided at various stages of the process. Upfront payment can help reduce the financial risk incurred by growers but may come with more restrictive contract terms.</p>	<p>OFFSETS V. INSETS ESM markets that allow for offsets are likely to benefit from increased demand from companies outside of the agriculture system. Offsets are also more flexible because they are not bound by only valuing outcomes associated with specific commodities and time constraint of having to sell assets within the year for annual reporting requirements. However, insets enable the agricultural sector to reduce its footprint more directly, while offsets have a greater credibility risk when used to enable perpetuation of other high-emitting sectors.</p>
<p>HIGH COMMITMENT V. HIGHER RISK Each ESM has different contract terms. Producers should consider how those contract terms impact data privacy, support the grower over different time horizons and how they distribute the value of the ecosystem credits across ESM stakeholders.</p>	<p>LEAST COST V. REDEFINING VALUE One of the first questions companies ask is how much ecosystem service credits will cost. While this question is understandable, there is a risk the ESMs driven by the same least-cost model, will continue to drive incremental change at the farm level rather than a fundamental reframe of how agriculture system stakeholders share the value, and costs of ecosystem services.</p>

QUESTIONS TO ASK ABOUT ESM

To ensure these ecosystem service marketplaces contribute toward the vision of a more just and regenerative agriculture system, we need to consider:

- **Centering farm communities:** How can ESM ensure farm communities receive the majority of the value derived by their shift toward regenerative farm systems? How can ecosystem services markets support local resilience?
- **Addressing power and equity:** How might ecosystem service marketplaces impact land access? How do we ensure marginalized farm communities are able to tap into these revenue streams? If retailers and brands use these models to deliver the value of carbon, what is it going to do to the price being paid for the produce?
- **Fostering connectivity:** How might these marketplaces allow apparel and food companies to support producers across cropping rotations and throughout more diversified farming systems? How might ecosystem service markets improve traceability and better connect consumers with how their goods are produced?
- **Supporting mindset shifts:** What might this mechanism do to how we as individuals think and feel about our relationship to nature, and to managed ecosystems that exist in nature but also produce food? How can it advance the relationship between people and nature, or might it end up distancing us even further from nature?

ESMs are one pathway to finance and accelerate change but they are not a silver bullet and cannot fill in for missing policy, for excluded externalities and for the lack of information and networks for farmers. One key outstanding question is around the role of government in regulating these emerging ecosystem service markets. The insights and effort of the *Financing the Transition* workstream will stay closely aligned with the *Policy Change* workstream to ensure the efforts are aligned to support ESM design that will take us closer to the goals of a just and regenerative agriculture system.

“ESMC views the pilot as a way to invest in economically important production systems, like cotton, that offer great ecological potential for improved climate, water and biodiversity impacts. Perhaps most importantly however, cotton production systems represent many under-served and economically disadvantaged communities not traditionally served by private voluntary markets. This is a great opportunity to invest, collaborate and build capacity in cotton systems and with the under-served and BIPOC farm communities to grow their economic and ecological outcomes but also create ‘owned’ market opportunities directly with interested buyers and corporations.”

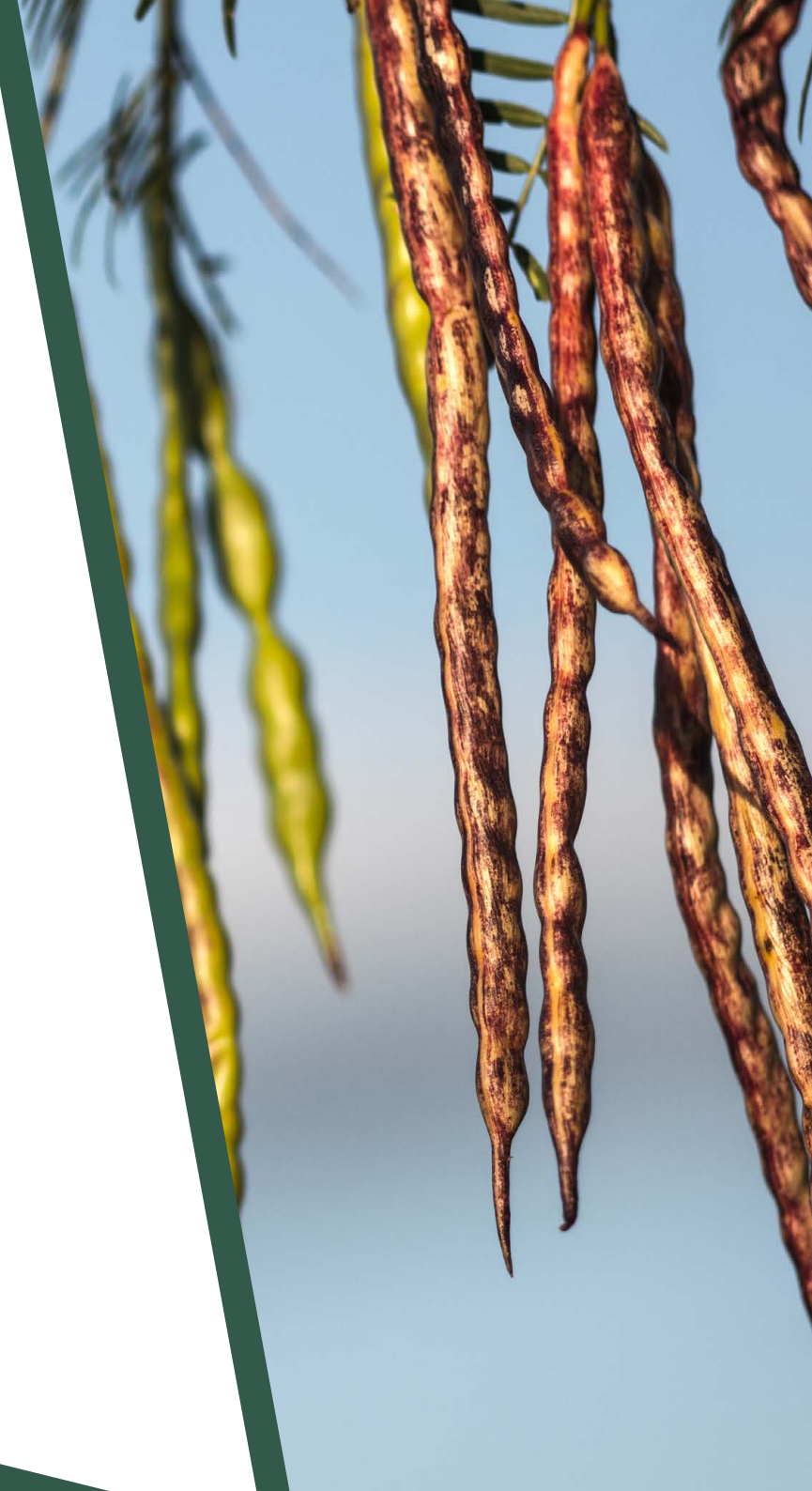
– DEBBIE REED, EXECUTIVE DIRECTOR, ESMC

NEXT STEPS ON ECOSYSTEM SERVICE MARKETS

During the summer and fall of 2022, we will be working with partners to enroll cotton producers in the pilot and begin to identify the primary barriers for small and marginalized producer enrollment as well as building capacity within those farm community networks to participate in ecosystem service markets. Finally, we will continue to consider how ecosystem services need to sit alongside other financial tools to ensure a transition to regenerative agriculture that allows farm communities to mitigate risk and thrive long-term.

Recommendations for brands: as you pursue ecosystem service markets as a potential tool to achieve your regenerative agriculture commitments, consider how your overall strategy and marketplace engagement can ensure positive social outcomes for producers alongside verified ecosystem system credits. *Don't just ask if you can offset or inset your carbon footprint. Instead, ask whether you are truly enabling farmers to make the changes they need, in ways that provide sufficient finance and sharing of risk?*

Recommendations for producers: talk to your neighbors and trusted advisors to understand which, of an abundance of ecosystem service market offerings, is the right approach for you and pass your insights from participating in ESM on to others.



POLICY CHANGE

THE CHALLENGE

In 2020, *Growing our Future* participants identified policy as an area that is both ripe for change and pivotal to shifting the dynamics of the status quo. Current US agriculture policy holds immense influence over the agriculture system, incentivizing disproportionate production of commodity crops at the expense of the environment.

Through the 2018 Farm Bill (FB) crop insurance subsidies and commodity titles, the US spends over [\\$14.2 billion annually on farm subsidies](#) on direct payments, much of which perpetuates an extractive agriculture system and excludes historically marginalized farm communities.

The Federal Crop Insurance Program (FCIP) is a prime example. While it serves as a safety net for some farmers, and USDA research consortiums are working to develop data and incentive frameworks for new cropping systems, the current crop insurance system promotes consolidation and monocrop farms. The [“large” and “very large” farms received 43% of all crop insurance indemnities in 2018](#), with 94% of payouts servicing only six commodities. Notably, the majority of crop insurance payouts in Midwestern states over the last two decades were due to crop damages from excess precipitation or drought, [conditions exacerbated by climate change](#). While the USDA and policymakers are beginning to leverage existing conservation programs to integrate environmentally regenerative practices and “climate smart” solutions, efforts tend to [over-prioritize](#) large-scale operations because they are more financially feasible.

Any policy reforms that do not take a transformational approach run the risk of prolonging a long history of racial discrimination. Due to the long time horizons required to employ regenerative practices, [marginalized farmers cannot begin the transition without access](#) to land, debt relief, technical support, and equitable access to safety nets like FCIP to mitigate risks. Large companies are beginning to partner directly with marginalized farm communities within their value networks on pilot projects that integrate regenerative practices and ecosystem stewardship. However, if these efforts are not accompanied by support for legislation that expands access to historically underserved farm communities, thousands of US farmers will continue to be left out of the regenerative agriculture movement.

Corporate stakeholders invest heavily in policy advocacy; [the farm sector spends twice as much on lobbying and campaign contributions](#) than the average industry. However, many mainstream corporations in the agriculture space either lack an understanding of the public policy proposals that support equitable transition to a regenerative agriculture system, or struggle to align internally on prioritizing regenerative agriculture policy that promotes equity; instead supporting legislation geared towards return on investment.



Corporations often lack access to platforms to engage with the farm communities who stand to gain (or lose) from these policy outcomes; concurrently, farm communities face barriers to access corporate decision-makers in order to share their own priorities and garner mainstream support.

INTERVENTION: IDENTIFYING SHARED POLICY PRIORITIES

The *Policy Change* workstream participants identified gaps in corporate understanding of regenerative agriculture policies that center equity and justice, and the group chose to focus its efforts on policy where equity components need development and support. The workstream serves as a bridge: by working with mainstream representatives, the workstream is able to surface the harm the current system perpetuates, and amplify the mounting crises farm communities face. The group collectively identified shared policy priorities to catalyze a 'just transition' to a regenerative agriculture system: one that delivers environmental impact while ensuring that farm communities are not left behind due to the inequalities endemic to the current system.

While corporate representatives in the workstream value the equity issues raised by farm communities, they also point to the challenge of gaining internal traction to advance more ambitious legislation like the [Justice for Black Farmers Act](#) and the [Emergency Relief for Farmers of Color Act](#). Farm community representatives do express interest in supporting policy initiatives that advance the environmental outcomes (such as data collection for carbon markets), which have been increasingly prioritized by corporate advocates. However, many marginalized farm communities are constrained by the pressures on their basic needs and focus their advocacy on solutions like promoting land tenure and debt relief.

Finding middle ground through consensus-building sessions, workstream participants identified a set of priorities (see Figure 7) that satisfy both:

1. What farm communities consider vital for expanding access, equity, and resilience; and
2. Where there is already significant investment by mainstream corporate stakeholders.



COLLECTIVE POLICY PRIORITIES:

- 1. Inclusive incentives - commodity, conservation, and crop insurance reform:** ensure that practices like intercropping, cover cropping, increased biodiversity and no till are incentivized and not penalized, and that programs like those included under FCIP (FB Title XI) as well as conservation (FB Title II) favor diversity of cropping systems and rotations.
 - » Equity component: increase access to 2023 Farm Bill and similar programs to socially disadvantaged farmers by investing in program outreach and providing application assistance for beginning farmers and farm communities of color.

- 2. Enabling farm-level adoption - technical assistance for producer transition:** provide support to enable farm-level adoption and mitigate risk for transition within existing conservation programs on federal and local levels, such as the Environmental Quality Incentives Program (EQIP) and the Conservation Stewardship Program (CSP).
 - » Equity component: allocate program funds specifically for socially disadvantaged farm communities; invest in outreach that actively seeks applicants from socially disadvantaged farm communities by partnering with existing support systems such as land grant universities and cooperative networks.

- 3. Farm-centric climate solutions - investing in verified ecosystem services markets:** enable farm communities to be a part of climate change solutions by incentivizing regenerative practice utilization and adoption by investing in markets for biodiversity, GHG capture, and carbon sequestration.
 - » Equity component: make requirements more flexible for producers to qualify for [Natural Resources Conservation Service programs](#) such as Conservation Innovation Grants (CIG) and Grassland Reserve Program (GRP), ensure producers have a fair stake in marketplace compensation structure and contracting, and that prerequisites for scalable solutions in USDA grants do not exclude smaller pilot innovations.

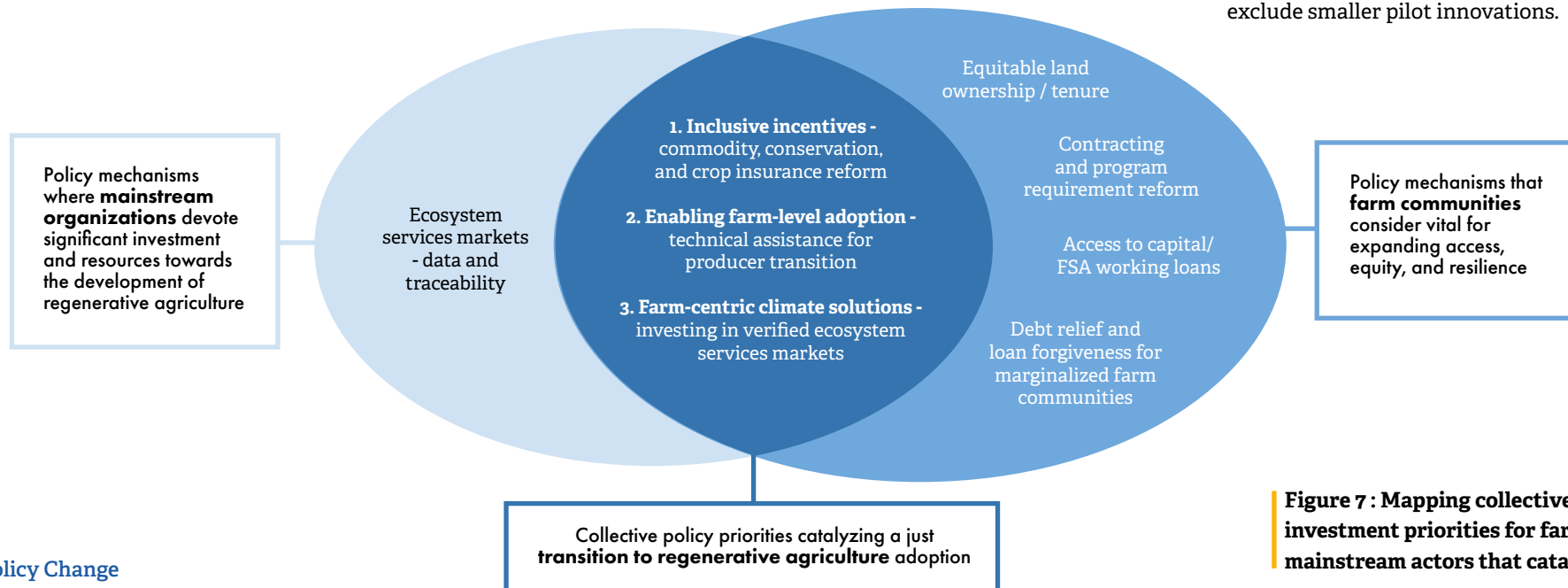


Figure 7 : Mapping collective policy and investment priorities for farm communities and mainstream actors that catalyze a just transition.

Group members continue to emphasize that each policy mechanism does not satisfy the goals of the workstream without addressing equity and access components. For example, mainstream organizations have invested heavily in technical assistance to support regenerative practice adoption at the producer level, a leverage point that producers agree would unlock their capacity to transition to regenerative farming. However, policies that incentivize technical assistance without stipulations for inclusivity could lead to hollow results that exclude many producers who help make up the backbone of agriculture supply networks.

The largest USDA conservation programs could serve as catalysts for transition by providing funding for technical assistance, such as CSP and EQIP. These represent key areas for companies to advocate for investment and reform within the 2023 Farm Bill. However, currently [only 1% of farmers of color are enrolled in these programs](#); thus, corporate policy advocacy should focus on ensuring these and other existing programs actively seek applicants from socially disadvantaged farm communities, and provide on-the-ground assistance for applicants from start to finish.

“I feel really good about participating in a group that has a foundation of respect and mutual exchanges - it is severely, sorely needed in this sector.”

– CYNTHIA MOREL, IOWA STATE UNIVERSITY RESEARCHER,
5TH GENERATION DAIRY FARM OWNER

“Farmers are in crisis, so for us being comfortable is not an option, we need to coexist in this space together and wrestle with strategies, recognizing discomfort to move forward and eventually come up with a policy structure compatible with boots on the ground.”

– EUGENE PICKETT, POLICY WORKSTREAM CONTRIBUTOR, NATIONAL LATINO FARMERS AND RANCHERS TRADE ASSOCIATION, BLACK FARMERS AND RANCHERS NEW MEXICO

“The value of the exercise on shared policy priorities really comes from the different perspectives present, knowing and understanding the challenges that other groups are experiencing, and having critical conversations that allow us to come to consensus. That is what will truly inform the path forward.”

– MEG VILLARREAL, CORPORATE AND GOVERNMENT AFFAIRS, NESTLÉ

NEXT STEPS ON POLICY CHANGE

After curating a set of policy priorities sourced directly from farm communities that support just and regenerative agriculture systems in the US, the workstream will pivot towards providing tools for companies to harness their positions of power to advocate for these priorities.

The workstream will work alongside corporate participants to review the principles, test feasibility of uptake across the often disconnected corporate departments, and co-create tools for distribution and widespread support.

In order for stakeholders across the system, especially corporations, to harness the growing momentum behind regenerative agriculture, they will need to get behind policies that enable buy-in and adoption at the farm level. Corporate and coalition policy advocates should go beyond supporting discrete regenerative practices; in addition, they must begin to [fundamentally reshape power relationships](#) within the agriculture system by centering the needs of historically marginalized communities to advance a just transition to regenerative agriculture adoption.

PATHWAYS TO MARKET

THE CHALLENGE

Current agriculture-based marketplaces are born out of the status quo system of today, developed to optimize profit maximization for a small number of powerful players over the short-term.

CONSOLIDATION AND INTENSIFICATION HAVE CHANGED THE US AGRICULTURE SYSTEM

The current US agricultural system has been dominated by a trend of consolidation dating back to the Green Revolution. Farm numbers plummeted from 6.5 million in 1920 to 2 million today, alongside a loss of total agricultural land. Simultaneously, farm output and farm sizes have tripled and consolidated to focus on fewer crops.¹⁶ This was buoyed by \$240 billion in commodity programs since 1990, of which 68% has gone to just three crops: corn, wheat and soy.¹⁷

The current consolidation of land and market, and the centralization of most processes within the existing agricultural system stands in distinct contrast to the context-specific decentralized land use, the diverse markets, and the use of multiple crops that characterize regenerative agriculture systems.

NUMBER OF FARMS AND AVERAGE FARM SIZE - UNITED STATES: 2011-2018

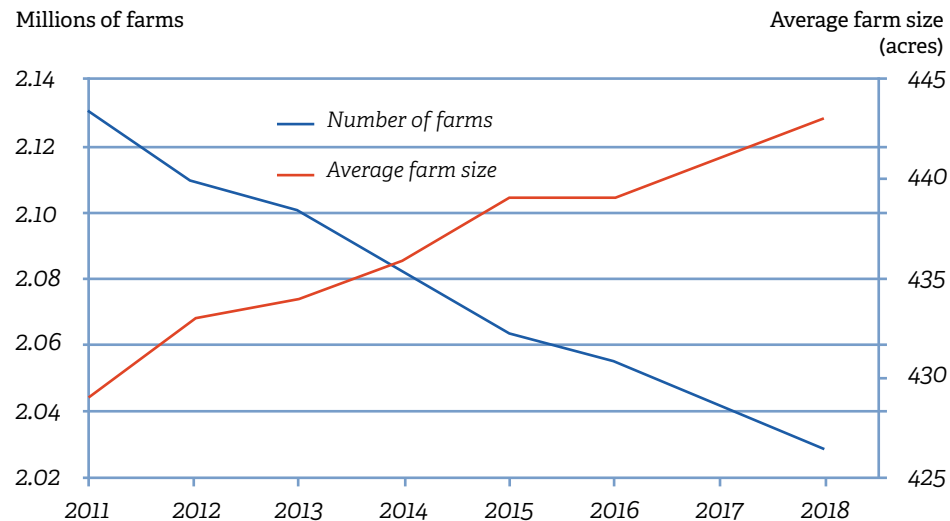


Figure 8: [Number of Farms and Average Farm Size - United States: 2011-2018](#)

DELIVERING SCALE ALONGSIDE REGENERATIVE OUTCOMES

Momentum is growing for models that provide improved incomes and environmentally sound practices, whilst producing nutritious food and building resilience. However, such examples remain infrequent and small-scale. Corporations looking to expand their procurement of regenerative products have limited options to do so and face multiple challenges. These include lack of visibility of and access to regenerative producers as well as internal sourcing policy constraints around scale and cost. Where corporations are involved in regenerative agriculture markets, the priority and rationale for action is environmental outcomes, whilst often neglecting social outcomes. As a result, an opportunity to promote and develop equity and community resilience is missed.

This poses the question:

How can the challenge of producing at scale and cost be paired with regenerative social and environmental outcomes, and can the current food system deliver such outcomes when it has not done so for 70 years?

INTERVENTIONS: ELEVATING SOCIAL OUTCOMES AND PROMOTING REGENERATIVE VALUE NETWORKS

In looking at mechanisms that support a shift towards pathways to market approaches that are more just and regenerative, *Growing our Future* participants identified two opportunities to support transformative change for this workstream:

- 1. Assurance of positive social outcomes,** alongside the recent progress made on developing environmental outcomes in established standards and certifications that can influence large-volume buyers;
- 2. Replicate and scale regenerative value networks,** providing solutions that create a compelling business case to producers to transition to ecologically-sound, diversified farming systems by enabling access, and connectivity to bigger marketplaces.



1. ELEVATING SOCIAL OUTCOMES IN FOOD AND REGENERATIVE AGRICULTURE STANDARDS

Market-driven initiatives for regenerative agriculture have gained significant momentum over the last few years. Brands such as Kering, Nestlé, General Mills and PepsiCo have set ambitious targets for sourcing regenerative ingredients or supporting the transition to regenerative systems on range and farm lands. There is also a growing number of standards, certification and evaluation frameworks that provide clear measurement criteria for environmental outcomes to meet this surge in demand (e.g. Regenerative Organic Certification and Land to Market).

Although this progress is promising, there is very little articulation of how to ensure **positive social outcomes** for the regenerative agriculture systems delivering carbon, water or other landscape level environmental benefits. Farmer-centered practices are often named as an important component of regenerative practice but it is rare for social criteria to be explicitly included in evaluations and measurement. In a benchmark of 16 food and regenerative agriculture programs carried out by the *Pathways to Market* workstream, only four include social criteria in their evaluation framework (see Figure 9).

As the regenerative agriculture movement continues to grow, the needs of farmers, producers, and their communities will need to receive the same priority as environmental impacts.

No criteria related to social impact or outcomes	Social initiatives named as a pillar or priority but not explicitly included in evaluation framework	Social impact criteria included in standard / evaluation framework
Audubon Conservation Ranching protocol Regenagri Soil Regen Regenerative Verified™ Soil Carbon Initiative Farm Standard Understanding Ag, LLC	Danone Field to Market Fieldprint Platform* Nestlé Organic Cotton Accelerator (OCA) Farm Programme One Planet Business for Biodiversity (OP2B)* REGEN1 Savory Institute - Land to Market (L2M)	Anchors in Action Aligned Framework [March 2022 Draft] Sustainable Agriculture Initiative Platform (SAI): Farm Sustainability Assessment [Self-Assessment] Regenerative Organic Certification World Benchmarking Alliance: 2021 Food and Agriculture Benchmark Scoring Guidelines
	FOR EXAMPLE: Farmer-centered processes that are non-punitive Providing farmer education and training Engaging in long-term contracts and fair pay	FOR EXAMPLE: Adhering to local laws and international conventions Mitigating risks Doing good and creating healthy products Prioritizing justice, equity, and community (climate justice, racial equity, food sovereignty, building community capacity, etc.)

Source: List of frameworks provided by Growing our Future participants. Benchmarking conducted using publicly available information
*Frameworks have publicly shared a commitment to include social impact criteria but specific details or indicators are in development.

“The Good Eating Company believes that it is imperative to find creative ways to work with suppliers that are producing food in ways that regenerate ecosystems, cultivate healthy soils, increase biodiversity, and promote equity. We continue to invest in existing partnerships with growers that have been ahead of the curve and are also exploring ways to promote the transition to regenerative practices by bringing new producers into our supply chain that might be earlier on their journey. We are continuing to connect with and learn from BIPOC growers about how we can support them to ensure we have the intended positive economic impact through the ongoing development of these programs.”

**- RENEE MCKEON, VP SUSTAINABILITY & CSR,
GOOD EATING COMPANY BY SODEXO**

Among the four assessment frameworks that do already include social criteria, the objectives range significantly, often focusing on risk mitigation and minimizing harm rather than proactively prioritizing justice, equity, and building capacity at community level (see Figure 10). As a next step, we took a closer look at these four food and regenerative agriculture standards to further analyze how different social criteria and indicators were framed. This exercise highlighted key opportunity spaces for existing assessment frameworks to envision greater positive outcomes for farmers and their communities.

In the next phase of *Growing our Future*, we see an opportunity to reimagine how these accountability and measurement systems can ensure greater social outcomes – thinking beyond the minimum expectations set by international conventions and concerns of risk mitigation.

What could it look like to prioritize equity and justice in land stewardship, human rights, and worker wellness? And what mechanisms could ensure accountability for these outcomes?

	CRITERIA OBJECTIVES				
	Follow basic laws and international conventions	Mitigate risks	Do good	Foster justice and build capacity for thriving communities	
CRITERIA CATEGORIES	SUPPLIER ENGAGEMENT AND PROCUREMENT		Create procurement / supplier engagement requirements	Prioritize fair prices and processes Develop a diverse procurement policy	
	COMMUNITY ENGAGEMENT AND IMPACT		Conduct a community risk assessment	Disclose processes, policies, and impact to community	
	LAND STEWARDSHIP	Obtain land title and certifications	Resolve conflicts with affected communities	Remediate affected communities	OPPORTUNITY SPACE Emerging local food and procurement initiatives like Anchors in Action have drafted initial guidance of how justice and equity can be centered in food systems. We see an opportunity to build on and apply this work to sectors beyond institutional procurement to reimagine how regenerative agriculture frameworks can ensure greater social outcomes.
	HUMAN RIGHTS AND CHILD LABOR	Respect human rights and identify risks Prohibit the employment of minors	Mitigate human rights risks Procedures, work restrictions, and transition plans in place for children / young workers	Remediate human rights risks and engage with communities. Provide schooling for children/young workers	
	WORKER EMPLOYMENT AND WELLNESS	No human trafficking, forced labor, unfair hiring practices, harassment, or discrimination Freedom of association and protection from retaliation	Provide safe and clean housing Have health and safety protocols Provide grievance mechanisms for workers and procedures to address complaints	Create employee wellness programs that provide healthy food and education Ensure inclusive work environment	
	WAGES AND BENEFITS	Wages, work hours, and benefits are in accordance with law	Timely and good records of payments	Commitment to living wage Provide health insurance, compensation, and sick leave	

Figure 10: The social objectives of current regenerative food and agriculture standards.

A sample of how existing standards frame their social impact criteria and their intended objectives.

Standards evaluated include: Anchors in Action Aligned Framework, Regenerative Organic Certification, SAI Farm Sustainability Assessment, and World Benchmarking Alliance Food and Agriculture Benchmarking Scoring Guidelines

2. REPLICATING AND SCALING REGENERATIVE VALUE NETWORKS

Regenerative value networks describe the ways in which regenerative agriculture producers are selling their goods and how buyers are purchasing them. These networks include food and farming businesses, intermediaries, distributors, processors, and others involved in selling and purchasing products. Using the principles of value networks, the term “regenerative value networks” provides a more holistic understanding of value generation and distribution, of the importance of interconnected relationships within the network, and of the tangible and intangible benefits to society and the economy.

Within this workstream, we interviewed individuals working across these emerging regenerative value networks to understand the commonalities and barriers to creating a wider shift to these approaches. To date we have identified **four critical success factors**:

1. **Improving food system infrastructure investments**

Regenerative growers sometimes need to drive hundreds of miles to a USDA-certified facility that can accommodate them, whilst regenerative ranchers that raise fewer livestock are often turned away from USDA-inspected slaughterhouses that prioritize industrial farmers with thousands of animals.¹⁸ Investment in infrastructure allows for smaller producers to compete in the marketplace. Examples include processing and storage facilities, slaughterhouses, mills and silos, composting centers, food waste facilities, seed cleaning centers, commercial kitchens, value-add facilities, and washing stations.

2. **Partnerships with impact-driven organizations**

Regenerative value networks working to address power imbalances have commonalities in their governance principles, using a variety of mutually-

beneficial partnerships to work towards the regenerative goals of distributing value evenly and localizing and diversifying production systems. These partnerships can bring traceability, transparency, and assurances of regenerative credentials to buyers, producers, and consumers, like humane slaughterhouses, regenerative certifications and standards, and regenerative sourcing specialists.

3. **Mechanisms for fairer compensation**

Examples of regenerative value networks that form partnerships with community-owned facilities (e.g. kitchens and processing facilities) and cooperative organizations have demonstrated positive outcomes for producers: producers receive fair compensation for their outputs allowing them to cover the cost of production, allowing surplus for investment and the ability to pay themselves and their workforce a fair wage. In these emerging regenerative value networks, value is also

transferred to farmers and processors in other ways, including through long-term contracts, guaranteed pricing, access to affordable finance, access to training, technical assistance, and educational opportunities, affordable healthcare, and forms of disaster relief and insurance.

4. **Enabling replication and scale**

Our research demonstrates that regenerative value networks that are working towards the goals of regenerative agriculture are most active at the local and regional level. Despite not being an explicit requirement of regenerative agriculture, these shorter, regionalized, and diverse value networks are demonstrating the strongest examples of a new system emerging. The burden of proof lies with both emerging regenerative value networks and global conventional value networks to demonstrate replicable and scalable mechanisms that allow for better connectivity between buyers and sellers while delivering positive social and environmental outcomes.

REGENERATIVE VALUE NETWORK CASE STUDIES

Two case studies from *Growing our Future's* research help demonstrate existing regenerative value networks.



GRASS ROOTS FARMERS' COOPERATIVE

Heifer Ranch has been supporting the *Grass Roots Farmers' Cooperative*, a cooperative of over 40 American farmers and ranchers across the country, since 2014. Heifer trains smallholder farmers in regenerative agricultural practices and connects them to reliable markets to make a profitable income. The partnership connects the ranchers to markets and Cypress Valley Meat Company processes the livestock in a humane way. The national average percentage of food dollars that reach farmers is 13-14%, but through the farmer-owned cooperative model, ranchers can receive around 70%. As well as better pay for their products, the cooperative has enabled the farmers to focus on farming by removing the onus on them to find markets, distribute, process, and aggregate their products. Two recent lessons on the model center around expanding the number of distribution centers to allow for rapid distribution based on demographics. Additionally, opening the processing plant allowed for the e-commerce marketplace to flourish.

THE COMMON MARKET

The Common Market's mission is to connect communities with good food from sustainable local farms to build community food resilience. The non-profit acts as a regional food aggregator and distributor and operates in the Mid-Atlantic, Southeast, Texas, and Great Lakes.

It connects communities (especially vulnerable communities) with local fresh produce by aggregating and distributing produce through partnerships with local anchor institutions. As of 2021, The Common Market has distributed close to \$70 million of local foods from over 300 sustainable family farms and producers to over 1,800 schools, hospitals, eldercare facilities, workplaces and community organizations.

The organization works through three main mechanisms. Supply chain capacity building looks to enhance infrastructure for aggregation and distribution, provide technical assistance, ensure fair pricing for farmers, and develop farm infrastructure. Wholesale distribution seeks to distribute products aggregated from multiple sources, ensuring transparency, and targeting outreach to local anchor institutions. Stakeholder collaboration looks to lead the dialogue on procurement practices, collaborate with other organizations, participate in convenings that drive equity in regional food systems.



MAP OF EMERGING REGENERATIVE VALUE NETWORKS

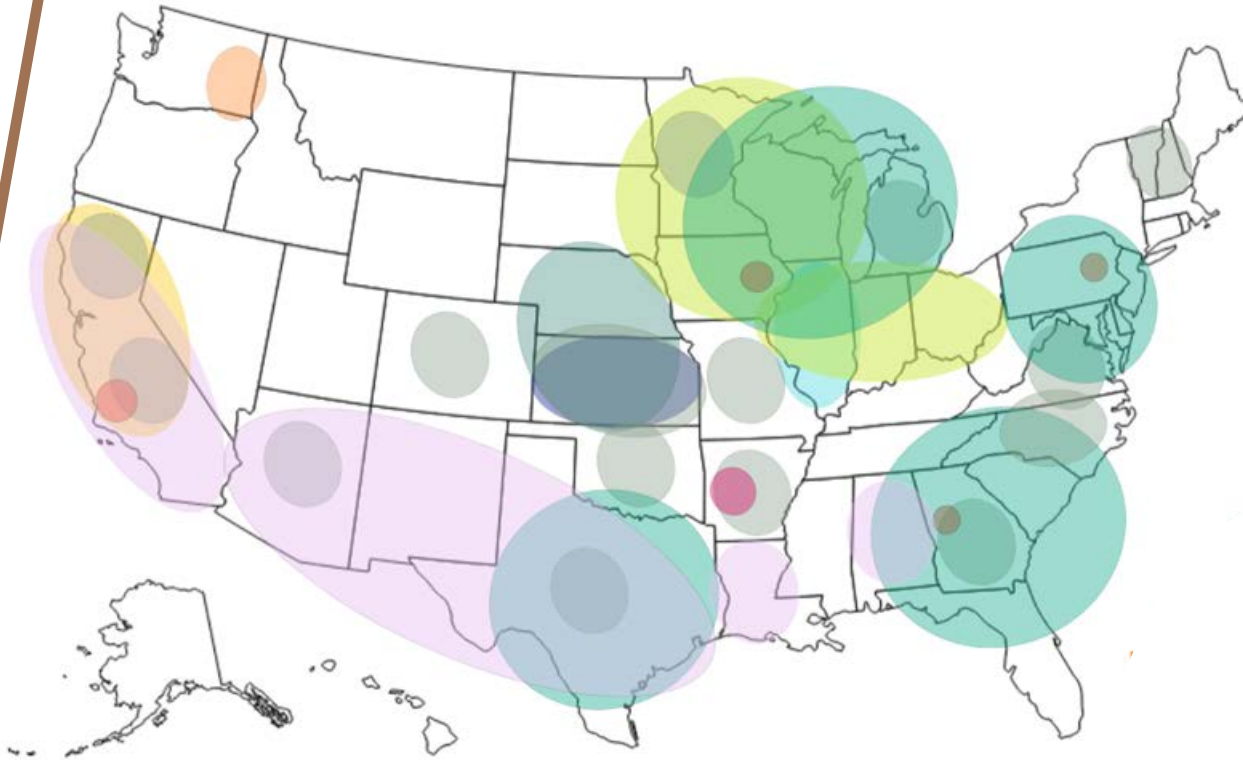


Figure 11: Emerging Regenerative Value Networks - *Growing our Future's* initial research has begun to map examples of regenerative value networks that are currently operating within the US and driving multiple positive outcomes for communities and businesses, as well as delivering on the goals of regenerative agriculture.

<u>Rodale Institute</u>	In addition to research and farming training, Rodale's Regional Resource Centers support the development of pathways to market for farmers transitioning to regenerative organic.
<u>Savanna Institute</u>	Non-profit working with farmers and scientists to lay the groundwork for widespread agroforestry adoption in the Midwest.
<u>Great Plains Regeneration</u>	Liaison between small and large stakeholders and the farming community to allocate resources for regional food-system development while increasing new market opportunities for local producers while increasing overall soil health.
<u>Savory Institute and Land to Market</u>	SI equips land managers to achieve regenerative outcomes by using the Holistic Management framework. Land to Market is an outcome-based, verified-regenerative sourcing solution.
<u>Fibershed</u>	Fibershed connects producers and buyers through a directory for a network of affiliates interested in developing regional fiber system communities and a network of fiber producers in California.
<u>Regenerate Illinois</u>	A network for regenerative practitioners to share, learn, and collaborate as well as work together in Action Circles for a vision of regenerative agriculture in Illinois.
<u>Grass Roots Farmers' Cooperative and Cypress Valley</u>	Heifer trains the producers in regenerative agriculture, Cypress Valley slaughters animals humanely, Grass Roots sells products from farms across the country direct-to-consumer.
<u>Shop Kansas</u>	An online direct-to-consumer platform for producers in Kansas.
<u>Planetary CARE and Palouse Farm to Fork Program</u>	Planetary CARE operates as an Innovation Broker in Farm to Fork regional/local food value chain, redesigning and rebuilding community-based food systems.
<u>5loc Cotton</u>	Connects "Responsible" cotton growers with apparel and home furnishing brands that are looking to fulfill their responsible cotton strategies.
<u>The Common Market</u>	Nonprofit regional food distributor connecting communities to food grown by sustainable family farmers.

NEXT STEPS ON PATHWAYS TO MARKET

Working with key *Growing our Future* community members and their extended network, this workstream will continue its engagement in this dynamic space to develop and refine the two pathways to change.

Together, we will ultimately publish guidance for standards and businesses on how to better elevate and deliver social outcomes associated with regenerative agriculture. This will explore both what “good” looks like as well as how criteria can be co-created with farmers and farming communities to directly achieve positive social outcomes. Ongoing engagement with key partners will support the adoption and integration of these social outcomes into new and existing commitments.

Our ambition is to be able to ensure replication and scale of the success factors behind regenerative value networks in order to address the barriers to accessing regenerative markets. We will continue to study and map examples of these regenerative value networks that are currently operating within the US. Additionally, we will continue to assess and share the mechanisms attempted within these regenerative value networks that are fostering resilience while driving multiple positive outcomes for communities and businesses. Finally, this workstream will identify possible gaps that would support opportunities to prototype new solutions with partners.



WHAT'S NEXT FOR REGENERATIVE AGRICULTURE?



CONCLUSION AND RECOMMENDATIONS

Regenerative agriculture in the US is emerging and is highly dynamic. Despite (or perhaps in part because of) the increased momentum, there remains a real risk of a shallow transition: a transition where solutions scale for some specific problems and their symptoms in isolation, but fail to tackle the root causes; and where we tweak around the edges but don't fundamentally transform our systems.

This transition's success will be determined by two core principles: that the transition will be deep, and so will involve all players in the system; and that it must be farmer-centered and address equity as well as environmental resilience.

The experience to date from *Growing our Future* convenings and the workstreams has shown the value of building dialogue across the community. Beyond what we achieve as a project, conversations have spun into longer dialogues and partnerships and stretch the network of change further.

The process has also revealed **trade-offs and design issues** that are emerging as this nascent regenerative agriculture system takes shape. Ecosystem services markets may or may not be a solution for financing farmers transitions – design issues will affect which of their multiple objectives are achieved. Pathways to market for regenerative agriculture products have emerged in some localities, but as yet there is no decentralized scalable market system to shift conventional procurement. Where retailers are shifting supply channels and using new standards, social outcomes are generally still neglected.

All these issues are part of the emergence of the sector, and illustrate the importance of testing, learning and sharing insight.

At the heart of the project and its success so far has been the unique role of **collaboration and co-creation**, bringing credibility and authenticity to the outputs, and providing a safe and courageous space to explore challenges and to unlock and test new ways of working. The active creation of a space where diverse and often marginalized voices are brought into the process of design and decision-making, has built bridges across the community and created novel approaches. This principle underpins the “just transition”: it cannot be a just transition if the transition itself is not designed to be just. The project does not claim to have all, or even enough of the answers, but it is hoped that it has gone some way toward addressing this key principle.

This type of collaborative process can be hard – some discomfort comes along with a big tent, with disparate perspectives and conversations. Some participants represent communities on the front lines of the climate crisis and they want to know the urgent needs of their communities are heard and addressed. Others are deeply committed individuals trying to leverage their power within enormous organizations with deeply entrenched practices. They have an important role to play to ensure mainstream organizations that have benefited from the system as it exists today embrace fundamental shifts in the system. Some stakeholders, such as conventional farm communities, feel “locked in” to the system of today. Leading mainstream stakeholders, from corporations to farmer networks, indicated that they see the opportunity to use their significant reach and influence to provide resources, incentives, financing, and advocacy power to get us closer to the goals of the regenerative system but need support on this journey.

Growing our Future therefore has a role to play in both **raising the ambition of mainstream players and pursuing deep transformation** – carefully, thoughtfully, with continuous awareness of any potential trade-offs and whether one detracts from the other. As we move into the final stage of this initiative we will continue to ask:

- How might a diverse community work to collectively catalyze systemic change while holding different perspectives and areas of influence?
- How might we honor and acknowledge deep historic harms that have shaped the system today and work collectively toward a new future?
- How might we build relationships and systems of accountability to allow us to work urgently at scale and prioritize deep systemic transformation?

This endeavor will require every actor in the agriculture system. *Growing our Future* is only possible due to the engagement of its many partners and the valued support from the David Rockefeller Fund, the Walmart Foundation, The VF Foundation and Nestlé to kickstart this regenerative revolution. Now is the time for the sector to come together in pre-competitive initiatives such as *Growing our Future* to work toward shared goals.

FOR AGRICULTURE SYSTEM STAKEHOLDERS, THERE ARE FOUR KEY AREAS OF ACTION EMERGING:

Advocate for agriculture **policy** that supports both positive environmental and social outcomes; both are deeply connected and complementary;

Develop and design **ecosystem services markets** in ways that enable farmers to capture new value and reduce the risky transition to regenerative agriculture;

Embed goals and outcomes around **social equity** in your regenerative agriculture commitments; and

Build farmers' access to markets for their regenerative agricultural products, by replicating and linking up new value networks and reforming procurement processes and systems.

We invite you to join us to meet the urgency for transformation, while ensuring a robust shift that delivers across our social, environmental and economic goals and paves the way for a thriving just and regenerative future.

WITH THANKS



We would like to thank the Walmart Foundation, The VF Foundation, David Rockefeller Fund and Nestlé for making this work possible through their generous support.



About Philanthropy at Walmart

Walmart.org represents the philanthropic efforts of Walmart and the Walmart Foundation. By leaning in where our business has unique strengths, we work to tackle key social issues and collaborate with others to spark long-lasting systemic change. Walmart has stores in 27 countries, employing more than 2 million associates and doing business with thousands of suppliers who, in turn, employ millions of people. Walmart.org is helping people live better by supporting programs that work to accelerate upward job mobility for frontline workers, address hunger and make healthier, more sustainably-grown food a reality, and build strong communities where Walmart operates. To learn more, visit www.walmart.org or find us on Twitter @walmartorg.

About The VF Foundation

The VF Foundation is the private grantmaking organization funded by VF Corporation, one of the world's largest apparel, footwear and accessories companies with iconic brands including Vans®, The North Face®, Timberland®, Smartwool®, JanSport® and Dickies®. With its partners, The VF Foundation strives to innovate and problem-solve in collaborative ways to drive transformative, lasting change with the vision of creating a more equitable and sustainable world. Established in 2002, the Foundation has granted nearly \$60 million globally to meaningfully improve the communities where VF operates. It's committed to driving movements for the betterment of people and the planet across its key strategic pillars: championing Worthy Work, embracing Outside Matters, empowering creativity and self-expression as we are Free to Be, and supporting Disaster Relief and Recovery. Learn more at vffoundation.org.

REFERENCES

¹ World Meteorological Organization (2022, May 10). WMO update: 50:50 chance of global temperature temporarily reaching 1.5°C threshold in next five years. Available from: <https://public.wmo.int/en/media/press-release/wmo-update-5050-chance-of-global-temperature-temporarily-reaching-15%C2%B0C-threshold>

² Ibid

³ Allee, Verna. "Value Network Analysis and value conversion of tangible and intangible assets." *Journal of Intellectual Capital*, vol. 9, no. 1, 2008, pp. 5-24. Emerald Insight, <http://dx.doi.org/10.1108/14691930810845777>

⁴ United States Environmental Protection Agency (EPA) (2022). Inventory of Greenhouse Emissions and Sinks. Available from: <https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions#overview>

⁵ *Frontiers in Sustainable Food Systems* (2020). Evaluating the Untapped Potential of U.S. Conservation Investments to Improve Soil and Environmental Health. Available from: <https://www.frontiersin.org/articles/10.3389/fsufs.2020.547876/full>

⁶ Ibid

⁷ Myers, S., Zanobetti, A., Kloog, I. et al. Increasing CO₂ threatens human nutrition. *Nature* 510, 139–142 (2014). Available from <https://doi.org/10.1038/nature13179>

⁸ European Commission. Knowledge for Policy (2021). The True Cost and the True Cost of Food. Available from: https://knowledge4policy.ec.europa.eu/publication/true-cost-true-price-food_en

⁹ Farmaid (2020). Understanding the Economic Crisis Family Farms are Facing. Available from: <https://www.farmaid.org/blog/fact-sheet/understanding-economic-crisis-family-farms-are-facing/>

¹⁰ Sharma, A., Bryant, L., & Lee, E. (2022). Regenerative Agriculture: Farm Policy For The 21st Century Policy Recommendations To Advance Regenerative Agriculture. Available from: <https://www.nrdc.org/sites/default/files/regenerative-agriculture-farm-policy-21st-century-report.pdf>

¹¹ Michael Johnson et al., "Barriers to PES Programs in Indigenous Communities: A Lesson in Land Tenure Insecurity from the Hopi Indian Reservation," *Ecosystem Services* 32, part A (August 1, 2018): 62–69, <https://doi.org/10.1016/j.ecoser.2018.05.009>

¹² Wright, L. (2020, October 9). Commentary: Discrimination has become a fact of life for Black farmers—that must end. *Fortune*. Available from: <https://fortune.com/2020/10/09/black-farmers-usda-racism-pigford/>

¹³ Browning, P et al. "The Decline of Black Farming in America," *Commission on Civil Rights*, February 1982. Available from: <https://files.eric.ed.gov/fulltext/ED222604.pdf>

¹⁴ US Department of Agriculture (USDA) (2019), 2017 Census. Available from: <https://www.nass.usda.gov/Publications/Highlights/index.php>

¹⁵ Farm Foundation (2022). The U.S. Voluntary Agricultural Carbon Market: Where to From Here? Available from: https://d2fxn1d7fsdeeo.cloudfront.net/farmfoundation.com/wp-content/uploads/2022/05/05134305/FAF9017-01_Ag-Econ_issue_v2FINAL.pdf

¹⁶ USDA (2019). Ag and Food Statistics: Charting the Essentials. Available from: <https://www.ers.usda.gov/data-products/ag-and-food-statistics-charting-the-essentials/farming-and-farm-income/>

¹⁷ Environmental Working Group. The United States Subsidy Information. Available from: <https://farm.ewg.org/region.php?fips=00000®ionname=theUnitedStates>

¹⁸ Sharma, A., Bryant, L., & Lee, E. (2022). Regenerative Agriculture: Farm Policy For The 21st Century Policy Recommendations To Advance Regenerative Agriculture. Available from: <https://www.nrdc.org/sites/default/files/regenerative-agriculture-farm-policy-21st-century-report.pdf>

To learn more and explore how your organization can help transform the agriculture system in the US please contact Mary McCarthy at m.mccarthy@forumforthefuture.org.

To find out more about Forum for the Future's work on Sustainable Nutrition visit www.forumforthefuture.org/Pages/Category/food

**FORUM
FOR THE
FUTURE**

