

[Introduction]

Thank you Jose and thank you to the ISO for the invitation to deliver this keynote speech at such a prestigious event in the global sugar sector's calendar. It is truly an honour to be here with you.

Ladies and gentlemen, I have been President of the National Farmers Union in England and Wales for nearly six years. Representing the interests of over 46,000 diverse farming businesses, including the 2,000 growers of sugar beet, some of whom are here.

I want to talk to you today about something all of us has a stake in getting right.

1. How we, as farmers, can lead the supply chain in delivering our shared net zero and environmental commitments, and
2. How everyone in the supply chain can and must help make the transition to net zero positive and economically viable, for the benefit of all.

Though I represent farmers in the UK, I speak regularly to farming leaders from across the globe and I know there is a shared ambition to deliver upon this, the world over.

The sugar industry; agriculture across the world; society as a whole – we all face the same challenges to decarbonise while navigating volatile economic times.

But farmers more than most experience the consequences of climate change on their businesses. Whether from increased droughts, flooding, heatwaves or storms.

This means that farmers have a huge vested interest in being at the forefront of tackling climate change. We want to take the lead. We must take the lead.

I am acutely aware that if we do not find ways to build environmentally resilient supply chains, others will step in and impose their version of the solution.

And if our supply chains are not sufficiently ambitious and fast moving, legislation may be imposed on all of us.

It makes sense that farmers are at the vanguard; creating change that protects our livelihoods, whilst at the same time delivering high quality food to a growing global population.

And it is critical that policy makers the world over understand that production of food and protection of the natural environment are two sides of the same coin and cannot be viewed in isolation of each other.

I like to say that farmers are the original 'Working Conservationists'. I'm a sixth-generation farmer, producing food from our land while also looking after it for the next generation. And with such intimate knowledge of the land we farm, farmers know better than anyone what will (and will not) promote sustainability and how we can best deliver net zero on our own land.

If we want to reach net zero across the entire industry, supply chains and governments must be clear, consistent and focused about the outcomes they want, and incentivise farmers to deliver on them. But crucially, I believe that we must allow farmers to decide how best to deliver the desired outcome on their own land.

[Section 1]

Ladies and gentlemen, I know many of you have been involved in the sugar industry for a long time.

You will be well aware that over the years there have been countless reports that dictate the actions farmers must take to reduce their carbon footprints and to farm in a more sustainable manner.

Some of those reports have done a better job than others, in actually listening to farmers to understand what works for them.

Representing nearly 50,000 farming businesses in the UK has shown me that top down, template definitions of sustainable farming seldom work.

Every farm, and every field, is different.

Actions that deliver net zero or support nature in low lying peat soils are not the same as those that work on steep chalk hillsides for example.

The common threads are the outcomes that sustainable farming should deliver - such as a reduction in carbon footprint - not the specific methods farmers should use to achieve those outcomes.

In my own experience, the best supply chain partners really try to understand my farm, help me to build my knowledge and experience, and support and reward me to produce food in a sustainable manner that works on my farm.

If the sugar sector embraces this approach, and supply chains build a vision of sustainability from the bottom up, the result will be engaged farmers, willing to participate, and go above and beyond, in delivering this vision. As the saying goes: "One volunteer will always be worth 10 pressed men".

Furthermore, knowing my own farm and land intimately, I know first-hand the trade-offs between reducing carbon emissions, maintaining food production and delivering other environmental goods.

Every decision I make on farm will have consequences, both intended and unforeseen. Like all farmers, I have tried many things over the years. The lesson here is that what works for some does not work for all. To reach net zero and encourage sustainable farming, the supply chain must support farmers in a way that will deliver results on their individual farm, not just on a 'model' farm.

Legislators and supply chain partners must also be clear and consistent about the results they would like to see from farmers. All partners must recognise that while farmers will target what they are incentivised to deliver, there may be unintended effects elsewhere.

It is critical the supply chain supports farmers to produce food and look after the environment. The supply chain's objective, after all, is to find and encourage sustainable production of food. If the environment is looked at in isolation from food production, it risks displacing food production without making that production any more sustainable.

- As a farmer, I want to be recognised for producing food sustainably.
- I want to supply the market and feed the nation, not see food production exported.
- I want my actions to be recognised and appreciated by the consumers I serve, and

- I want future generations of my farming family, friends and neighbours to be able to enjoy and thrive in the landscape and natural environment we live and work within.

[Section 2]

Ladies and gentlemen, this brings me to my next point, which is fairness in the supply chain.

You may (or may not) know that my organisation is facing just such a challenge in our domestic sugar beet sector currently.

This isn't an appropriate place to go into the details of what is a very live situation. Suffice to say my members are absolutely outraged by what is happening.

What I hope most of us here today can agree is that ensuring farmers receive a fair share of the returns made in the supply chain underpins our ability to invest, and so helps guarantee investment, innovation, and ultimately supply chain longevity itself.

Any other outcome risks the long-term viability of the sector in question.

This principle, and this risk, are truly global, not just in sugar, but across agricultural commodities.

In the context of delivering environmental goods alongside food production, if the supply chain wants farmers to help deliver on net zero commitments, the supply chain must provide incentives to farmers to produce sustainable, net zero food.

Having established that farmers can lead the way in delivering on our shared commitments, we now need to discuss how the supply chain distributes the costs and value of this.

Let's start by looking at the status quo.

Firstly, of the 46,000 farming businesses I represent, there is no doubt that there are some who are further along their net zero journey than others.

Wherever the costs and rewards lie in current supply chain systems, they are clearly not consistently supporting farming businesses to produce net zero food.

In the sugar supply chain, there are many companies involved in producing our product – farmers, farm suppliers, millers, refiners, and logistics companies to name but a few.

As a farmer, I am in direct control of what I do, and bear the costs of the decisions I make. And each other party in the supply chain can control the decisions they make, and costs they bear as a result. So for example, I can decide how much fertiliser I apply, while a sugar processor can decide what fuel source to use.

Given that a farmer bears the cost of decisions we make in growing practices, it is essential that the supply chain also passes the value generated by those decisions to us as farmers.

Other companies in the supply chain expect to benefit from the decisions they make, and growers are no different.

If the value generated by an action is passed to the business that carried it out, there will be a strong incentive for everyone in the supply chain to deliver net zero food production.

Secondly, farmers must not be penalised for being early adopters of the production methods and practises society is increasingly asking global agriculture to adopt.

Sadly there are many down-stream companies who only want to incentivise farmers to make changes now, rather than pay those farmers who have invested for many years to produce low-carbon food. With a focus on outcomes, the supply chain should recognise the carbon reductions farmers are delivering, whether they have been doing so for 1 year, or 10 years.

As an example, consider the egg sector. I represent members who produce eggs in free-range systems, and members who produce eggs in housed systems.

Free-range eggs command a premium over eggs from housed hens. Any producer of free-range eggs can obtain this premium in the market, whether they have always run a free-range system or only recently converted.

It would be absurd and counterproductive for the supply chain to offer a premium only to those farmers who have recently switched to free range egg production. Yet, there are supply chains that penalise farmers who have always produced low-carbon food by favouring those seeking to reduce their carbon footprint now.

It would be a mistake for the sugar supply chain to fall into this trap. All growers of low carbon sugar should be recognised and rewarded for the beet and cane they are growing.

Delivering net zero food production is a global challenge and will only succeed if solutions include and provide opportunities for everyone.

[Section 3]

Finally, I'd like to talk about the leadership I believe the National Farmers Union is demonstrating in delivering a net zero agricultural sector.

In 2019, we set the ambitious goal of reaching net zero greenhouse gas emissions across the whole of agriculture in England and Wales by 2040. This is our contribution to the UK's ambition of net zero by 2050.

Why did we do this? Because agriculture is uniquely placed as part of the solution, as both an emissions source, and an emissions sink. As farmers, we have a special responsibility to protect carbon reserves already in our soils and vegetation, but as I said earlier, there are many important reasons why farmers must be at the vanguard of change.

Delivery towards this NFU goal is encapsulated by agricultural 'sector specific' resilience plans, available for anyone to read on NFU's website.

Taking our sugar beet resilience plan, the UK sugar industry is very fortunate to already know where its emissions come from and how we can start to reduce them. Whilst in many industries, the challenge with reaching net zero is that the research and technology does not yet exist to get there, for the sugar sector the missing piece of the jigsaw is more economic than technical.

Over four fifths of our carbon footprint in growing sugar beet comes from diesel and fertiliser use.

Most of the carbon emissions in sugar processing come from fossil fuels used in the factories.

If we focus on these factors alone, we can make a very large reduction in our carbon footprint.

We might not yet have all the answers, but I can assure you that the farmers I represent are well placed to find them.

The supply chain must play its part by respecting farmers' knowledge, supporting them to deliver the outcomes we would all like to see, and rewarding them with the value they have generated.

It is essential we create a set of incentives within the supply chain that makes net zero sugar production economically viable and offers opportunities to all, including the millions of sugar farmers worldwide.

We can and should learn from the best examples of this in other sectors and create a system that will give everybody a stake in delivering these outcomes.

[Conclusion]

I want to leave you with one final thought.

On a worldwide scale, food security is non-negotiable. There is no second Earth we can import food from. With eight billion mouths to feed, the challenge for us all is to produce even more food but with net zero carbon emissions.

We cannot simply take the easy way out and emit nothing by producing nothing.

With that in mind, the focus must be on incentivising farmers to deliver environmental outcomes and reduce emissions without reducing food production.

Thank you for listening.