



CONCORDIA

October 16th, 2017

Dear Distinguished Members of the U.S. House of Representatives Committee on Agriculture,

Below you will find recommendations for the 2018 Farm Bill, which draw on the “Food Policy and Our Future” Strategic Dialogue at the 2017 Concordia Annual Summit. The Farm Bill provides a remarkable opportunity for policy to drive progress in the global food system. While the Bill’s current iteration works to ensure American livelihoods, nutrition, and farmland, more can be done to facilitate a sustainable food system—one in which the production and consumption of food does not undermine its future.

On September 19th, 24 cross-sector leaders met at the 2017 Concordia Annual Summit to discuss priorities for the 2018 Farm Bill. Stakeholders across food production, manufacturing, transportation, retail, and consumption identified key areas for Farm Bill funding. We, the undersigned, encourage your full consideration of these recommendations.

Priority Area 1: Treat the food system as interdependent

For robust policy that takes into account current agricultural conditions and ensures systems are in place that regenerate, preserve, and improve agricultural output for future generations, we must put forth policies that reflect the interconnectedness of our food system:

- *Eliminate segmentation of the Farm Bill into titles.* The current process of segmenting interrelated aspects of our food system into separate titles—with discrete funding and priorities for each—is an outdated legacy of the Agricultural Adjustment Act of 1933. The implications of this approach are clear: connected systems are pitted against each other in competition for resources.
- *Clearly connect the USDA’s development, conservation, and sustainable farming techniques to its funding policies.* The programs set forth by the USDA touch on a range of niche issues, from farm animal welfare to organic production. However, the funding for these important programs often fails to take into account the second and third order effects with regard to climate change, health, nutrition, and economic development. If resourced properly, we could address the root causes of a flawed food system rather than just the consequences.
- *Expand federal investment in grass-based production systems.* Animal agriculture is dominated by confined feeding systems that have a disproportionately high level of negative environmental impact on water, air, and greenhouse gases. Grass-based production systems, such as intensive rotational grazing, can improve soil and water quality while sequestering greenhouse gases. At the same time, grass-based systems are easier for farmers to enter, offer higher profit margins, and feed into a fast-growing market domestically and abroad. Federal investment in grass-based production is comparatively minimal. The Farm Bill should expand federal investment in grass-based production such as rotational grazing through conservation, marketing, and research and development (R&D) programs.

Priority Area 2: Fund the future

The American agricultural industry has never been more productive. Total U.S. agricultural output is [2.7 times what it was in 1948](#), growing at an average annual rate of 1.52%. Agricultural productivity growth in the U.S. is a direct result of public and private R&D. However, efficient production processes that prioritize sustainability, as well as investments in innovation to diversify the food supply, must be achieved now to meet the consumption demands of the future, and allow the U.S. to remain competitive at an international level. We, the undersigned, recommend providing enhanced resources and regulatory support for the following:

- *R&D in the areas of food and agricultural technology.* Unlike many other parts of the U.S. economy, the public sector has historically led the private sector in terms of agricultural innovation through R&D. However, [public funds for agricultural R&D fell](#) from \$6 billion to around \$4.5 billion between 2003 and 2013. At the same time, private sector R&D in agriculture grew from \$6 billion to \$11.8 billion. To remain competitive with top global R&D agricultural performers like China, the U.S. Government must increase funding for the Agricultural Research Service (ARS). The 2014 ARS budget was \$1.12 billion. Compared to private sector food companies, this adds up to [69% of the R&D budget for Nestlé in 2014 alone](#).
 - One specific area where the government should make a significant investment is in the field of plant-based and cellular protein (“clean meat”), whose market adoption stands to offer solutions to food insecurity, climate change, and nutritional health around the world.
- *Developing the next generation of America’s farmers.* According to the [2012 census](#), fewer people are going into farming, the average age of farmers is increasing, and the number of women in farming is declining. These developments pose dangerous ramifications for the future of the American workforce as well as our ability to remain a global supplier of food and agricultural commodities. The Farm Bill should invest in our future food and agricultural providers through programs like agricultural training and mentorship initiatives that ensure a thriving and diverse industry. In addition to supporting local and state organizations, two areas for increased resources include:
 - Training programs that enhance profitability. Farmers and food providers are, ultimately, business people. To be profitable in an increasingly difficult market, training in business and entrepreneurship—which helps farmers move beyond basic commodity production—in addition to technical training, is essential.
 - Pathways to land ownership. A major inhibitor facing future farmers is the barrier to entry. Land rental schemes could create a modern solution to the challenge of financing a farm.

Priority Area 3: Invest in America

Consumer food access and farmers’ access to markets are strengthened by regional linkages. However, many of these channels require additional support to reach maturity.

- *Invest in regional supply chain infrastructure.* A sustainable food system should include a thriving network of local and regional food production and distribution. Among the types of benefits cited by strategic dialogue participants are: increased and more reliable market access for farmers, improved access to fresh and affordable produce for consumers, and more money in the hands of the farmers.
 - Food hubs, or centrally-located facilities that oversee the aggregation, distribution, and marketing of regionally-produced food products, present an increasingly recognized mechanism to improve America’s food infrastructure. Under the 2014 Farm Bill, up to [\\$15 million is allocated to assist in the creation of food hubs](#) and other local and regional food

business enterprises across America. Support for intermediated marketing channels alleviates capacity constraints for small farms unable to distribute to mainstream markets. Funding should be appropriated at consistent, if not enhanced, levels.

- Investment in more efficient food distribution systems in the U.S. has been limited, with few innovators and entrepreneurs working in the space. Inefficient distribution incurs costs at all points in the supply chain, from heavier usage of preservatives to keep food fresh along its journey, to increased emissions due to trucking and shipping. USDA-hosted hackathons and innovation challenges could solicit the next great efficiency in connecting our food system.
- New food safety regulation stemming from the Food Safety Modernization Act threatens to marginalize over 100,000 small and mid-size farms by preventing them from accessing wholesale markets. We must encourage these farms to establish and grow in order to diversify our food production systems and food security. It is critical the Farm Bill invests in food safety outreach and education in a way that is appropriate for a diversity of farm sizes, income levels, resources, and languages.
- *Incentivize food waste reduction.* Relative to the global average of 30%, an estimated 40% of what we grow in the U.S. goes to waste. In order to form a food system that sustainably meets the needs of a growing population, it is critical that the Farm Bill addresses food loss and food waste reduction with the same urgency as production and distribution improvements. Respective food waste reduction tactics for businesses and consumers include tax breaks and local solutions like composting.

The U.S. agricultural sector plays a central role in America's health and nutrition, economic productivity, and foreign policy. The 2018 Farm Bill must provide consumer and producers with the tools to improve every point in the food supply chain. It is time to change our food and agricultural policy, and ask more of our government to ensure a thriving and sustainable food system.

Sincerely,

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2017 CONCORDIA ANNUAL SUMMIT

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