

Sustainable Food Policy Alliance: 2021 Climate Policy Principles and Priorities

In 2019, the Sustainable Food Policy Alliance (SFPA) members Danone North America, Mars, Incorporated, Nestle USA, and Unilever United States released its Climate Policy Principles to drive the conversation in the food industry about the need for meaningful, urgent action by the U.S. Government on climate change. Since then, SFPA companies have continued to work to uphold these principles in both our businesses and advocacy efforts. We are pleased to also see increasing calls from other sectors and stakeholders for comprehensive climate action. The administration is looking at how it can address climate issues with existing programs and Congress is weighing potential action.

These 2021 climate principles and policy priorities aim to provide our perspective as the federal government considers the path toward significant climate action.

The Sustainable Food Policy Alliance (SFPA) believes the food and agriculture value chain holds powerful solutions to address climate change. We are committed to working with policymakers to ensure a sustainable future for our businesses, our supply chain, and our consumers.

As leading food companies, SFPA members are working aggressively to reduce our environmental footprint and address the supply chain volatility created by climate change. Propelled by the urgency of this issue, we are increasing the energy efficiency of our operations, investing in clean energy and transportation systems and partnering with farmers and other suppliers to reduce greenhouse gas (GHG) emissions and promote regenerative soil health management. As part of this effort, SFPA member companies are committed to meeting science-based targets and creating business pathways to achieve net zero emissions. Our companies understand that reducing our GHG footprint is good for creating efficiencies, reducing volatility and supporting innovation, which improves our underlying businesses.

While our commitments to transforming our businesses are resolute, our actions alone will not meet the global and communal challenges of climate change. Scalable and durable solutions will require action by the U.S. government.

For that reason, SFPA strongly encourages the enactment and adoption of policies that will significantly reduce GHG emissions across the economy and work with the global community to adequately address climate change. As such, we support the government's April 2021 Nationally Determined Contribution to cut U.S. emissions by at least 50 percent below 2005 levels by 2030. This commitment is necessary to avoid the worst effects of climate change and prepare for a zero-emissions future. We support the passage of the Growing Climate Solutions Act, which will help to reduce emissions while providing new opportunities to farmers, and the development of legislation that implements a producer responsibility program in the United States, which will incentivize more sustainable packaging and strengthen and modernize the U.S. recycling system. We support the work of the House Select Committee on the Climate Crisis. We are pleased to see efforts by USDA to use existing authority to help farmers and ranchers adapt to and mitigate the effects of climate change.

However, there is much more to do. We stand ready to partner with the federal government to develop and enact farsighted, comprehensive national policies that will boost innovation and investment in climate solutions and complement business strategies aimed at addressing climate change.

To accomplish this goal, Congress and the administration should enact the following policy priorities:

- **Climate-Smart Land Management:** Incentivize the adoption of climate-smart land management practices across U.S. farm, ranch and forest land. As food companies, the bulk of our GHG emissions are from the farms that make up our supply chain. Reducing those emissions will require a long-term, incentive-based strategy. USDA should ensure that farmers, ranchers, and foresters have the resources and information needed to adopt climate-smart agricultural practices and infrastructure on their operations. Further, USDA should work with the private sector to create and encourage partnerships that support these efforts.
- **Clean Energy, Infrastructure & Transportation:** Invest in and promote the development of new and existing technologies and standards for energy, infrastructure and transportation that reduce carbon emissions, build resiliency against the effects of climate change, encourage sustainability and promote innovation. Renewable energy technology investments should be aimed at reducing GHG emissions and expanding energy access while ensuring a reliable power supply and domestic energy security.
- **Circular Economy:** Develop innovative packaging and disposal programs to reduce waste and strengthen recycling systems and infrastructure. An extended producer responsibility program featuring a nationally consistent, economy-wide approach to packaging life-cycle management can build a circular economy, allowing materials to cycle back into reuse, again and again, limiting waste and preserving value.
- **Carbon Pricing System:** Establish an ambitious carbon pricing system to reduce economy-wide GHG emissions to achieve the Paris Agreement goal to keep global temperature increases well below 1.5 degrees Celsius. An appropriate carbon pricing structure should be transparent in how prices are set, equitable in how revenue is appropriated to mitigate costs on the most vulnerable communities, and built to ensure U.S. competitiveness globally.

To ensure these policies are successful in achieving their aims and provide opportunities for all, we urge Congress and the administration to prioritize the following issues in any and all efforts:

- **Equity:** Prioritize and invest in American workers, BIPOC farmers, and disadvantaged communities that have fewer resources to manage the costs and effects of climate change, including historic and ongoing bias in policy and proximity to waste and pollution.
- **Predictable & Consistent Regulation:** Ensure an economy-wide federal regulatory approach with a suite of complementary policies and programs that work together to reduce domestic GHG emissions.

Addressing climate change will require all people and all sectors of society to engage on solutions that match the vast scope of the challenge before us. SFPA looks forward to working with Congress, the Administration and all stakeholders to find solutions to this shared threat.