







## THE NEXT BIG RISK— AND OPPORTUNITY

“Regenerative” everything—agriculture, tourism, business, what have you—is all the rage right now, but very little of it is actually regenerative. In many circumstances, slapping the term “regenerative” onto something is quickly becoming the new greenwashing. But to allow that to happen is a huge risk not only to corporate reputations who have signed up to it and the eventual push back to global brands as consumers reject that regenerative greenwashing, but also to the planet itself. The concept of regeneration, but also how it specifically is applied to agriculture, is the single “new” solution to come around since the realisation that the climate crisis is real and quickly approaching and we can’t risk letting it go to waste.

When it comes to regenerative agriculture, some of the world’s biggest brands have jumped on the bandwagon and made significant commitments to integrate it into their supply chains. From Nestlé and Cargill to Unilever and Diageo, they all have different targets for different levels of sourcing from regenerative sources by as soon as 2025, though most are for 2030 and as far out as 2050 for 100% transition. To mobilise the volumes of regeneratively produced crops and meat required to hit these targets is going to require a global shift at farm level—and quickly.

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The good news is that the carbon emissions related to Scope 3, the food, feed, fibre and fuel used by these companies, are in some cases as much as 80% associated with agriculture and ag-based products. So, making meaningful change at the scale required to achieve the targets set out will have a significant impact on GHG emissions, as well as water, pollution and also livelihoods for farmers, in the short- to medium-term.

That is, if what they're doing really is regenerative. All too often, it's not. Although some companies, Walmart is a recent example, have laid out very detailed programs and targets for the transition to regenerative agriculture, several of the other big names have included the word "regenerative" in their targets and roadmaps without really understanding what the term means, and that becomes a major risk as consumers and civil society expect these brands to actually do what they say they going to do. And if they don't, the backlash will be swift, severe and potentially detrimental to their bottom lines and to their shareholders.

**SO, LET'S BACK UP FOR A MINUTE.**

What does "regenerative" really mean? In the greater scheme of things, according to The Regenerative Design Framework, regenerative moves towards a living systems approach that works together with nature rather than trying to manipulate it where energy is created rather than consumed. Applying that to regenerative agriculture, there are five or six basic tenets—depending on who you talk to (which is part of the problem as it is still seen as a bit of a wishy-washy definition). Those tenets are:

- Minimising soil disturbance through low till or no till methods
- Maximising species diversity above and below the ground
- Keeping the soil covered year-round to enhance water retention and build microbiology
- Integration of livestock
- Significant reduction or elimination of chemical inputs

**THERE IS MORE, THOUGH.**

There is the alignment of agriculture with natural processes, such as water and energy cycles, crop rotation is a must to ensure disease and pest control by breaking up the building of vectors, and not to be forgotten is the livelihood of farmers where they are paid decent wages thanks to providing ecosystem services such as sequestering carbon and their products are paid what they're worth. How society has come to believe that fast fashion and \$1,000 mobile phones are worth their wages but paying the real cost of food is not is beyond my comprehension.

Regenerative agriculture is where "carbon farming" comes into the picture and why organisations are so hot to get farmers certified as regenerative by monitoring their farming practices so the amount of carbon sequestered can be accounted for and monetised. Control Union has its Regenagri scheme that does that, Commonland is working on something similar, and Rabobank launched its Rabo Carbon Bank in 2020 to connect farmers to finance, using the carbon credits they generate to finance their transition to regenerative, supported by an army of agriculture extension agents. The Savory Institute, home to Holistic Management, has launched its Land to Market programme that goes further by connecting those regeneratively certified meats and fibres to brands who want to source those products.

Just as the Green Revolution of the 1970s changed agriculture forever by focusing on economy of scale that required chemical inputs and mechanisation to achieve the yields required to feed a growing planet, boosting agriculture related GHGs along with it, regenerative agriculture will help to reverse that damage. By realigning agriculture with natural processes to quickly and significantly reduce the GHG emissions associated with farming and livestock production it will simultaneously decarbonise supply chains and tackle the climate crisis head-on.





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### **BUT WHAT IS THIS GOING TO MEAN IN PRACTICAL TERMS?**

It's going to mean rethinking supply chains. It's going to mean cover crops with soy and corn production, taking dairy and beef cattle out of the barns and feed lots and back onto the land, in many cases integrated with those row crops, and a significant reduction in chemical inputs. Although those concepts may seem frightening to the companies that have been built by creating crop protection and animal nutrition, as R&D and innovation-focused businesses they can no doubt reorient themselves to provide products that will be useful in a regenerative rather than degenerative economy.

What we have before us is a unique opportunity to shift the global agricultural economy—and the rest of the economy and society along with it—to produce the food, fibre and fuel required for a growing population that works together with nature while providing livelihoods that are climate resilient, climate positive and provide quality of life to all. It may sound utopic but it's not. It's necessary to stem the flow of urbanisation and repopulate rural areas so that the regenerative revolution can take place while stopping climate change in its tracks. But for regenerative agriculture to be successful, the companies and brands that have committed to it must make good on those promises, or else they put not only their own reputations at risk but also risk the health of our planet and society as well.

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