**Impact assessment report of the draft regulation on the use of the guarantee mark for sustainable agricultural production, which includes the technical standards to be promoted in sustainable agricultural production.**

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## A Introduction

Sustainable Agricultural Production is a production model that makes it possible to evaluate, classify and recognise agricultural holdings (agricultural holdings and farms) according to their level of sustainability from the triple aspect (environmental, social and economic), in an objective and quantitative way. This production model is completely voluntary and aims to help make the transition to more sustainable food models and to implement all European policies on sustainability, such as the Farm to Fork, Biodiversity Strategy, Circular Bioeconomy Strategy, the European Product Environmental FootPrint Initiative (PEF), etc.

Sustainable Agricultural Production aims to highlight the good work of farms that strive to achieve new sustainability challenges, making food production and resource conservation compatible while preserving the environment; without forgetting the achievement of social and economic goals.

This system will offer a public/private and voluntary certification, which will make it possible to differentiate products from sustainable holdings. In this way, it will be possible to reach consumers who recognise the added value of these products.

The **Sustainable Agricultural Production scheme** (Figure 1) is defined as the set of elements designed to develop a sustainable agricultural production model that helps make the transition to a more sustainable food system.

The scheme contains:

-The **sustainable agricultural practices** that farms must carry out in order to be more sustainable and make production compatible with resource conservation. These practices are the ones that, to date, with the available technical and scientific knowledge, have been considered most appropriate to meet the objectives of sustainability from the triple environmental, economic and social aspect. These practices may be modified as new knowledge resulting from research and new technologies in the field of sustainability become available.

-The **technical standards** (one for agriculture and one for livestock), which make it possible to assess the degree of implementation of sustainable agricultural practices. These rules describe the practices, establish the evaluation system, and classify the holdings according to the results obtained.

-The **sustainability calculator**, which is the digital tool that, based on the algorithms defined in the technical standard and with the data digitised by farmers and breeders as a result of the agricultural practices implemented on the holdings, generates the sustainability report for each holding.

-The **sustainability report** is a document that analyses and quantifies the sustainability

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of an agricultural holding, from the triple aspect (environmental, economic and social), shows the calculation of the environmental footprints of the product, and classifies the holding according to its level of sustainability in A, B or C.
The report currently only shows the environmental aspect, and work is being done to include the social and economic aspects.
This report provides information for the continuous improvement of holdings in terms of sustainability because it presents the aspects that can be improved.
With the joint information of the holdings, it is possible to compare results of holdings of similar typology (benchmarking).

-A **guarantee mark 'Sustainable Agricultural Production (SAP)'** that makes it possible to distinguish sustainable agri-food products on the market and to differentiate them from the rest and highlight their value.

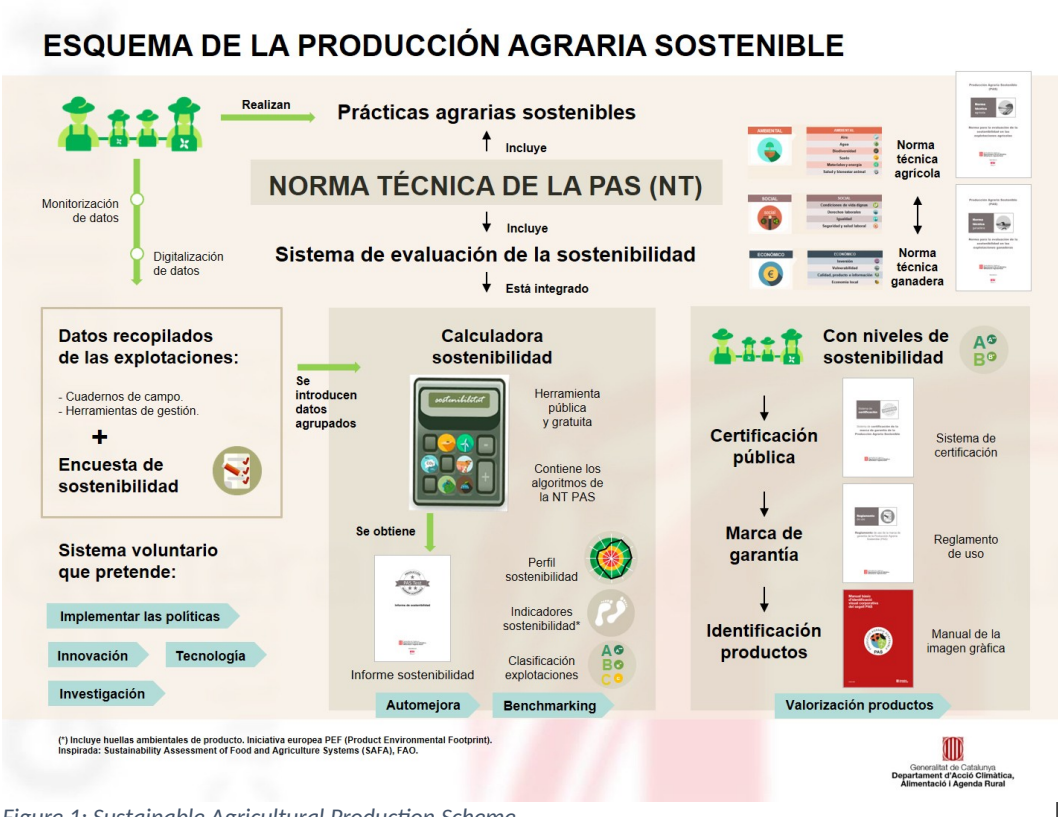


*Figure 1: Sustainable Agricultural Production Scheme*

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| ESQUEMA DE LA PRODUCCION AGRARIA SOSTENIBLE | SUSTAINABLE AGRICULTURAL PRODUCTION SCHEME |
| Realizan | Perform |
| Practicas argarias sostenibles | Sustainable agricultural practices |
| Incluye | It includes: |
| Monitorizacion de datos | Data monitoring |
| Digitalization de datos | Digitalisation of data |
| NORMA TECNICA DE LA PAS (NT) | SAP TECHNICAL STANDARD (TS) |
| Sistema de la evaluacion de la | Sustainability assessment system |

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| sostenibilidad | |
| Esta integrado | It is integrated |
| Norma tecnica agricola | Agricultural technical standard |
| Norma tecninca ganadera | Livestock technical standard |
| Datos recopilados de las explotaciones | Data collected from holdings: |
| Cuademos de campo<br>Herramientas de gestion | Field notebooks<br>Management tools |
| Encuesta de sostenibilidad | Sustainability survey |
| Calcuadora sostenibilidad | Sustainability Calculator |
| Se introducen datos agrupados | Grouped data is entered |
| Herramienta publica y gratuita | Free public tool |
| Contiene los algoritmos de la NT PAS | Contains the algorithms of the SAP TS |
| Se obtiene | Obtains |
| Perfil sostenibilidad | Sustainability profile |
| Indicadores sostenibilidad | Sustainability indicators |
| Informe sostenibilidad | Sustainability Report |
| Classification explotaciones | Classification of holdings |
| Aytomejora<br>Benchmarking | Self-improvement<br>Benchmarking |
| Sistema voluntario que pretende | Voluntary system that aims to: |
| Implementar las politicas | Implement policies |
| Inovacion<br>Tecnologia<br>Investigacion | Innovation<br>Technology<br>Research |
| Con niveles de sostenibilidad | With sustainability levels |
| Certificacion publica | Public certification |
| Sistema de certification | Certification system |
| Marca de garantia | Guarantee mark |
| Reglamento de uso | Regulations of use |
| Indetification productos | Identification of products |
| Manual de la imagen grafica | Graphic image manual |
| Valorization productos | Valorisation of products |
| Incluye huellas ambientales de producto.Iniciativa europea PEF(product environmental footprint). | Includes environmental product footprints. European PEF initiative (Product Environmental Footprint). |
| Generalitat de Catalunya<br>Department d'Accio climatica Alimentacio Agenda Rural | Generalitat of Catalonia<br>Department of Climate Action and Food Rural Agenda |

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| **B** | **Challenges at the international level** |

**Sustainability**

Understood as the ability to meet current needs without compromising the ability of future generations to meet their own needs.

Agricultural holdings face the following challenges in terms of environmental sustainability:

-Climate change and its effects

The effects of climate change are a threat for the future: increase in temperatures, increase in CO2 concentration, scarcity of water resources, erosion of agricultural land, genetic erosion of agricultural areas, emergence of new pests, crop diseases, etc. The alteration of climatic variables such as temperature, precipitation, humidity, wind speed and sea water temperature, and the increase in the frequency and intensity of extreme weather events such as droughts, floods and heat waves, pose a risk to ecosystems, to the preservation of biodiversity and to people. Climate change can also lead to changes in land use, which in the case of grassland have an impact, above all, on the biodiversity loss within ecosystems, due to the intensification of livestock production, the abandonment of agricultural activities and forest encroachment.

-Biodiversity conservation

Conserving biodiversity is also essential for the sustainability, productivity and resilience of the agricultural sector. Biodiversity contributes to soil health, pest control, pollination and adaptation to climate change, in addition to providing economic and ecological benefits. Thus, conserving and promoting biodiversity in agriculture is essential for ensuring food security and the long-term survival of the agricultural system as a whole.

-Management and conservation of natural resources

Food production must be compatible with the mitigation of climate change and this involves conserving and improving the use of natural resources in order to ensure that agricultural production has a neutral or positive environmental impact, that the natural resources on which the food system depends are preserved and restored; that soil, water and air are protected and biodiversity loss is reversed. It will be necessary to develop, among others, measures aimed at a better water use, greater energy efficiency, the progressive use of organic fertilisers, the establishment of measures to prevent soil degradation and the use of agricultural machinery that incorporates new energy-saving and less polluting technologies that reduce greenhouse gas emissions, etc.

-Circular economy

Sustainability must take into account the circular economy, in the sense that it can help conserve resources, protect the environment and create fairer and more robust economic and social systems.

It is necessary to accompany holdings to make them increasingly sustainable, and to ensure that farmers and livestock breeders see sustainability as an opportunity rather than an imposition that penalises them.

In terms of social sustainability, people working in the agricultural sector can have a better quality of life. Challenges in relation to the implementation of fair trade practices,

compliance with labour rights, equity, human health and safety and cultural diversity.

At the economic level, agricultural holdings should be resilient, able to pay all their debts, generate positive cash flows, compensate for negative externalities and remunerate workers and agricultural business owners in an appropriate way. Some challenges that must be addressed are aspects such as investment, vulnerability, product quality and the local economy.

**Efficiency**

The agricultural sector must become more efficient every day, in order to respond to the growing demand for food due to the increase in world population. This implies that it is necessary to accelerate changes in current production models to ensure the transition to more environmentally, economically and socially sustainable production models.

**Digitisation**

The digitisation of data and its analysis not only promotes more efficient and productive agriculture and livestock, but also drives innovation, enhances sustainability, and strengthens resilience in the face of challenges such as climate change and resource scarcity.

It can help the agricultural sector to make better decisions on their farms which in turn can improve farm management, optimise production processes and inputs, and promote continuous improvement.

With digitalisation, information can be obtained to calculate sustainability indicators that allow holdings with similar characteristics to be compared (benchmarking), and innovative holdings that are adopting sustainable practices can be visualised, with advanced technologies that provide good results, and these can serve as models to follow and as a source of inspiration for other farmers who wish to improve their efficiency and sustainability.

**Competitive and sustainable food system**

It is necessary to have a competitive food system that products more with fewer inputs while remaining environmentally friendly.

**Farmers and livestock breeders must be at the centre of sustainability policies and projects**

Farmers must be at the centre of the project in order to solve their problems through sustainable strategies.

| C | Identification of the needs and actions to be carried out |
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**1. Promote sustainable agricultural practices in order to improve the sustainability of agricultural holdings**

In order to promote sustainable agricultural practices, it is necessary to:

**1.1. Define the concept of sustainability in agriculture.**

At present, there is some confusion with regards to what is meant by Sustainable Agricultural Production and the definition of the model needs to be specified, especially when it is to be put into practice. To this end, a series of sustainable agricultural practices have been identified and established, which, with current technical and scientific knowledge, are those that will be implemented in agricultural holdings to make them more sustainable. These practices are defined from an environmental, economic, and social point of view.

The practices defined are organised according to the SAFA model (Sustainability Assessment of Food and Agriculture Systems) of the FAO (Food and Agriculture Organization of the United Nations), a model that classifies practices according to the theme and sub-theme of the resource to be protected, thus facilitating the organisation of the practices associated with the themes and sub-themes.

When it is specified what is meant by sustainability (environmental, economic and social) in agricultural holdings, this reduces the risk of the concept of 'greenwashing', preventing companies from taking advantage of the lack of clarity and presenting their products as more sustainable than they really are, or from misleading consumers and the general public. Therefore, defining sustainability in a clearer way minimises consumer mistrust of sustainable initiatives.

**1.2. Accompanying the sector in the transition towards more sustainable models.**

In order to carry out a transition towards more sustainable models, it is necessary to encourage the implementation of sustainable practices with the aim of being able to implement in practice all the objectives defined in the Sustainable Development Goals (SDGs) in the European Green Deal and in its strategies (e.g. Farm to Fork and biodiversity), but it is also necessary to take into account that the target population of the agricultural sector, regardless of the strategy, is always the same, so it is necessary to focus information via a single channel.

These strategies set objectives to be achieved and specific and concrete action guidelines for each of them, but they do not allow a comprehensive application to agricultural holdings and do not identify either concrete or practical actions to be carried out to achieve all the objectives set jointly.

It is also true that agricultural holdings are subject to multiple sectoral regulations, which address sustainability from different fields, and it is true that they are varied and complex. Sustainability encompasses many different aspects, such as the protection of water, air, biodiversity and soils, among others.

In this sense, Sustainable Agricultural Production can be a solution, insofar as defined sustainable agricultural practices are carried out on agricultural holdings in a practical and comprehensive way, and with the sustainable model, all the different strategies and regulations are brought together and farmers and livestock breeders are helped in their interpretation and they are provided with a certainty that they may not have at the moment, in relation to knowing exactly what they must do in relation to sustainability and what practices are voluntary and go a step further.

In order to accompany the sector in this transition it will be necessary to do so through:

- Incentive measures and subsidies
- Technical conferences
- Generation of educational and informative materials
- Technical advice and accompaniment

**1.3. Design a system for assessing the sustainability of agricultural holdings which motivates farmers and livestock breeders.**

In order to assess the sustainability of agricultural holdings, two Technical Standards have been established, the Agricultural Technical Standard and the Livestock Technical Standard.

Technical standards include sustainability practices and a system for assessing their degree of implementation on agricultural holdings.

The evaluation system includes control points that are weighted according to the level of importance of their compliance and algorithms for calculating numerical indicators that are translated into sustainability levels.

These numerical indicators quantify the sustainability of farms and are used to evaluate, monitor and compare, providing objective and accurate data for decision making, comparison and benchmarking, making it possible to assess the impacts of such sustainable practices. It is also a very powerful source of communication, because they can transmit information to all levels (farmers, employees, administration, general public and consumers) in a clear and concise way.

**1.4. Making the most of digitalisation to deliver sustainability results.**

Digitisation can significantly accelerate and enhance efforts to achieve sustainable development by providing tools and technologies that optimise resources, reduce environmental impact and promote sustainable practices.

In order to calculate the level of sustainability of farms, it is necessary to take advantage of this digitisation of the sector, since the use of data in agriculture is essential for new sustainable models.

In this sense, Sustainable Agricultural Production takes advantage of the information that farmers enter in the digital field notebooks and in the telematic livestock management system and the information is added to be sent to the free 'Sustainability Calculator' tool designed by the Catalan administration, which has integrated the calculation algorithms of the SAP technical standard. There is a sustainability calculator for each technical standard.

Agricultural Sustainability Calculator
Livestock Sustainability Calculator

Currently, calculators only include the environmental side of technical standards, and work is under way to include the social and economic side.

**1.5. The calculation of footprints according to the European method will highlight the application of sustainable practices.**

Sustainable Agricultural Production includes indicators, including 7 product environmental footprints (carbon footprint, water footprint, freshwater eutrophication, marine eutrophication, terrestrial eutrophication, acidification, particulate matter) of the

16 footprints proposed by the PEF (Product Environmental Footprint), which means that the SAP project is aligned with the European PEF initiative. Carbon footprints and the water footprint are part of the technical standards for Sustainable Agricultural Production (agricultural and livestock), and of the other five, the results have been included in the sustainability reports of the agricultural part.

**2. Differentiate the holdings that have made an effort by using a guarantee mark.**

**2.1. Offer a guarantee mark to highlight the value of the productions of sustainable holdings.**

The creation of a label or a guarantee mark in Sustainable Agricultural Production allows those producers who have followed the guidelines of the triple aspect of sustainability to be differentiated from those who have not, and it is necessary that this guarantee mark ensures the general interests in matters of sustainability, for the conservation of resources and for the people who work in the agricultural sector.

Currently, since the Sustainable Agricultural Production model has not been implemented, this way of producing cannot be recognised or rewarded by society and, in this sense, it is not attractive for the agricultural sector to undertake the path towards sustainability.

Holdings that voluntarily go beyond what is required by the regulations and strive to be more sustainable in the way they produce and follow sustainable practices must be able to see this initiative rewarded by society and the market and, to do so, they must be able to differentiate themselves from other holdings that do not make the same effort and obtain greater visibility.

That is, it is necessary to have a public/private certification system to endorse and identify producers who make this extra effort to work towards sustainability, so that consumers can decide whether or not to buy a product that comes from a sustainable holdings. The guarantee mark can be used once certification in Sustainable Agricultural Production has been obtained.

The guarantee mark acts as a symbol of trust and compliance with standards and has different benefits depending on the different actors, thus providing the following benefits:

- Benefits for agricultural holdings
    - Competitive advantage
    - Improved corporate image
    - Brand positioning
    - Customer loyalty
    - Cost reduction
    - Compliance and regulations

- Benefits for society and the environment
    - Reduction of the environmental impact of the agricultural sector
    - Promotion of renewable energy
    - Preservation of biodiversity
    - Improved working conditions
    - Strengthening local communities
    - Promoting equality and diversity

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| | - Promoting sustainable economic growth<br>- Attraction of investments<br>- Creation of green jobs and, therefore, new job opportunities<br><br>- Benefits for consumers<br>- Trust and security<br>- Transparency<br>- Risk reduction |
| **D** | **Impact of the project** |
| | At present, there is no project with these characteristics.<br><br>More than 1 000 farms have tested the sustainability calculator and have been able to assess the sustainability of their holdings.<br><br>The SAP project aims to:<br>**Increase in the number of more sustainable holdings** When technical standards are applied and a SAP guarantee mark is available, it is expected that there will be an evolution from current farms to increasingly sustainable farms, which will increase in number.<br>**Boosting innovation and continuous improvement**: The technical standards established for Sustainable Agricultural Production will not only standardise sustainable practices, but will also encourage innovation in more sustainable and efficient agricultural and livestock techniques. Farmers, livestock breeders and companies in the sector will constantly seek to improve their methods to meet standards and maintain certification.<br>**Environmental and social benefits**: In the long term, the implementation of technical standards and the promotion of Sustainable Agricultural Production will contribute to the conservation of natural resources, the reduction of the environmental footprint and the implementation of agricultural and livestock practices that respect the environment and labour rights and promote social welfare in rural communities.<br>**Economic benefits**: Improving the economic performance of agricultural holdings and increasing their visibility, which can result in increased demand for products from sustainable holdings.<br>**Added value of products and differentiation in the market**: Products by producers who comply with the technical standards of Sustainable Agricultural Production and use the guarantee mark will be better positioned in the market. This will offset the additional costs associated with carrying out sustainable practices and provide economic incentives for their adoption. This will not only benefit farmers committed to sustainable practices, but will also encourage widespread adoption of these practices in the agricultural sector.<br>**Consumer confidence**: Setting clear and rigorous technical standards for sustainable agricultural production, together with a regulation setting out the conditions of use of the guarantee mark will increase consumer confidence. Consumers will be able to easily identify products that meet these quality standards, which may increase demand for these products.<br>The project's image is expected to have an impact on the following:<br>**-Economic and social impact:** the economic and social impact of sustainable agricultural production is expected to be both significant and positive. The productive system of Sustainable Agricultural Production (economic aspect) is based on practices that enhance not only the economy of agricultural holdings, but also at the economy at community level. In the social field, social practices focused on enhancing the relationship between workers, hiring women, hiring vulnerable people, among many other practices aimed at the improvement and social |

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| | integration of all groups.<br>**-Environmental impact:** the environmental impact of sustainable agricultural production is expected to be both significant and positive. The production system of Sustainable Agricultural Production (environmental aspect) is based on the conservation of water, air, biodiversity, soil, energy/resources and animal health and welfare resources. Therefore, all the practices defined are in line with preserving these resources. With the implementation of the practices included in the technical standard, an improvement in the conservation of natural resources in the territory is foreseen.<br>**Gender Impact** Sustainable Agricultural Production (social area) includes practices aimed at promoting equal conditions between women and men and/or any other type of gender. |

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