

June 27, 2018

Dear Stakeholders of the US Roundtable on Sustainable Beef,

We appreciate the opportunity to provide comments to the US Roundtable on Sustainable Beef (USRSB) on its sustainability framework. In this time of intensifying climate change and rising consumer concern about the impacts of the food we eat, we can all agree this is a critical moment to make beef production as climate-friendly and sustainable as possible. Our organizations support well-managed livestock production and are working to advance fair markets and policies that support sustainable beef ranchers in their efforts to protect vital resources, pay fair wages and employ higher animal welfare practices.

Our analysis, however, finds that the current USRSB framework will not help the U.S. beef sector—either individual producers or the entire industry—realize its great potential to minimize the severe environmental, climate, public health, animal welfare and other impacts of poorly managed cow-calf and feedyard operations. This is unfortunate because well documented research and evidence shows that well-managed ranches and farms can provide valuable benefits to society, including:

- reducing carbon pollution by storing it in the soil;
- increasing soil fertility;
- filtering rainfall runoff to maintain and restore water quality;
- enhancing recharge of ground and surface waters;
- conserving our natural heritage and protecting biodiversity;
- reducing routine non-therapeutic antibiotics use that create antibiotic-resistant superbugs; and
- providing valuable recreational opportunities and
- increasing access to healthier, more humanely produced, nutritious food.

Most of these benefits are generated by well-managed grass-based and grass-finished livestock systems—yet the framework does not explicitly recognize, incentivize or otherwise support these far more sustainable grass-based and grass-finished systems.

America urgently needs a more sustainable beef industry. This means ensuring that ranchers, farmers, and workers are paid fairly for their time and products, and producers are encouraged and supported to implement better management systems and practices. While we acknowledge your intentions to improve beef production practices, we stand strongly opposed to this framework and initiative in its current form because it does not meaningfully advance sustainability goals. We urge USRSB to change course.

Our comments below focus primarily on how the USRSB framework fails to address key structural issues related to sustainability and the most damaging impacts of the cow-calf and feedyard phases of production. However, our feedback also applies to all aspects of the framework and its inadequate approach for establishing effective incentive mechanisms, indicators, and performance measures. We also highlight USRSB's failure to create a plan of action to address corporate consolidation and other core policy and regulatory issues that remain barriers to advancing sustainability.

In addition, we question the commitment of key USRSB industry leaders to advancing the core tenets of sustainability. This is because even while participating in the USRSB, leading corporate actors in the beef and restaurant industries (and their trade group representatives) have worked behind the scenes for years to prevent, delay or weaken federal and state policy protections for America's environment, climate, public health, animal welfare, workers and producers.

We strongly encourage the USRSB to go back to the drawing board and develop a new framework and plan of action—including the need for regulatory change—that generates far more environmental, economic, health and

other benefits for stakeholders up and down the supply chain. We also recommend, at least for the time being, that the USRSB remove the term “sustainable” from its name and choose a more accurate term that does not undermine the value of credibly sustainable and regenerative beef production systems.

Below, we describe the impacts of poorly managed beef production that the USRSB framework must address, offer five reasons why the USRSB Framework fails to address these impacts and 10 recommendations for how the USRSB can foster true sustainability in the beef sector.

### **Serious Impacts Require Serious Action**

Nearly 800 million acres of American lands are used for grazing (cow-calf phase, including stocker/backgrounder operations). Poor grazing management causes major environmental harm including:

- soil erosion and compaction and resulting declines in fertility, soil carbon, and water holding capacity;
- freshwater depletion and pollution;
- emissions of heat-trapping emissions, especially methane and nitrous oxide;
- habitat degradation, species endangerment and biodiversity loss;
- heightened vulnerability to drought and extreme weather;
- weed invasions that are often controlled using toxic herbicides harmful to native plants, wildlife, and public health; and
- conversion of native grasslands to irrigated pasture and hayfields.

The beef industry’s concentrated animal feeding operations, which pack together thousands of animals in tightly confined spaces, also cause severe impacts:

- surface and groundwater pollution (by nutrients, pathogens, pesticides, heavy metals, and pharmaceuticals);
- aquatic dead zones that deplete fisheries and harm fishing communities;
- heat-trapping pollution that worsens the climate crisis;
- air pollution, including highly toxic gases such as ammonia and hydrogen sulfide, stomach-turning odor and particulate matter that sickens workers and families and reduces property values in neighboring communities;
- inefficient water use and freshwater depletion;
- an overreliance on antibiotics to manage health problems created by grain-based diets and unhealthy conditions, fueling the dangerous rise of antibiotic-resistant “superbugs”;
- land conversion of native prairie to monoculture feed crop fields, reducing habitat and releasing millions of tons of carbon;
- declines in pollinators and predators of pests due to excessive use of toxic pesticides, particularly to genetically-modified feed crops; and
- inhumane treatment of animals.

In the interest of making beef production credibly more sustainable, we urge you to go back to the drawing board and commit to a major overhaul of the framework and metrics that will credibly address these impacts. In addition, we recommend that the USRSB develop a transparent joint plan of action for establishing policies, and regulatory and structural reforms that foster true sustainability in the U.S. beef sector.

### **Five Reasons Why the USRSB Framework is Deeply Flawed**

**1. Failure to establish fair pricing mechanisms and address the consolidated structure of the U.S. beef marketplace.** A central flaw in the USRSB Sustainability Framework is its failure to address the consolidated structure of the U.S. beef marketplace, which depresses producer prices for conventional meat and keeps

sustainable beef from being produced and reaching consumers. As the framework states on page one, “economic viability” is the key to producing sustainable beef. However, the highly concentrated U.S. beef market—in which four of the largest beef producers control 85 percent of production—is simply not viable for many cattle producers in America. With this monopolized corporate control of prices offered to producers, the beef market is fundamentally unequal, and unfair. If the framework fails to address these structural barriers, or to enact fair pricing mechanisms, the USRSB Sustainability Framework will be nothing more than a façade that instead drives credibly sustainable producers from the market, making beef production even more unsustainable.

Sustainability requires producers to modify their practices to reduce negative impacts on the land, animal welfare, worker health and safety, the community, and the health of ecosystems that provide critical natural resources. This means that producers must invest in management improvements. But in today’s consolidated marketplace, ranchers have fewer and fewer options to choose the processors that can bring their beef to market— and no guarantee of fair pricing that reflects the investments they make given that there are often only one or two regional buyers in the area that dictate prices. In addition, processors are often at great distances from farms, which increases ranchers’ transport costs and cuts into profits—adding to the challenges of sustainable production. We call on the USRSB to invest in solutions to this key structural barrier—including supporting, rather than actively opposing the strengthening of GIPSA rules.

In addition, well-managed operations that provide more ecosystem services to society should receive a premium price for their product. Only in those circumstances will any “framework” be able to promote a true movement to “sustainability.” An industry dominated by just a few actors is a serious impediment to this urgently needed progress. In fact, if buyers can get away with only paying rock bottom prices, the only way producers can survive is to maximize the amount of beef they sell, not the sustainability of it.

**2. Lack of meaningful incentives, rewards and technical assistance for ranchers and farmers.** Second, and directly related to the first point, even if the USRSB improves its indicators and metrics, this framework asks producers to make management changes without providing—or even encouraging – adequate financial incentives. In so doing, this program will only add burdens on producers without providing any concrete financial benefits to them. The current framework fails to specify what benefits—such as price premiums and purchasing preferences—participating producers will receive. For producers who are already struggling under a consolidated marketplace where one or two regional buyers often dictate prices, this framework fails to establish a program design that *incentivizes* and *enables* them to transition to better management practices (BMPs) that curtail the devastating impacts of poorly-managed ranches, farms and feedlots. Without clear price premium and other incentives for beef producers to adopt more sustainable practices, it will be difficult for producers to transition to lower stocking rates, and better management practices.

The SAGs also fail to provide a plan for ensuring that producers have access to adequate technical and financial assistance resources to help them achieve the business benefits of sustainability. Links to related organizations are not nearly enough. We recommend supplementing these resources with real technical assistance support and sustainability-inspired business cases that show how producers have realized business benefits (e.g., price premiums, increased grass and livestock productivity, reduced input costs, improved revenues and profits) by shifting to better land and livestock management practices.

**3. The USRSB framework’s indicators, metrics, and SAGs are vague, weak, and inadequate for reducing and minimizing impacts and enabling vitally needed progress.** Even if the structural issues are addressed, the USRSB’s metrics fail to scientifically evaluate progress in reducing key impacts of beef production, including: surface, groundwater and air pollution; the climate crisis; the rise and spread of antibiotic resistant bacteria; and harm to fish, wildlife and biodiversity. Most of the USRSB’s indicators and metrics do not focus specifically on *reducing* impacts. Instead, the metrics tend to be *practice-based* rather than results-based (mostly verifying the mere *development* of a grazing or nutrient management plan “or equivalent,” not focused on its outcomes or

even its implementation details). In that sense, **the metrics fail to serve as credible indicators of whether plans were effectively implemented and generate genuine improvements for America's lands, air, water, and communities.** Their vagueness—coupled with the lack of meaningful performance measures—raise major doubts that the USRSB's sustainability framework will produce significant improvements to livestock management.

For example, the water resources indicator is, "*The volume of water used by a sector for each process, and any impacts on water quality by a sector for each process;*" and the metric for measuring the indicator is: "*A grazing management plan (or equivalent) being implemented that maintains or improves water resources.*" This indicator fails to concretely measure progress on improving water use efficiency (e.g., gallons of water applied per lb. of beef produced) or water quality (e.g., miles of U.S. waterways impaired by livestock grazing and/or animal feeding operations). Thus, it will not meaningfully illustrate movement toward sustainability. Most USRSB metrics suffer from this same problem.

We are especially concerned with the USRSB's materials regarding antimicrobial use. The spread of antibiotic resistance, which is directly tied to antibiotic use both in human medicine and animal agriculture, is an urgent public health crisis that threatens to reverse the public health gains of the last century. While the USRSB document includes fourteen recommendations on antimicrobial stewardship as the indicator for animal health and welfare that would be good to implement, they do not go far enough. We are particularly disappointed that USRSB merely "discourages" subtherapeutic antibiotics uses and includes "disease prevention" as an accepted use of antibiotics. The framework does not acknowledge the need to *reduce* antibiotic use and to eliminate routine uses of medically important antibiotics for growth promotion and disease prevention purposes. Thus, the USRSB's "sustainability framework" will worsen, not help solve, the beef industry's overuse of antibiotics, which threatens the viability of critical human medicines.

In addition, the proposed metrics for animal health and welfare do not specifically refer back to the indicator and instead focus on a variety of animal health related activities in the Beef Quality Assurance Program including a few related to antimicrobial stewardship. These metrics should clearly refer back to the fourteen recommendations in the indicator and include some measure of whether or not they are being followed and being effective in reducing inappropriate antibiotic use. Any attempt to address the sustainability of antibiotic use must include tracking antibiotic use per animal produced and include specific indicators related to numbers and/or percent of animals treated. Most feedlots feed the first-line medically important antibiotic, tylosin, to all cattle for the entire feeding period to reduce liver abscesses that result from inappropriate high-energy diets. This practice contradicts multiple recommendations in the list, so there should be metrics that measure how this and other practices inconsistent with the indicator are curtailed and eventually eliminated.

**4. Weak performance measures set a low bar, open the doors to greenwashing, muddy the waters of "sustainable" beef marketing claims and undercut efforts to recognize and reward credibly more sustainable producers and brands.** The USRSB's failure to establish meaningful performance measures raises serious questions about the industry's use of the term "sustainable." We are concerned that the framework's vague and weak indicators and metrics create an unacceptably low bar that will water down the meaning of real "sustainable" beef in the U.S. marketplace. What is bought and sold as "sustainable" by the beef processors will be a cheap imitation of a truly sustainable product. The USRSB's weak approach could foster confusion by clouding the ability of beef buyers to tell the difference between credibly sustainable producers and brands and those whose marketing claims are greenwash.

Weak "sustainability" claims undermine the promising rise of independent third-party certified and other credibly "sustainable" and "regenerative" producers—who deserve to be rewarded with more business and better prices given the valuable ecosystem services that well-managed ranches and farms provide to society. While the USRSB claims that it "will not mandate standards nor verify individual stakeholder performance," participating retailers and other major buyers will likely use these indicators and metrics to develop purchasing guidelines.

We are concerned that the “sustainable” label will then be used to demand higher prices from consumers, when in fact that beef will result from, at best, bare minimum practices because the processors will not pay for more and producers cannot afford to do more.

Purchasing standards based on this USRSB framework will be unacceptably weak. As a result, if beef produced on operations that have adopted these metrics is marketed or promoted in any way as “sustainable” (as Cargill and McDonald’s have been doing in Canada), our coalition will continue to publicly call out the USRSB framework as greenwashing. We will soundly reject and expose any retailer that bases a “sustainable” claim on these vague, weak metrics and ineffectively designed “sustainability” framework.

**5. Inadequate approach to feed production.** The USRSB framework fails to specify how it will reduce the devastating impacts of feed crop production. The USRSB notes that its partner, *Field to Market*, will measure sustainability of feed crop production—but fails to specify which indicators Field to Market will use and how USRSB will help crop producers transition to better management practices that reduce impacts such as overapplication of fertilizers and pesticides, declines in key pollinators, and conversion of millions of acres of America’s grasslands to monoculture crops. Simply stating that it is a different type of operation and relying on Field to Market to measure progress is inadequate for credibly detailing how USRSB will curtail the significant impacts of feed production for the beef industry.

## **Ten Recommendations for USRSB**

- 1. Processors, wholesalers and retailers should provide fair pricing mechanisms, concrete purchasing preferences, and price premiums to credibly well-managed operations that provide verifiably more environmental benefits to society.**
- 2. Improve the goals, indicators and metrics for the USRSB sustainability framework:** Develop indicators and metrics that address the full suite of supply chain impacts and incentivize the full suite of solutions to each, across operation types and regions. Use these metrics to establish specific goals for the industry, which could include transparent and regionally appropriate and specific and significant targets around:
  - reductions in overall antibiotic use and ultimately the elimination of routine preventive use of medically important antibiotics; this is consistent with recommendations issued by the World Health Organization in November 2017.
  - reductions in morbidity and mortality linked to major cattle pathogens;
  - reductions in uses of synthetic fertilizers and pesticides (and improving input use efficiencies);
  - reductions in *ALL* heat-trapping emissions generated by beef operations (carbon dioxide, enteric methane, manure methane, nitrous oxide) and increases in soil carbon sequestration (which enhances resilience to drought and extreme weather);
  - decreases in the percentage of U.S. grassland, shrubland and woodland ecosystems (rangelands) and pasture lands that are overgrazed, and corresponding improvements in rangeland health assessment results and pasture management that improves soil health and topsoil levels over time;
  - reductions in miles of U.S. waterways and expanse of U.S. aquifers polluted by livestock grazing and animal feeding operations;
  - reductions in the numbers of wild animals, especially predators, killed for livestock protection purposes (and in the percentage of cases of species listings under federal and state Endangered Species Acts that are attributable to poorly managed livestock operations);
  - reductions in land use changes associated with beef production, especially in conversion of native grasslands to intensively managed hay and feed crop fields, with the goal of zero additional conversion and indeed the restoration of native habitat;

- improvements in animal welfare demonstrated by a significant increase in the percentage of products carrying a meaningful independent, third-party animal welfare certification including Certified Animal Welfare Approved by A Greener World, Grasslands Alliance, GAP, and Certified Humane,;
- increased sourcing of beef verified by meaningful independent grassfed and sustainability certifications including USDA Organic, American Grassfed Association, Certified Grassfed by A Greener World, Grasslands Alliance, and Food Alliance.
- increases in prices paid to producers for delivering higher quality beef produced using practices that generate measurable improvements in soil health, water and air quality, habitat quality and biodiversity, measurably less heat-trapping pollution, and improvements for public health, safe and fair working conditions, and animal welfare---with a focus on supporting meaningful pasture based grass finished systems that do not rely on feedlots or confinement; and
- reductions in labor violations in processing plants.

3. **Endorse and form partnerships with independent third-party certifiers of beef cattle products.** To make credible “sustainable” marketing claims, we encourage USRSB to use and/or endorse the best, most credible approach: partnerships with independent third-party auditing and certification organizations such as A Greener World, American Grassfed Association (AGA), USDA Organic Certifiers, Food Alliance, the Grasslands Alliance, and Predator/Wildlife Friendly. We encourage major supermarkets, restaurant chains, and beef brands to purchase a growing percentage of their beef from independent third-party certified sources over the next 5-10+ years (e.g., 25% within 5 years, 50% within 10 years, 100% by 2050). Such partnerships can use comprehensive sustainability standards not just for certification, but also as tools to guide continuous improvement on the journey to and beyond certification.

4. **USRSB corporate members should stop working to weaken, eliminate or otherwise undermine federal and state protections for America’s environment, climate, public health, animal welfare, workers and producers.** A credible sustainable beef framework should seek to support federal and state protections that safeguard America’s natural resources (e.g., air, water, soil, habitats and biodiversity), prohibit routine uses of antibiotics, and provide a fair economic return for producers, fair wages and safe conditions for workers, and higher animal welfare. If USRSB industry leaders and stakeholders are serious about sustainability, the USRSB should use its clout to address key policy needs to advance sustainability. These include:

- strengthening and enforcement of GIPSA rules
- eliminating the use of medically important antibiotics for purposes other than treatment of animals diagnosed with an illness, medical or surgical procedures, or to control an identified disease outbreak.
- supporting federal and/or state legislation requiring tracking of medically important antibiotic use and publicly reporting collected data on an annual basis.
- adoption of the organic animal welfare rule.
- banning hormones and growth promoters, including beta agonists.
- opposing increases in speed of the lines in processing plants.
- opposing the Farm Bill provisions originally proposed in the House Agriculture committee bill that eviscerate key conservation programs and gut environmental enforcement and states’ rights to pass human health, environmental, and animal welfare protections.
- supporting increased conservation funding in the Farm Bill to enable greater technical assistance and support for producers.
- increases in the minimum wage for workers
- increased transparency and data collection including toxic emissions generated by CAFOs.
- strong enforcement of existing Clean Water Act protections.
- strong enforcement of existing protections for America’s native fish, wildlife and plant biodiversity, especially endangered species and habitats;

5. **USRSB members should pool resources and expand technical assistance to producers.** Producers urgently need more “feet on the ground” to help them implement better management systems and practices. Funding to support producer investments in management improvements and associated infrastructure is highly competitive and difficult to secure. We also strongly encourage the USRSB to publicly support increases in key Farm Bill conservation programs (including EQIP, CSP, CRP) that receive far more applications from eligible producers than can be approved.

6. **Invest in infrastructure—especially local processing facilities—that supports the growth of small and mid-scale production for local, regional and value-added markets.** Currently, many producers have trouble finding slaughtering facilities willing to separate grass-fed, organic, or otherwise more sustainable beef product. Processing facilities need a critical mass of animals, so it is hard for many small producers to find local options—requiring them to travel longer distances, which increases production costs and cuts into profits.

7. **Work with policy makers to create public/private investments in irrigation districts that need financial resources to improve infrastructure—particularly to offer producers flexible irrigation scheduling and pressurized water delivery,** which many producers currently lack. This prevents them from scheduling irrigation during cooler times of day to minimize evaporative losses, and from transitioning to more efficient water delivery technologies.

8. **Address barriers to greater sustainability on leased lands.** A significant challenge for producers who lease pasture (e.g., from private ranches, state trust lands, or federal public lands) is dealing with land tenure issues: ranchers who graze on leased lands often can’t convince the landowner to invest in or allow infrastructure development associated with better management practices. We encourage USRSB to identify ways for producers who lease pasture to share benefits of sustainability with landowners.

9. **Address barriers to advancing sustainability on federal public land grazing allotments managed by the U.S. Forest Service (USFS) and U.S. Bureau of Land Management (BLM).**

- **There is an urgent need to incentivize better management of livestock grazing on federal public lands managed by the USFS and BLM.** Grazing management on these lands has long been challenging for various (and often complex) reasons. This is an area ripe for innovative, incentive-based solutions.
- **The beef industry must stop working to prevent, delay or weaken efforts to improve grazing management on federal public lands that are degraded by poor management.** This issue is important because a small proportion of U.S. beef production (probably between 2-4%) (approximately 2000 operators) is negatively impacting ecosystem health, water quality, and biodiversity on 50-75 percent of public lands.
- We encourage the USRSB to identify ways to support “win-win” policy solutions for public lands grazing allotments plagued by issues of concern that make livestock production increasingly challenging such as federal grazing allotments located in regions plagued by (a) increasingly frequent and severe drought and declining economic viability of livestock production, and (b) frequent conflicts with valued keystone predators (e.g., grizzly bears, wolves) that inhabit a small percent of American lands. Specifically, **we urge the USRSB to support policies that offer producers in these situations the opportunity to permanently retire their grazing permits in exchange for property and grazing permits in areas more favorable for livestock production.**

10. **USRSB should work with partners in the insurance industry to offer (a) lower livestock loss and crop insurance premiums to producers who implement practices that improve soil health and resilience to our changing climate; and (b) lower livestock loss insurance premiums to producers who implement non-lethal practices for reducing conflicts with predators and other native wildlife.**

**Conclusion:** If the beef industry is truly committed to supporting a scaled-up system for sustainability, we strongly encourage USRSB to address the concerns and recommendations that we have shared above. The goal should be to develop a well-designed *solution system supported by effective federal and state policies and protections* that (1) incentivize, enable and sometimes mandate good and improving management; (2) offer producers extensive technical assistance and increasing benefits for better results, and thus (3) generate a “*race to the top*” in which major retailers and brands *both* use the USRSB framework to raise the floor of their beef supply chains, and purchase an increasing percentage of their beef at fair prices from independent third-party certified sustainable suppliers.

Thank you for your consideration,

Andrew Gunther, A Greener World  
Carrie Balkcom, American Grassfed Association  
Laura A. Rogers, Antibiotic Resistance Action Center (George Washington University)  
John Deegan, Augustinians  
Will Allen, Cedar Circle Farm and Education Center  
Rebecca Spector, Center for Food Safety  
Erika A. Inwald, Domestic Fair Trade Association  
Peter Lehner, Earthjustice  
Alicia LaPorte, Fair Farms  
John E. Peck, Family Farm Defenders  
Andrew deCoriolis, Farm Forward  
Patty Lavera, Food and Water Watch  
Steve Roach, Food Animals Concerns Trust  
Dave Murphy, Food Democracy Now!  
Danielle Nierenberg, Food Tank  
Kathleen Logan Smith, Food Works  
Jeffery W. Perkins, Friends Fiduciary Corporation  
Kari Hamerschlag, Friends of the Earth  
Sister Miriam MacGillis, Genesis Farm  
Diana Reeves, GMO Free USA  
Pamm Larry, The Good Food Brigade  
Alisa Gravitz, Green America  
Stacia Clinton, Healthcare without Harm  
David Gould, IFOAM - Organics International  
Liz Moran Stelk, Illinois Stewardship Alliance  
Shefali Sharma, Institute for Agriculture and Trade Policy  
Nadira Narine, Interfaith Center on Corporate Responsibility  
Adam Mason, Iowa Citizens for Community Improvement

Robert Martin, John Hopkins Center for Livable Future  
Lauren Turcker, Kiss the Ground  
Rev Paul Frechette SM, Marist Fathers and Brothers  
Dr. Mercola, Mercola.com  
Rika Gopinath, MOMS Advocating Sustainability  
Lena Brook, Natural Resources Defense Council  
Saladin Muhammed, North Carolina Environmental Justice Network  
Maddie Kempner, Northeast Organic Farming Association of Vermont  
Dan Morse, Oregon Natural Desert Association  
Katherine Paul, Organic Consumers Association  
Joe Maxwell, Organization of Competitive Markets  
Paul Towers, Pesticide Action Network  
David Muraskin, Public Justice  
Amim Steel, Real Food Challenge  
Ronnie Cummins, Regeneration International  
Michael Dimock, Roots of Change  
Hank Graddy, Sierra Club  
Tom McCaney, Sisters of Saint Francis of Philadelphia  
Sister Colleen Dauerbach, Sisters of Saint Joseph of Chestnut Hill  
Sister Rosemary Davis, IHM, Sisters, Servants of the Immaculate Heart of Mary  
Richard McCarthy, Slow Food USA  
Terry Spence, Socially Responsible Agriculture Project  
Judi Shils, Turning Green/Conscious Kitchen