

# SUSTAINABLE AGRICULTURE IN SOUTH ASIA BRITISH AMERICAN TOBACCO STAKEHOLDER DIALOGUE REPORT



Illustration: Cured tobacco in Indonesia and cigarettes in production at our factory in South Africa.

SUSTAINABILITY REPORT: www.bat.com/sustainability ANNUAL REPORT: www.bat.com/annualreport

# BANGLADESH

## BRITISH AMERICAN TOBACCO STAKEHOLDER DIALOGUE REPORT

In February 2012, British American Tobacco with the support of the Food and Environment Research Agency (FERA) hosted a Stakeholder Dialogue as a part of British American Tobacco's long-term programme of independently facilitated and assured dialogues. The two-day event took place in Bangladesh and focused on the challenges confronting agriculture in South Asia including topics such as climate change, biodiversity loss and water scarcity.

#### Introduction

Over the years British American Tobacco has organised multiple dialogue sessions bringing together stakeholders from different backgrounds to discuss the sustainability issues faced by the business today and in the future. The recent event in Bangladesh was intended to share best practices and throughout both days, the dialogue focused on:

- The challenges around sustainable agriculture in South Asia;
- Identifying solutions and approaches; and
- Exploring opportunities to further promote sustainable agricultural practices.

The participants from eight different countries and a wide range of stakeholder groups included representatives from academic and research bodies, government departments, NGOs and specialist consultancies. External stakeholders were joined by representatives from British American Tobacco dealing with the company's agricultural supply chain both from the head office in London as well as from the local companies in Bangladesh, Sri Lanka and Pakistan.

The dialogue included a field visit to get a first-hand feel for some of the issues, to demonstrate practical approaches to sustainable agriculture and to give participants the opportunity to talk to farmers and members of local government.

The second day of the dialogue was dedicated to an independently facilitated interactive workshop. Alternating during the day were short presentations, followed by sub group discussions and plenary debates. This offered an opportunity to clarify mutual expectations, learn from each other and explore opportunities for further collaboration.

### Principal challenges and threats

Participants outlined a number of challenges facing the development of sustainable agriculture in the region.

Primarily driven by changes in technology and improved seeds, fertilizers and pesticides, the developments in agriculture during the 1970s onwards resulted in a sizable increase in the return from land, which in turn increased farmers' incomes and in the short term, addressed critical food shortage issues. Although at the time seen as overwhelmingly positive, this green revolution, as it was known, also created challenges for sustainable agriculture in the future.

The reverse side of the green revolution included loss of ecosystem services, pollution of waterways and marginalisation of some of the best farming lands. Increased income inequality, inequitable asset distribution and worsened absolute poverty were also cited as unintended consequences.

## "

**Participant:** The challenge is formidable for the South Asia region.

## "

**Participant:** Sustainable agriculture is all about sustainable extension services. Farmers need support and if provided, it can do wonders in improving their livelihood.

In addition, South Asia has witnessed a population explosion, and combined with ruralurban migration these demographic changes pose enormous challenges as the nations strive to meet the basic needs of food, water, sanitation and waste disposal. Participants also highlighted issues such as a lack of regulation and pricing mechanisms and the increasing impacts of climate change.

All these issues need to be addressed before sustainable agriculture can become a reality in the region.

#### Solutions and approaches to sustainable agriculture challenges

Another key topic for debate during the dialogue was the various approaches that could be used to promote sustainable agriculture.

Core to the discussion was the concept of a 'landscape approach'. The landscape approach aims to bring together the combined efforts and experience of all stakeholders within a particular geography to provide solutions to common issues such as climate change adaptation, water scarcity and biodiversity loss – it is an approach which recognises that environmental impacts do not restrict themselves to legally governed boundaries. In order to stimulate this broader approach, British American Tobacco and partner organisations Earthwatch Institute, Fauna and Flora International and the Tropical Biology Association developed the Biodiversity Risk and Opportunity Assessment (BROA) – an approach that helps identify, assess and address risks and opportunities arising from impacts and dependencies on biodiversity and ecosystem services in and around tobacco leaf-growing areas.

Participants were invited to discuss the BROA and practices observed on the field visit and provide suggestions about how these could be improved by both British American Tobacco and the wider agricultural industry in order to promote sustainable agriculture. Participants agreed that even stronger stakeholder engagement should take place with farmers, including the transfer of market intelligence to the farmers in order to help develop a better understanding of the economic environment and to support decision making. For example, the farmers' Integrated Pest Management (IPM) clubs seen during the visit, where farmers can meet, share experiences and learn more about good agricultural practices, illustrate an approach that could be used more widely within the agricultural sector to help ensure that farmers are knowledgeable and aware of both the opportunities and the challenges associated with their work. There was recognition that the agricultural industry should not operate in isolation and that governments and businesses alike should work together to determine crop mix and intensity – again highlighting the importance of a landscape-wide approach.

The group also felt the BROA had the potential to be aligned with other assessment tools in order to be used more widely and that country specific assessment criteria would increase both the accuracy and the flexibility of the tool.

## **Opportunities to further promote sustainable agriculture**

All participants agreed that the challenges associated with sustainable agriculture in the South Asia region are substantial and although solutions need to be tailored to local contexts, participants proposed a number of common elements required to make sustainable agriculture a reality:

- A holistic approach is needed both geographically and with regard to the inclusion of the different relevant stakeholders;
- Linking stakeholders through intensive dialogue and collaboration is a key condition for creating awareness and sustainable results;
- Once common understanding has been achieved, it is imperative that all parties are coordinated and can quickly move from dialogue to action;
- A key enabler will be the education and empowerment of farmers through effective extension services and farmers' clubs; and
- The whole process can be accelerated through the sharing of sustainable agricultural practices.

# "

**Participant:** The right thing has been started. It should be enhanced in the future even more vigorously not only here in Bangladesh, but in other parts of the world because what is being taken up is not a local issue but a global one.

## 6

**Participant:** This good initiative must be continued so that the circle of collaboration and cooperation can be enhanced from here onwards.

#### For more information



SUSTAINABILITY REPORT: www.bat.com/sustainability ANNUAL REPORT: www.bat.com/annualreport

## 🗸 Assurance

As part of our process for providing assurance on British American Tobacco's Sustainability Report, we have carried out a 'reasonable level' of assurance engagement on the information presented in the Report on the centrally coordinated stakeholder dialogues, of which this was one. To view our conclusions and observations, or for more details, see our online Assurance statement in the British American Tobacco Sustainability Report at www.bat.com/sustainability.

> **ERNST & YOUNG** Quality In Everything We Do