U.S. Dairy Stewardship Commitment (Overview)

This document is a comprehensive overview that details the intent, benefits, alignment, and execution of the Stewardship Commitment. The resource is intended for all sectors of the dairy value chain with an interest to fully understand the Stewardship Commitment and roles they can play. This audience includes farmers, cooperatives and processors, dairy buyers and third-party stakeholders.

To maintain and enhance the Stewardship Commitment’s value, this resource is refined and updated annually. In 2020, the document was reduced in length without losing key content by removing page-by-page descriptions of each Stewardship Commitment metric. Rather, these metrics are outlined on summary pages with reference to the applicable in-depth measurement and reporting resources (e.g. National Milk FARM Program, Dairy Processor Handbook) at the field, farm and processor level.

Other updates to the 2020 revision of the Stewardship Commitment overview include the following:

- Description of U.S. Dairy’s new Environmental Stewardship Goals and role of the Commitment
- New areas of alignment with global standards and protocols, including Science-Based Targets, financial sector environmental, social and governance (ESG) disclosure and the SAI Platform Sustainable Dairy Partnership (SDP)
- Details on the Stewardship Commitment-aligned Processor Stewardship Reporting Tool
- Current Stewardship Commitment Terms of Adoption, refined January 2020

GHG Inventory Guidance Handbooks (Scope 1, Scope 2 & Scope 3)

In 2019, the Innovation Center developed comprehensive greenhouse gas (GHG) accounting and reporting guidance for processors and cooperatives. It was extensively reviewed by the World Resources Institute (WRI) and determined to be compliant with the GHG Protocol’s Corporate and Corporate Value Chain Standards. As a result, WRI formally endorsed the guidance with the ‘Built on GHG Protocol’ Mark, the first agricultural sector guidance to obtain this mark of endorsement.

The guidance was developed to streamline and ensure consistent reporting of the Stewardship Commitment’s GHG intensity metric through one proven, globally recognized and credible method. For companies that report GHG emissions, the mark assures acceptance in supply chain and ESG disclosures, as well as CDP, Science Based Targets, and other established platforms. The resource is comprehensive, including guidance on Scope 1 (direct emissions from owned or controlled sources), Scope 2 (indirect emissions from generation of purchased energy), and Scope 3 (indirect supply chain emissions) GHG emissions. The Scope 3 guidance ties directly to the FARM Environmental Stewardship calculator (FARM ES) as the measurement and reporting platform for on-farm U.S. dairy GHG emissions.

The guidance further strengthens stakeholder support for FARM ES through highlighting the GHG Protocol’s acceptance of statistical sampling in Scope 3 reporting, particularly stratified random sampling such as that developed for FARM ES and outlined as a Stewardship Commitment Term of Adoption.

Dairy Processor Handbook

The Dairy Processor Handbook is a complementary resource to the U.S. Dairy Stewardship Commitment. It provides detailed guidance processors can use to assess the sustainability of their operations, highlight responsible management practices and demonstrate progress based on the Stewardship Commitment’s processor metrics. The Handbook’s measurement and reporting guidance ties directly to the Stewardship Commitment and dairy processor Terms of Adoption through the Processor Stewardship Reporting Tool, the mechanism by which adopting processors share information called for in the Stewardship Commitment.
The Stewardship Commitment advances dairy sustainability across multiple social responsibility dimensions, and in 2019 the Innovation Center released an externally reviewed materiality assessment to help prioritize these efforts. Developed with extensive stakeholder input and informed by GRI reporting standards, the assessment reinforced the ongoing work of the Innovation Center and informs long-term strategic planning, including the 2020 release of industry-wide environmental goals. The Innovation Center will reassess materiality every three years or as needed to consider changes relevant to the industry, marketplace and/or consumer and maintain alignment with the latest available science, standards and expert opinions.

The Materiality Guide for U.S. Dairy helps dairy companies conduct their own GRI-aligned materiality assessment. In doing so, companies can identify and better understand their sustainability impacts and prioritize them to inform strategic management and reporting decisions. Further, companies can better communicate to a growing number of stakeholders interested not only in what an organization’s sustainability priorities are, but also how they are determined. While relevant sustainability topics are context-specific and vary by organization, the U.S. Dairy Stewardship Commitment Materiality Assessment serves as a strong starting point and is referenced throughout this document.

Dairy Nourishes America (DNA) was formed through a partnership between the U.S. dairy community and Feeding America to develop community level engagement to increase the servings of milk, cheese and yogurt available for the 40+ million hungry people across the U.S. The DNA Toolkit describes four contribution models dairy companies can use to provide hungry people with access to nutritious dairy foods. It further outlines how dairy companies can get started and gain access to implementation guidance and support. Community contribution programs such as DNA are prime examples of industry leadership. To demonstrate this positive impact, communicating these efforts through Stewardship Commitment metrics is a dairy company Term of Adoption.

Ensuring product safety is foundational to the dairy community. Core to these efforts, the U.S. Dairy Traceability Guidance focuses on product flows, record keeping, labeling, and other protocols from the plant through the supply chain to end-product manufacturers. A commitment to these voluntary guidelines is a Stewardship Commitment Term of Adoption for dairy processors. Version 3.0 of these Guidelines was released in July 2020.

Pathogen Control Guidance for U.S. dairy processors was developed in 2019 and provides best practices for controlling pathogens in dairy manufacturing facilities. This guidance was developed by subject matter experts and builds upon the Listeria Control Guidance issued in 2016. Dairy processors can use this guidance to inform robust food safety programs and management systems that align with the Stewardship Commitment’s Food Safety metrics.