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Subcommittee: ENV	Status: Initial Discussion Draft	Wiki Links: https://sites.google.com/site/sustainableagstandards/economic-sustainability/management-plan
Current Version: 2.0	Document Type: Word	
Previous Version: 1.2	Parent Doc/Section: None	Key Discussion Threads: None
Start Date: May 2010	Lead Editor(s) & E-mail(s):	
Current Date: 06.15.10	This Version Approved by Standards Committee	Reference Docs:

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7 **National Sustainable Agriculture Standard (SCS-001)**
8 **Subcommittee Work Product Form**

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10 **Upon completion, this form should be submitted to the Coordinating Subcommittee**
11 **and the**
12 **Structure and Process Subcommittee**

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[Economic Sustainability Subcommittee]

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18 **PURPOSE/PREAMBLE:** This document provides a form to be completed by the Subcommittees as
19 they organize their work during development of recommendations for the National Sustainable Agriculture
20 Standard. This document helps achieve the guidelines set forth in the *Guide to Developing Standard*
21 *Development Subcommittee Working Documents* by LEO on July 22, 2009. Use of this form will provide
22 a working list of outstanding topics to ensure that these topics are addressed. It will also provide a place
23 to record the discussion/descriptions of the situations and questions that need to be resolved and the
24 Subcommittee's recommendations on them.

25 **Types of Work Products:**

26

27 **I. Terms and Definitions**

28 This is a Subcommittee's recommendation relative to the current use of terms or definitions. Terms or definitions recommendations
29 may be specific to a document or may be submitted for universal inclusion in the Standard. Definitions that clarify a specific
30 document term or definition need to reference that document following the proposed definition.

31

32 **II. Standard Criteria/Requirements**

33 This is a Subcommittee's recommendation relative to the content of the Standard. Such recommendations include, but are not
34 limited to, organizational principles, metrics and measurement criteria, roles and responsibilities, etc.

35

36 **III. New Document**

37 This is a Subcommittee's proposal for a new document of which the content is submitted below. Such documents would likely not
38 be inserted into the Standard but might lend supporting information for recommendations or decisions made during the process.
39 New documents include, but are not limited to, reference or supporting document for the Standard, analysis of supporting
40 documents, new guidance/procedures, etc.

41

42 **IV. Discussions in Progress**

43 This is a Subcommittee's place to house topics that are in the discussion phase but have not yet reached a recommendation for
44 status as Terms and Definitions, Standard Criteria/Requirement, New Document, or Unresolved Issues. The Discussion in Progress
45 designation serves as a place holder for the subcommittee to log its discussion relative to a given topic.

46

47 **V. Unresolved Issues/Guidance Needed**

48 This is a Subcommittee's request for 1) clarification on a specific issue in order to advance its work on an item or 2) further guidance
49 in order to bring resolution to a given issue.

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52 **Recommended Work Product Type:** *(Check Only One)*

53 I. Term/Def. II. Standard Criteria/Req. III. New Doc. IV. In Progress V. Unresolved
54 Issue

55

56 **Working Title or Summary of Document or Issue:**

57 Economic Sustainability for the Farm

58

59 **SUBCOMMITTEE RECOMMENDATION:** *(Recommendation to Standards Committee on a given
60 discussion issue. Please footnote or insert references to all documents where information has been obtained.)*

61 *Sustainable and profitable farming operations balance economic, environmental and social*
62 *considerations through short, mid- and long-term management and planning.*

64

65 In order to achieve short, medium and long-term financial viability, sustainable farming
66 operations should consider the following:

67

68 Management Plan – Sustainable farming operations should maintain a robust financial and
69 management plan in order to capitalize on opportunities, prevent/mitigate threats, address
70 weaknesses and build upon existing strengths.

71

72 Components for a management plan may include but are not limited to the following:

73

74 1. Market - Knowing your market is an important step to achieving economic sustainability.

75

a. What market opportunities exist?

76

i. Value Added

77

1. Artisan

78

2. Cultural Tastes

79

3. Identity Preserved

80

4. Niche

81

ii. Traditional

82

1. Livestock

83

2. Bioenergy

84

3. Food processors

85

iii. Alternative /Other markets

86

1. Cooperatives

87

88 2. Risk Management - Managing risk will reduce the impact of threats and create a more
89 stable long-term economic position.

90

a. How do you manage risk?

91

i. Crop diversity

92

ii. Crop Insurance

93

iii. Futures Market

94

iv. Forward Contracts

95

v. Market Diversity

96

97 3. Accounting and Reporting

98

a. Inputs

99

i. On site storage

100

ii. Seed

101

iii. Water Use Efficiency

102

iv. Energy Use - On farm production capacity

- 103 v. Fertilizer Use Efficiency
- 104 vi. Agricultural Chemical Use Efficiency
- 105 vii. Labor
- 106
- 107 b. Outputs
 - 108 i. Bulk Commodity
 - 109 ii. Value Added Product
 - 110 iii. Waste
 - 111 iv. Crop Residue
 - 112 v. Other Ecosystem Services

- 113
- 114 c. Profit & Loss
- 115 d. Depreciation

116

117 4. Farm Succession Planning

- 118 a. Farmland Trust
- 119 b. Land-link programs
- 120 c. Beginning farmer programs

121

122 **STANDARDS COMMITTEE APPROVAL**

- 123 • **In favor: 26**
- 124 • **Opposed: 23**
- 125 • **Total: 49**

126 _____ (Items below this line are completed by reviewers) _____

127 **RECOMMENDATION #** _____

128 **Review Comments:**

- 129 **Addressed:**
- 130 **Outstanding:**
- 131 **Open Issues:**
- 132 **Status/Needs:**
- 133

134 **PLEASE COPY AND PASTE THE ABOVE FORMAT INTO THIS DOC AS NEW**

135 **TOPICS ARISE**

136

137VERSION DESCRIPTION:

138V 1.0 – Writing group draft submitted to subcommittee for vote

139V 1.1 – Version approved by ECON Subcommittee, including all comments received.

140V1.2 – Final version presented to Standards Committee for approval.

141V2.0 – Version approved by the Standards Committee