

Achieving impact and outcomes with farmers and families

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Abstract



Improving farmers' livelihoods and solving morning hunger are two critical strategies to help to reduce hunger and improve human potential. According to the Food and Agricultural Organization of the United Nations (FAO), the Asia-Pacific region still has 490 million hungry people, more than any other region. This paper outlines innovative programs that are increasing productivity and resilience among farmers in the Kellogg supply chain by advancing

practices that help them to produce using fewer resources, and to reduce post-harvest food loss, to boost yields and income. Programs in Thailand, Bangladesh and Australia have created impact for rice and potato farmers, and the paper also describes a new model of creating social change to solve morning hunger. In spite of the importance of childhood nutrition being well understood, and significant progress in the last 25 years, global childhood hunger is still widespread. Every year, globally, 3.1 million children die (8500 children per day) because of poor nutrition. In the developing world alone, 66 million children of primary school age go to school hungry. Research shows that food insecurity in childhood can limit a child's cognitive and socio-emotional development, and therefore its long-term productivity and economic potential. This paper showcases programs from India, Australia and South Africa that are beginning to have an impact, and it presents a new collaboration model to drive social change and create even more impact. Ultimately, improving agricultural practices and reducing morning hunger are two key strategies that can create a spark to help transform countries' social and economic conditions.

This paper is about how we can work together to create outcomes and impacts, to improve the livelihoods of farmers that grow our foods and the ingredients for Kellogg products across the Asia-Pacific region. It also shows how we can work with the families that we serve in those regions, to help improve the health of those families.

I would like to share with you the programs we have been supporting to help build sustainable impact and address key issues in terms of nutrition and food security. I would also like to share a new model of collaboration that could have bold impact in the next decade to improve the effectiveness of what we can accomplish together.

This paper has been prepared from a transcript and the illustrative slides of the presentation.



Figure 1. The Kellogg 'Heart and Soul Strategy'.

Heart and Soul Strategy

Kellogg has a 'Heart and Soul Strategy' (Figure 1). It is integral to our 'Deploy for Growth' Strategy at the Kellogg Company. Our vision is to 'Enrich and delight the world through foods and brands that matter', and our purpose is to 'Nourish families so they can flourish and thrive'. Under the Heart and Soul Boost, we have four pillars that are our 'north star', that guide all the work that we do: nourishing with our foods; feeding people in need; nurturing the planet; and living our founder's values.

Our target at the moment is to work in support of Sustainable Development Goal 2. Specifically, by 2025, through our signature program 'Breakfasts for Better Days', the Kellogg Company aims to:

- donate 2.5 billion servings of food to people in need;
- expand the breakfast programs and nutrition education, to reach 2 million people;

and, by 2020, to:

- improve the livelihoods of about 500,000 farmers, including 15,000 smallholder farmers that work within our supply chain networks, with a particular focus on women farmers that we know hold a lot of the keys to the success in those communities.

Our history: supporting farmers and communities from the start

Before I explain our current work, here is a short history of the Kellogg Company. Our founder, W.K. Kellogg, was an amazing man who invested in farmers and agricultural research and also in communities, very early on in the life of the Kellogg Company, which he created when he was aged 46. The brothers W.K. Kellogg and John Harvey Kellogg were looking to release the nutrition of the grain and develop a convenient better-for-you breakfast meal. They succeeded almost by accident. They left some grain in a bucket of water for a



Figure 2. Farming and biodiversity initiatives set up by W.K. Kellogg.

couple of days, and when they put the grain through the rollers they found that, to their surprise, the grains formed thin large flakes which they then toasted on the kitchen fire. They discovered the ‘tempering’ process, which is still used in grain processing. Most Kellogg cereals, such as Just Right®, a breakfast food that you eat here in Australia, begin as a single grain of wheat that is flattened into a single flake. Corn Flakes® is made from a corn kernel: you slice the kernel across into three pieces and each third creates a flake. It is an interesting technology that has been around for 100 years.

In 1927, W.K. Kellogg purchased 125 acres of land near Michigan, where he set up the Kellogg Bird Sanctuary, which he then donated to Michigan State College. To this day the sanctuary provides field education in biological sciences to the public and also to researchers within the Michigan State College. At about the same time he also provided additional acreage to begin the Kellogg Demonstration Farm (Figure 2), which is still run by the Michigan Agricultural Experiment Station and used to conduct research into farm practices. It is very close to our headquarters at Battle Creek.

Philanthropy for families

As well as supporting farmers, W.K. Kellogg also wanted to provide for healthy communities. In 1930, he established one of America’s largest philanthropic foundations, the W.K. Kellogg Foundation, and to this day 20% of Kellogg’s profits go to this Foundation to help it continue its great work. The Foundation aimed initially to improve children’s and families’ nutrition in the local community. The Foundation set up three summer camps for underprivileged children; they would attend for three to six months, and be educated on leadership skills, good nutrition, recreational programs such as physical activity. The government was required to contribute to this program by working with the children’s families back at home to improve their home lives. Kellogg has a long history of helping to achieve impact and outcomes for farmers and families.

Modern programs for farmers

This takes me to how we continue this legacy today. Currently the Kellogg Company runs several programs in the Asia–Pacific as part of our Heart and Soul Strategy to improve the livelihoods of farmers as part of our ‘Nurturing the Planet’ pillar. I shall outline three of them.

In Thailand

Thailand is part of ‘emerging Asia’. In 2016 there were 3.9 billion people in emerging Asia, and the population is expected to increase by 11% by 2030. In this region, 40% of the people are living below the poverty line, and 49% of the land is dedicated to agriculture. Thailand exports 8% of its food production.

For Kellogg, Thailand is one of our manufacturing hubs for cereals and snack foods which we then export to our Asian markets. One grain we needed was medium grain rice, which was not being grown in Thailand. That situation was a significant issue for us, so we set out to try to secure a supply of that type of rice within Thailand.

We began a collaborative effort with the Thailand Bureau of Rice Research and Development, identifying farms and smallholder farmers with whom we could partner to develop a medium grain rice that they could grow on their farms. Through conventional breeding practices and two years of work we developed a non-GMO (non-genetically modified) medium grain rice variety that was high yielding and had pest resistance.

We really wanted to work with the farmers to educate them on climate-smart agricultural practices and help them improve their productivity and resilience. For this work we also partnered with the United Nations Environment Program, and Charoen Pokphand CP Thailand and the International Rice Research Institute. Through that partnership we could give farmers access to some of the latest information and technology.

The farmer in Figure 3 (top) is named Jana. She talks about our rice as being a high quality rice that is quite well suited to her fields. She likes this variety because the stalks are quite short and strong, and it is robust. Our first crop of medium grain rice was harvested in 2015, working with over 700 smallholder farmers, 60% of whom are women.

The market expansion has resulted in increased incomes for the smallholder farmers because we buy the rice they produce and we pull it straight into our supply chain, thereby giving them a guaranteed market. This initiative has also



Figure 3. Jana (top photo) and Samurai.



Figure 4. Kellogg is sourcing its potatoes for Pringles® from Bangladeshi growers.

created a new export crop for Thailand, and there are times when medium grain rice sells at higher prices than other crops. Samurai, the other farmer in Figure 3, now has enough money to send his children to school. He's extremely proud to see the boxes of cereals containing food he has grown, and that his rice is going out and being used across the region.

In Bangladesh

The second example of Kellogg's work is in Bangladesh where we are looking to source potatoes to bring into our supply chain for Pringles® (Figure 4). Bangladesh is the third largest producer of potatoes in the Asia-Pacific. Pringles® for the Asia-Pacific region are manufactured in Malaysia, in a state-of-the-art facility that we built there about three years ago.

In Bangladesh, about 78% of the population is below the poverty line. The majority of farmers use outdated technology, and we wanted to work with them to see if we would be able to use their potatoes in our manufacturing facility instead of sourcing potatoes from Europe. In working with these farmers we wanted to give them access to markets, and to educate them on climate-smart agricultural practices.

Through a program with the Bangladeshi company SEBA Limited we have trained more than 1000 smallholder farmers in eight different districts. An additional 1500 farmers have visited the demonstration farms where farmers who are not currently using our practices in their cropping can see how our methods can benefit a farm.

Through our training, our Bangladeshi growers have improved their yields by 25–100% compared to the national average. We have been able to give them higher profit margins, and we have linked the potato processors directly to the farmers without a middle man. The farmers themselves have been very happy with what Kellogg has done, and we are now in a capacity building phase, and undergoing quality assessments, and hoping to bring these farmers into our supply chain permanently from 2019.

Australia

My third example is in Australia. We source Australian grain for all the cereal products that we make here in Australia. Kellogg is very proud to have been here since 1927. Our factory is in downtown Botany. We buy around 30,000 tonnes each year, mainly of wheat, corn (maize) and rice. We have had long partnerships with some of our suppliers: for example, 60 years partnering with SunRice, and over 20 years with the Manildra Group.

Kellogg is a significant purchaser of Australian wheat products, procuring over 20,000 tonnes of wheat materials each year including wheat bran, whole wheat and gluten. One of our main foci is exploring ways to improve soil health. We know how important it is to get the soil health right, so the foods we market have the right nutritional content.

From SunRice farmers, we sourced 12,500 tonnes of paddy rice in 2017. Rice farmers in Australia use good water-conservation methods, and we want to find new varieties that can be grown using even better climate-smart agricultural practices in Australia as well.

Other grains

It is very difficult to bring in other grains – such as indigenous grains – although in India we make products with an indigenous grain called ‘ragi’ (finger millet).

Kellogg is doing some work on biofortified grains with HarvestPlus in the Asia–Pacific and sub-Saharan Africa regions. Our company sees it as extremely important for the food industry to be involved in that initiative, because as food processors we can provide demand for biofortified grain and a market for the farmers’ production. When farmers grow those grains they can also eat them themselves at home.

Focus on families

The Asia–Pacific region has more than 490 million people going hungry, and 66 million children of primary school age going to school without breakfast. Children who go to school without breakfast miss out on learning properly in the morning session of school. Most governments in the Asia–Pacific region provide only a midday meal, and so children are potentially wasting those morning two or three hours of education because they cannot concentrate well on what they are doing. As other speakers have said, we know that with hunger and malnutrition children stand to lose more than 10% of their lifetime earnings, and it really is important for the economic prosperity of Asia–Pacific countries that we address this.

Kellogg is working with families and children in South Africa. Since 2016 we have been partnering with an organisation called FoodForward South Africa that has been providing breakfast to 25,000 children in 44 schools. All the schools have been selected in partnership with the Department of Education because they are in needy areas with low socioeconomic status. This program, giving the children access to breakfast, gives them an opportunity to get more out of their education in the morning. Where the program is operating we have found there is better attendance at school. Children now want to come to school because



Figure 5. Boys involved in the Clontarf Foundation’s football training program which is attracting the boys to finish year 12 at school and find jobs.

they want to have that breakfast, and they are coming to school on time. They have longer attention spans, and that is having a positive impact on their learning in class. Further, parents are also showing interest in coming to school, because they want to help feed the children in their breakfast programs.

Another example of our work with families is in Australia, with the Clontarf Foundation. Kellogg has been supporting the Clontarf Foundation since 2015 with both cereal supplies and funds. The Clontarf Foundation focuses on Aboriginal and Torres Strait Islander boys, aiming to improve their education, discipline, life skills, and self-esteem. Football is the vehicle they use to achieve participation in this program: Aussie Rules and rugby. The boys come to school to take part in training programs (Figure 5). The Clontarf Foundation team sends a bus around to pick up these boys every morning, without fail, from their homes, to make sure they get to school. There is a comprehensive approach, including a mentoring program with the boys in schools, focusing on keeping boys in school through to year 12 so they can complete their final year certificate and get jobs. In 2017 Kellogg donated over 40,000 serves of breakfast cereal to these programs – a combination of foods that are high in fibre, such as Sultana Bran®, and other foods such as Corn Flakes® that the boys want to eat. The results from the Clontarf Foundation speak for themselves. In 2017 they had a school retention rate of around 90%, an average attendance of about 80%, and a two-fold increase in the number of students that completed year 12 and got their final year certificate. There were 384 boys in 2016, and more than 700 in 2017. The Clontarf Foundation also helps these boys find jobs, and keeps them supported through that process as they move out into the world.

A third example is a program that Kellogg ran in India with United Way Mumbai, supporting a project in Maharashtra with 750 school children. It was a program of targeted intervention, in partnership with the Government of India and the Integrated Child Development Services scheme, and it provided nutrition and health information, as well as a locally sourced nutritious meal, which was

very culturally relevant, with a daily nutrition supplement, for a period of five months. The program included growth monitoring, medical referrals, support for parents to ensure treatment compliance, training of the workers, and parent counselling.

The program resulted in 725 of the 750 children gaining weight. Reasons why the other 23 did not have the same result included illness, travel, or they pulled out of the program. This program showed, on a very small scale, what targeted nutrition, a morning meal and education can do to help to solve hunger.

Families and farmers

The six examples I have given show the importance of building farmers' capability to generate income and have viable businesses, to produce nutritious foods both for themselves and for their families, and the importance of addressing families' hunger so that children are able to get a better education and lift themselves out of poverty. Agriculture is critical, and working with smallholder farmers and with communities is vital to achieve those outcomes.

Could a new type of partnership model achieve more?

Despite all that is being done, we are only at the tip of the iceberg. I believe we need to do things differently to create a sustainable impact. To scale up the programs Kellogg has been running will be very expensive in time, money and resources. Therefore I want to suggest that perhaps we could try a different model, where a range of partners can work together, with different partners taking on different roles and utilising their particular skills to make these types of programs more effective.

I am interested in creating a movement, an 'eco-system' (illustrated below), to try to create change. It would be led by a collaboration lead – a company like Kellogg that sets the direction in consultation with the partners. Partners – that play specific roles based on in-kind contributions or expertise – will help to create the movement to make the programs more viable. Advocacy



partners could help drive policy change and gather support at the highest level of government. A technical partner or partners would provide the technical expertise on the ground to run these programs. Another partner could be a social-change creator – someone that has skills in generating social action where people take issues into their own identity and champion them; that is important to get this change to occur. There would be a content partner – it might be a media organisation, or an organisation with educational programs. There would also be implementing partners on the ground to roll out the programs.

Through all the partners' work in their own fields, this 'eco-system' could help create sustainable impact at large scale. Perhaps we can consider this different way to form partnerships to work together for sustainable change.

I look forward to future collaborations with everyone within this room, perhaps via the model that I have just proposed, so that we can achieve bigger sustainable impact with farmers and families across the region.

Ms Boustead is the Head of Corporate Communications, Government Relations and Public Affairs for Kellogg Asia Pacific. She is accountable for External Communications, Internal Communications, Government Relations, Philanthropy and Sustainability for Kellogg across the Asia–Pacific and sub-Saharan Africa. She leads a team of Corporate Affairs experts across sub-Saharan Africa, India, China, Japan, South Korea, Hong Kong, Taiwan, South East Asia and Australia/New Zealand. She sits on both the Kellogg Asia Pacific Leadership Team and the Kellogg ANZ leadership team and is a board member of the Kellogg Australia Charitable Foundation. Rebecca began her Kellogg career in 1997 as a Nutrition Communications Coordinator after training as an exercise physiologist and dietitian. Throughout her 20 years with Kellogg she has used her skills learnt as a dietitian – of translating complex science into behaviour change messages – to drive innovative communications while adapting to the ever changing communication vehicles available. Ms Boustead is a member of the Asia–Pacific Association of Communications Directors, the Australian Institute of Company Directors, the Dietitians Association of Australia, the Nutrition Society of Australia, the Sports Dietitians Association of Australia, and the Academy of Nutrition and Dietetics in the US. She holds a Bachelor of Applied Science – Human Movement from Royal Melbourne Institute of Technology, a Masters in Nutrition & Dietetics from Deakin University, a Certificate in Marketing Management from the Australian Institute of Management and she is a graduate of the Australian Institute of Company Directors.