

Assessing Social Sustainability in the Italian Agri-Food Sector: Proposed Key Performance Indicators

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Social Sustainability in the Italian Agri-Food Sector

Social sustainability has emerged as a key focus in the agri-food sector, highlighted by the **2030 Agenda of the United Nations**, which places it alongside economic and environmental sustainability.

Policy Developments in the EU

- The **2021–2027 Common Agricultural Policy (CAP)** introduced a **social dimension pillar**, emphasizing decent work and compliance with EU labor law.
- **Italy's Leadership:** Led efforts to integrate ethical labor standards into the CAP (**social conditionality**).

Renewed Attention to Social Performance Indicators

- Historical interest since the 1960s but only recently gaining traction in agribusiness.
- Growing efforts by businesses, academia, and public institutions to adopt **social reporting** and measure social impacts.

Challenges in Scientific Research

- Social sustainability in agriculture remains **underrepresented**, often overshadowed by environmental concerns.
- Recent integration of the social aspect into sustainability lacks a coherent framework.

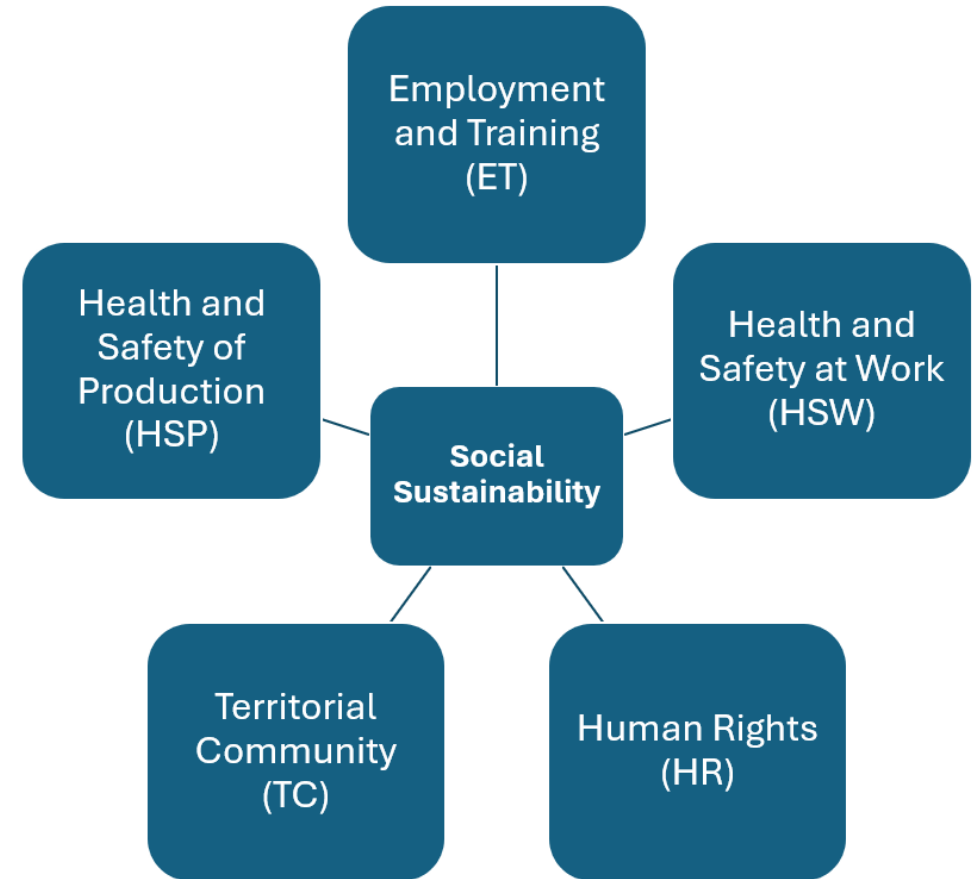
Develop a set of indicators to measure the level of social sustainability of farm practices in the agri-food system.

In particular, the analysis focuses on the Italian context, as Italy has demonstrated an active role in social issues, both nationally and internationally.

Two-Phase Approach

- Phase 1:** Identification of priority dimensions (macro-areas) through literature review, social reporting standards (GRI 13, UN, ASviS), statistical databases (Eurostat, ISTAT, ILOstat), and certifications (ISO 26000, SA 8000, etc.).
- Phase 2:** Definition and summary representation of Key Performance Indicators (KPIs).
 - Based on Gallopin's concept (1996): Indicators as variables representing system attributes.
 - KPI Selection Criteria (Baglieri and Fiorillo, 2014): Ease and Understanding; Significance; Inclusiveness; Comparability; Controllability; Continuity; Efficiency.

SOCIAL SUSTAINABILITY MACRO-AREAS



Results: Employment and Training (ET)

KPIs	Qualitative measurement	Quantitative measurement	Reference
ET1: Employment policies and development of human resources	Describe the employment policies and activities undertaken to improve the working conditions of the employees (including family employees). Provide: 1. the total number of employees divided by types: a) type of contract; b) gender, age, disability; 2. age, gender and education of the entrepreneur.	Total number of employees and rates of recruitment and staff turnover by age, and gender in the last two years. Number and cost of actions taken in favour of human resources. Average hourly earnings of employees.	LA 2 - Guidelines for Sustainability Reporting 2000-2011 Global Reporting Initiative (GRI) (indicators 1 and 2) 8.5.1 - ILOStat database (indicator 3)
ET2: Employees' training and professional growth	Describe any employee training activities carried out. Describe the training results achieved in the field of employees' professional growth.	Number of employees who have attended company-sponsored training courses out of total employees in the last two years. Number of hours of training provided to employees in the last two years.	LA 10 – GRI LA 10 – GRI
ET3: Training for foreign employees	Describe the type of training activities activated by the company, particularly the Italian language training for foreign workers, and the possible attention to the aspects related to prevention and safety and final tests to assess their linguistic competence. Other specific training programmes for foreign workers.	The Number of courses and hours of specific training for foreign employees activated in the last 2 years.	Introduced by the authors (based on INAIL OT-24 SSL and HR 3 - GRI)
ET4: Farm labour requirement plan	Use of a planning and scheduling tool for company labour requirements.		Introduced by the authors
ET5: Network of quality agricultural work	Registration in the network of quality agricultural work.		Introduced by the authors

Results: Health and Safety at Work (HSW)

KPIs	Qualitative measurement	Quantitative measurement	Reference
HSW1: Occupational health and safety policies and practices	Describe the actions that go beyond those provided in the existing legislation on the health and safety of the worker (e.g. equipment and devices for safety, prevention of accidents at work, and safety of the workplace).		INAIL OT-24 SSL
	Describe whether the company uses a specialised firm for the scheduled maintenance of equipment, machinery or installations.	Number of maintenance and overhauls of equipment in use (beyond those resulting from applying the legislation) in the last 2 years.	
	Describe any Occupational Health and Safety (OH&S) Management Systems.		
HSW2: Training and information initiatives on health and safety at work	Describe any training and information initiatives on health and accident prevention, in addition to those provided for by law, e.g. BBS (Behavior-Based Safety).	Number of training and information initiatives in the last 2 years. Number of risk assessment and liability actions for companies employing seasonal workers for less than 50 days/year	LA 10 – GRI LA 8 – GRI
HSW3: Employee vouchers and insurance policies	Description of the types of vouchers or benefits for medical examinations on diseases at risk related to the activity and insurance policies.	Costs incurred annually for the planned initiatives. Number of adhesions /Total employees. Number of insurance policies for employees.	LA3 – GRI
HSW4: Specific consulting	Provision of specific counselling services on health and safety at work, employment conditions, and social assistance.	Number of counselling services activated in the last two years.	LA 8 – GRI

Results: Human Rights (HR)

KPIs	Qualitative measurement	Quantitative measurement	Reference
HR1: Human rights clauses	Describe the types of human rights clauses included in contracts and agreements with third parties (e.g. inclusion of agreements on the prohibition of exploitation of women and child labour).	Percentage and total number of significant investment agreements, including human rights clauses.	HR 1 – GRI
HR2: Non-discrimination initiatives	Describe the presence of protected categories and diversity situations.	Number of female employees/total employees.	HR 4 – GRI
		Number of immigrant employees/total employees.	HR 4 – GRI
	Describe the voluntary actions undertaken in favour of non-discrimination.	Number of protected or weak categories employees /total employees.	HR 4 – GRI
		Number of non-discrimination actions taken.	HR 4 – GRI
HR3: Adequate remuneration		The difference between wage and salary levels in the reference sector.	Introduced by the authors
HR4: Female and child labour	Farm’s policies to protect women and child labour.	Number of initiatives to protect women, children and minorities.	Introduced by the authors
HR5: Social inclusion	Types of actions in favour of the social inclusion of workers (e.g. number of dedicated means of transport, access to schools, language courses, dedicated accommodation).	Number of actions in favour of the social inclusion of workers (e.g. number of dedicated means of transport, access to schools, language courses, dedicated accommodation).	Introduced by the authors

Results: Territorial Community (TC)

KPIs	Qualitative measurement	Quantitative measurement	Reference
TC1: Liberality initiatives	Description of the social, cultural, charitable and recreational activities in which the farm is involved.	Number of social, cultural, charitable and recreational initiatives in the last two years.	Italian Revenue Agency
TC2: Relations with institutions, bodies and organizations operating in the territory, territorial networking	Description of the farms' relations with the Public Administration, Institutions, the Territorial Community, local authorities, etc.	Number of awareness and promotion initiatives organised over the last two years.	SO 5 – GRI SO 6 – GRI
TC3: Transparency of product information and promotion of healthy lifestyles	Disclosure of information on product and process characteristics, in addition to mandatory and optional information required by law. Dissemination of information on the nature, scope and effectiveness of any programme and practice promoting access to healthy lifestyles.	Number of awareness and promotion initiatives in the last two years.	SO1 - GRI
TC4: Social activities and local projects	Participation in voluntary rural development projects and/or initiatives to integrate agricultural products, crafts and tourism. Restoration and territorial redevelopment. Guided tours in rural areas or forests or involving local partners from other sectors. Social inclusion initiatives for the benefit of the community.	Number of initiatives and/or projects in the last two years.	SO 9 – GRI SO 10 – GRI
TC5: Networking	Adherence to farm networking that increase the value of the agricultural economy and territory.	Number of network activities.	Introduced by the authors

Results: Health and Safety of Production (HSP)

KPIs	Qualitative measurement	Quantitative measurement	Reference
HSP1: Ethical certifications		Number of ethical certifications	Accredia database SA 8000
HSP2: Digital equipment	Digital instrumentation used to increase production security (precision agriculture, blockchain, etc.).	Qr-code activated.	Italian Trade Agency (ITA) - Digital drawer - Track-it
HSP3: Short food supply chain	Input supply systems through short supply chain and purchasing groups, supply chain control.	Seasonal products, number of ethical purchasing groups, Marketplace, e-shop managed by producers.	Eurobarometer 2019 Italian Institute of Services for the Agricultural Food Market (ISMEA)
HSP4: Consumer information	Communication actions to raise awareness and inform consumers about the health and safety of production.	Customer satisfaction practices	Italian Council for Agricultural Research and Analysis of Agricultural Economics (CREA) - Regional Hygiene and Nutrition Services
HSP5: Percentage of agricultural area devoted to productive and sustainable agriculture	Sustainable production methods.	The ratio between the area devoted to sustainable and productive agriculture (e.g. organic) and the total agricultural area (%).	Italian National Institute of Statistics (ISTAT) Italian information system on organic farming (SINAB) SDG Indicator 2.4.1

This study contributes significantly to the Italian agri-food sector by identifying **24 Key Performance Indicators (KPIs)** grouped into five key areas. These KPIs offer farms a practical tool to assess and enhance their social practices, aligning with European policies and societal expectations.

From a practical perspective, the indicators enable continuous monitoring, helping farms improve working conditions, strengthen community ties, and comply with both Italian and EU regulations. This not only enhances their social impact but also boosts market reputation and long-term value creation. For policymakers, these KPIs provide a basis for developing strategies that integrate business goals with sustainable development objectives at regional and national levels.

Study Limitations:

- Indicators are theoretical and require empirical validation.
- Focus on the Italian context limits generalizability to other regions.

Future Directions:

- Test the KPIs on a sample of Italian farms to assess practical applicability.
- Explore regional and structural differences for broader generalisation and enhanced understanding.

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Thank you for your attention

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