

Australian Agricultural
Sustainability Framework

Community of Practice Exchange

Canberra 20-21 March 2024



National
Farmers
Federation

Australian
Agricultural
Sustainability
Framework



Australian Government

**Department of Agriculture,
Fisheries and Forestry**

Insights from the AASF materiality assessment

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Project Team



Alan Dayeh
Project Role: **Project Director**



Angela Schuster (Schuster Consulting Group)
Project Role: **Strategic Advisor (AASF-alignment)**



Robyn Leeson (STR Consulting)
Project Role: **Strategic Advisor (Technical)**



Laiza Garcia
Project Role: **Project Manager**



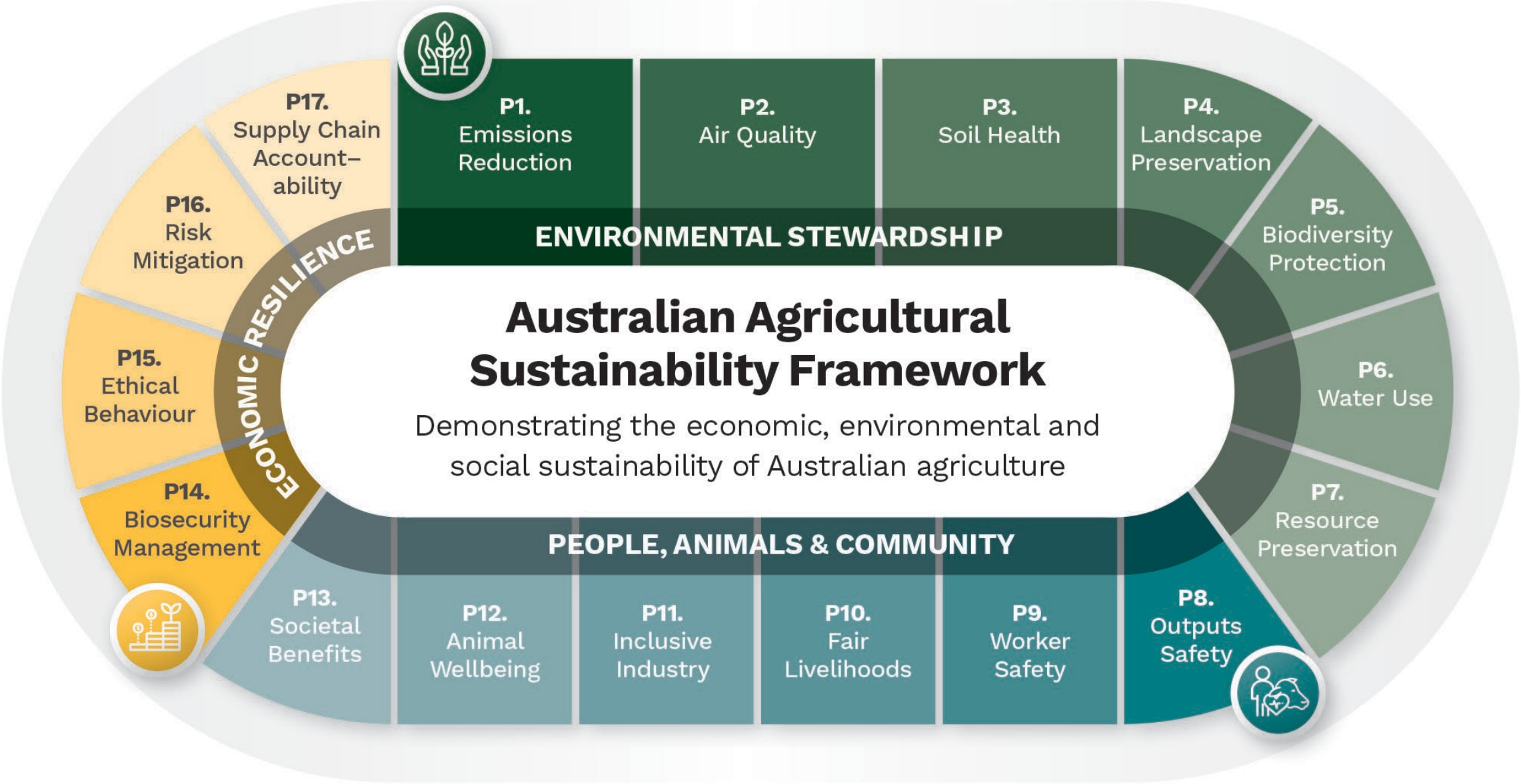
James Fryer
Project Role: **Lead Analyst**



Julian De Lorenzo
Project Role: **Project Analyst**

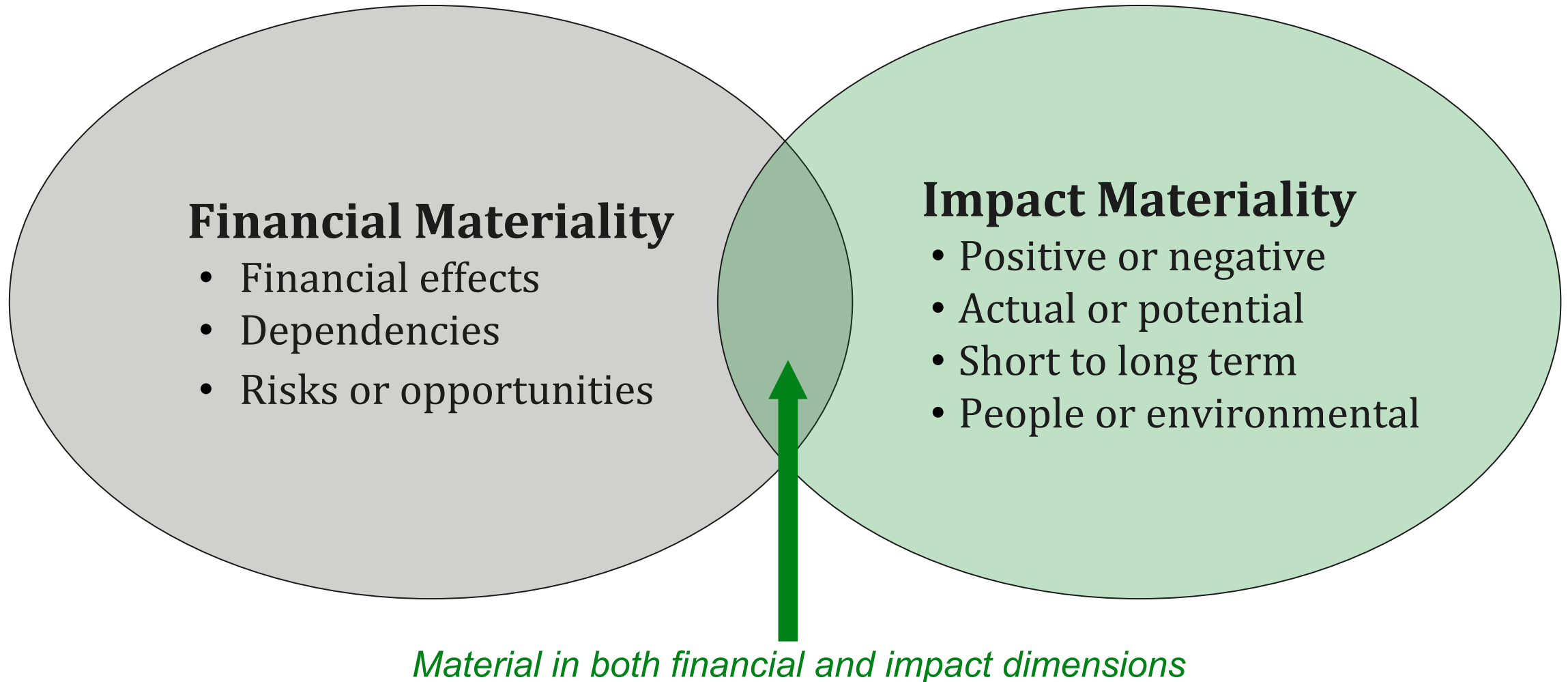
Project and approach

Project purpose



AASF Materiality Assessment – What is it?

This materiality assessment will identify and prioritise the most important environmental, people, animals, community and economic resilience topics for Australian agriculture.



AASF Materiality Assessment project overview



Phase 1:
Desktop Review



Phase 2:
Stakeholder Engagement
Interviews + Survey



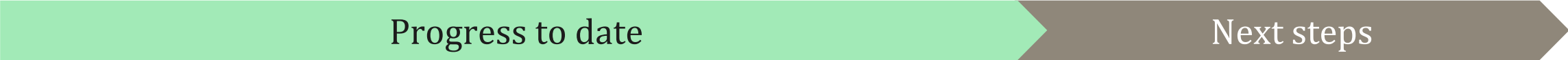
Phase 3:
Topic Universe & Assessment Methodology



Phase 4:
Materiality Assessment & Report



Phase 5:
Recommendations & Continuous Improvement



Interview insights

Stakeholder interviews

Framework owners

- Interviews designed to gather feedback from representatives from some of the existing Australian industry sustainability frameworks

Other key stakeholders

Interviews designed to:

- Identify and prioritise topics
- Obtain insights across stakeholder groups.

Interview themes: Environmental Stewardship

Positive land contribution

- Varied views on extent of negative environmental impacts caused by Australian agriculture.
- Generally good stewards of the land but room to improve.

Key negative impacts

- Waterway damage
- Soil erosion
- Fertiliser overuse
- Biodiversity loss

Case studies

- Australian agriculture is lacking publicly available case studies to showcase the potential of effective land management solutions.

Environment and food production

- Circular and bio-based economy
- Reduction of synthetic pesticide & nutrient use
- Efficient use of water resources
- Reducing food waste

Indigenous cultural heritage

- Land clearing, destruction of culturally important places or overuse of water resources.
- Heritage must be preserved while production continues.

Climate adaptation pressures

- Improving resilience to acute climate shocks and long-term change
- Is current mix of crops appropriate for existing and possible future climatic conditions?

Emissions reduction

- When targets are not reached, credibility is diminished.
- Green financing: capital allocators increasingly assess climate-related criteria.

Carbon and nature markets

- Farmers/producers unclear on best way to drive value - achieve net zero for themselves, or instead sell carbon or biodiversity credits into the market?

Interview themes: Peoples, Animals & Communities

Feeding people and building communities

- Underpins food security for Australia and contributes to world needs.
- Major employer with trickle-down positive impacts for related suppliers and service providers.

Worker health and safety

- Physical safety an ongoing challenge, especially due to isolated nature of some work.
- Poor mental health across the board.

Community challenges

- Urban encroachment and proximity of impacts.
- Competing land uses.
- Energy developments and land access.

Public perception vs reality

- Perception shaped by media and urban/rural disconnect.
- Agriculture needs to communicate its environmental and societal credentials more effectively to the public.

Quality products

- Australian agriculture is efficient by global standards, with relatively low emissions intensity.
- Biosecurity continues to be important for Australian agriculture for domestic and export markets.

Animal welfare

- Animal welfare issues such as mulesing and live exports remain a focus for activists and trade partners.
- Important to confront and develop meaningful solutions.

Human rights in communities

- Labour and bargaining rights, with a focus on vulnerable people - migrant and transitional workers.
- Indigenous Peoples' rights.

Talent attraction

- Farm succession and talent attraction an issue in low margin segments.
- Increasingly high demand for skilled labour, in areas such as robotics and automation.

Interview themes: Economic Resilience

Reputation

- Our products are seen as “clean and green”.
- Maintains and build our good international reputation and social licence to operate.

Value-add

- Australian producers and exporters should consider value-adding, rather than continuing to sell mainly primary commodities.

Volatility multipliers

- Cost and income uncertainty arising from:
 - Geopolitical factors, including export requirements.
 - Global supply chain complexity
 - Increased climatic volatility

Research & Development

- Developing technology to assist transition to more efficient models
- Improvements in remote sensing, robotics and AI have potential to improve efficiency and resilience of production

Industry collaboration critical

- More whole of agriculture efforts on key topics, with focus on long-term impacts and success – a ‘mindset’ shift
- Greater collaboration across industry and co-design with non-agriculture stakeholders.
- Challenge and disrupt ourselves to avoid reactive responses.

Market access

- Pressure to improve environmental credentials often originates in European policies and targets.
- Requirements by other countries and global brands.

Public disclosures and data

- Regulatory reporting uncertainty is a significant risk facing the industry.
- Ensuring transparency and accountability at all stages of agriculture supply chains.
- Developing robust measurement and information systems that do not overburden farmers.

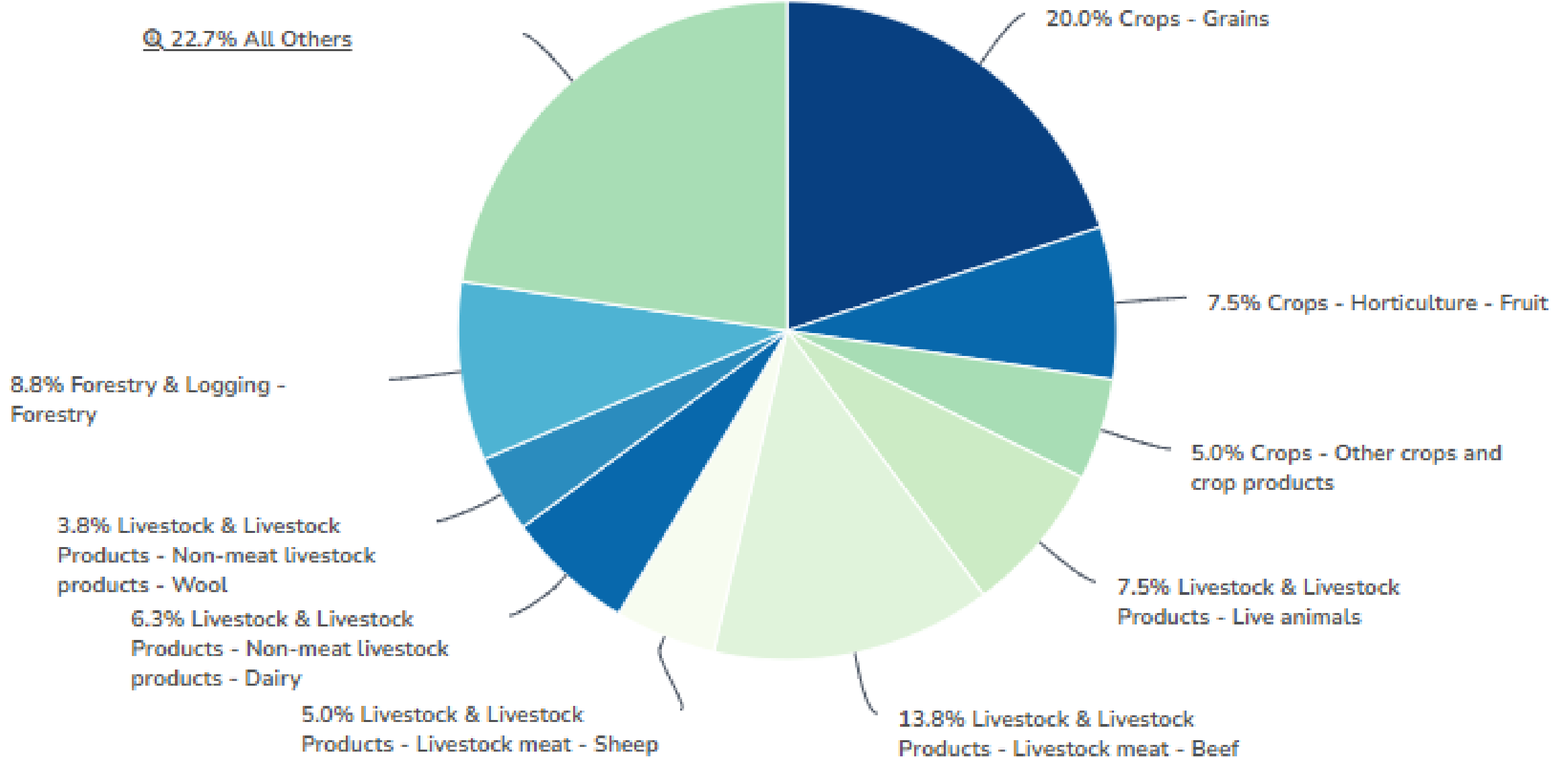
Promoting strengths

- Australia agriculture needs to get better at promoting its strengths and what it does well.
- The US has always been more effective at communicating what they do well.

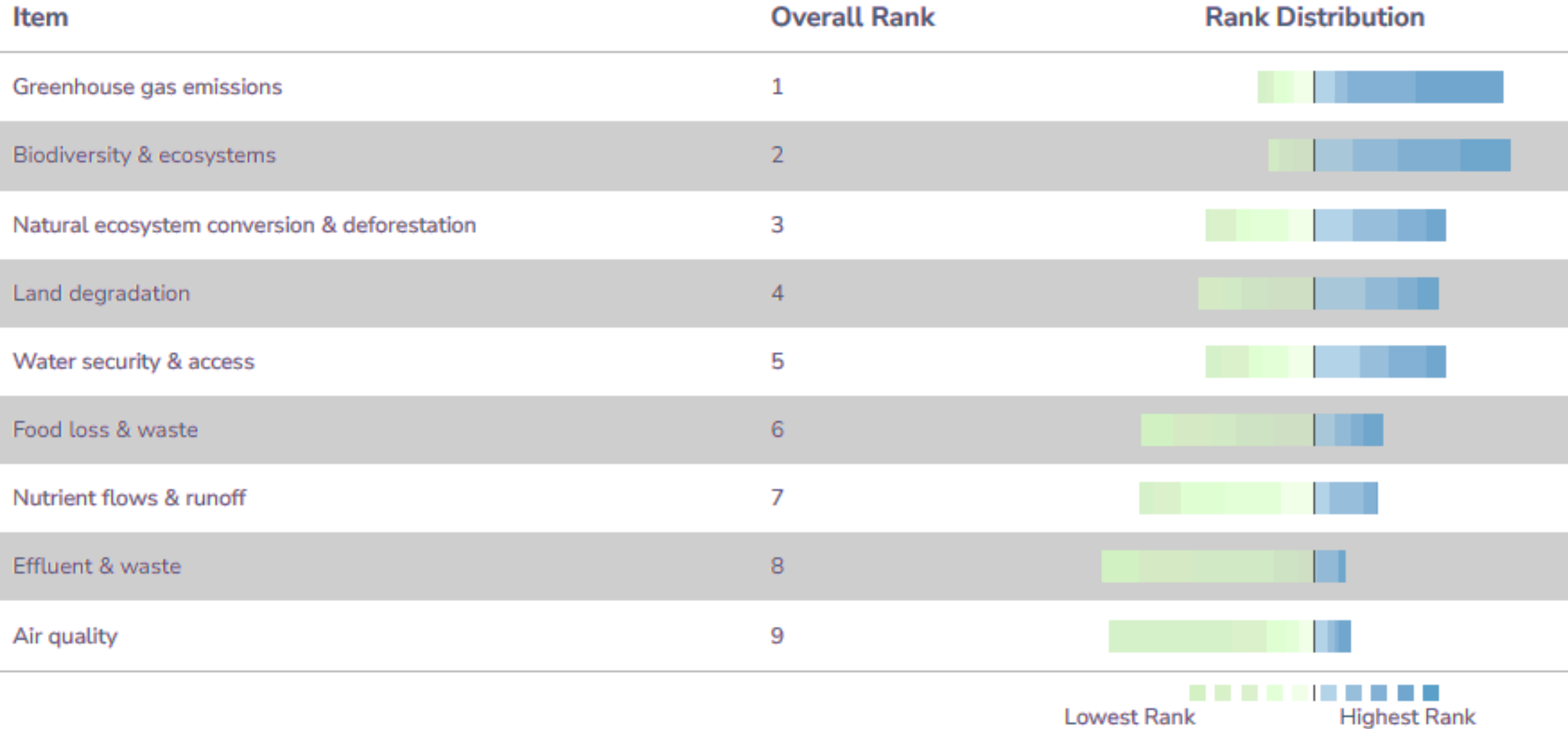
Survey update: preliminary results



Survey overview: Respondent mix



Environmental Stewardship: Preservation and Protection topics



People, Animals & Communities: People topics



Economic Resilience: Stability and Growth topics



Next steps

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Topic Universe &
Assessment
Methodology



Phase 4:
Materiality
Assessment &
Report



Phase 5:
Recommendatio
ns & Continuous
Improvement



Materiality Assessment Survey

