

Consultation Paper

December 2024









SUMMARY

Purpose of Consultation Paper

As the Australian Agricultural Sustainability Framework (AASF) approaches maturity, stakeholder feedback is invited to guide the Framework's transition into a robust, future-fit and ongoing initiative. This marks a pivotal phase in shaping the strategic and operational dimensions of the AASF, ensuring that it continues to meet the evolving needs of Australia's agricultural sector and remains aligned with national and international standards, and market expectations.

This consultation process is an opportunity to share with stakeholders an update on progress across the AASF and is a key opportunity for stakeholders to provide feedback about key elements of the AASF. Your input into this process will ensure that the AASF is a dynamic, industry-driven framework that is responsive to industry needs both at home and on the world stage. Feedback is invited across several areas:

Governance, Strategy and Operations

Stakeholders are invited to contribute their views about the proposed core governance principles and to provide feedback about what the core functions and potential services of the AASF should and could be. Your feedback will inform the work of the AASF Strategy and Operations Advisory Committee who have oversight on preparation of the the five year Governance, Strategy and Operations Plan.

Framework Enhancement – Materiality Assessment Recommendations

In May this year, ERM, specialists in ESG materiality assessments, were commissioned to complete the AASF's first double materiality assessment. ERM made several recommendations to assist the continuous improvement of the Framework, ensuring it responds to global and domestic sustainability drivers. Stakeholder feedback about these recommendations is now being invited. A table of these recommendations has been prepared with a series of questions for stakeholders to consider and respond to. Feedback will inform an update to the AASF which is due in mid-2025.

Data Ecosystem

CSIRO has been leading AASF's exploration into overcoming the challenges faced by Australia's existing, but poorly connected, agricultural sustainability data ecosystem. The project will provide recommendations to industry and government on the arrangements needed for this data ecosystem to meet a complex range of stakeholder needs efficiently and effectively. With these measures in place, the AASF data ecosystem will enable stakeholders to access trusted advice on what needs to be measured, how it can be measured, and what data can be utilised to support these activities – at national, regional and stakeholder-specific scales. Stakeholder working groups representing industry, research and government have been working with CSIRO on this challenge. Feedback is now being invited on the next steps required to achieve a more effective data ecosystem for AASF.

AASF Sustainability Indicators

The 17 AASF Principles are fundamental statements about desired sustainability outcomes, and the 43 AASF Criteria describe the conditions necessary to meet those outcomes. To add further utility to the Framework, AASF Indicators and Metrics are being developed by the Australian Farm Institute (AFI). Indicators will describe what could or should be measured to address AASF Principles and Criteria, and example Metrics provide guidance on how to measure. Stakeholders are invited to share their views about this approach to assist in the preparation of AASF's initial set of Indicators.

This consultation process is a key opportunity for stakeholders to assist in shaping key elements of the AASF. Your input will ensure that AASF is a dynamic, industry-driven framework that is responsive to industry needs both at home and on the world stage.



"Together, we can
position Australian
agriculture as a global
leader in sustainability —
balancing economic
growth, environmental
stewardship, and
community well-being."

INTRODUCTION

Why Sustainability

Sustainability in Australian agriculture is essential to ensure the long-term viability of the industry, protect natural resources, and meet global market demands. Producing food and fibre sustainably means practicing responsible stewardship of the environment, taking care of people and animals, and ensuring the economic resilience of the industry and community.

Through an increased focus on sustainability, Australian agriculture can continue to provide high-quality, safe, and ethically produced food and fibre, while contributing to national and global sustainability goals.

The Australian Agricultural Sustainability Framework

The Australian Agricultural Sustainability Framework (AASF) has been developed in response to increasing pressures on the agricultural sector to demonstrate sustainability performance, both domestically and internationally. Global shifts towards environmental, social, and governance (ESG) requirements, combined with increasing consumer awareness and regulatory expectations, put pressure on Australian agriculture to demonstrate its sustainability.

To address these challenges, the National Farmers' Federation (NFF), with support from the Australian Government's Department of Agriculture, Fisheries and Forestry (DAFF), initiated the development of a framework that would assist with industry-wide consistency, align with existing global standards, and seek to amplify understanding about the unique characteristics of Australian agriculture. Individual commodities have led the way on sustainability, developing their own frameworks, tailored to the specific needs of their sector. These efforts have been vital to address commodity-specific concerns within supply chains. What the AASF does is strengthen our position with a strategic whole-of-Australian agriculture sustainability narrative. The AASF enables greater consistency in reporting and the opportunity to collaborate on shared challenges, while accommodating sector-specific needs.

The AASF is a voluntary framework, providing flexibility for different stakeholders to adopt it in ways that suit their specific needs and context. This non-prescriptive approach is especially important given the diversity of Australia's agricultural landscape. An important feature of the AASF is that it takes an outcomes-based approach, with the emphasis being on data-driven and science-based reporting. By encouraging the use of measurable indicators, the Framework ensures that sustainability claims can be backed by credible data. This not only helps the industry to track progress, but it also enhances the credibility of sustainability claims when communicating with external stakeholders, such as financial institutions, governments, and international markets.

AASF Development

Development of the AASF began in 2020, following extensive national consultation across the agricultural industry. This was followed by four years of work, with funding from the Australian Government. Key elements of work included NFF commissioning the AFI to lead the development of the Framework under the direction of an expert panel. The development process included evaluation of domestic and international sustainability schemes coupled with industry engagement and assessment of market and business drivers for sustainability. Over 1,300 stakeholders, including producers, industry bodies, government agencies, and financial institutions, contributed to this process. This phase laid the groundwork for the 17 Principles that form the AASF, which are aligned to domestic commodity frameworks (such as beef, dairy, and cotton) and international initiatives like the Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI) and the Sustainable Agriculture Initiative (SAI).

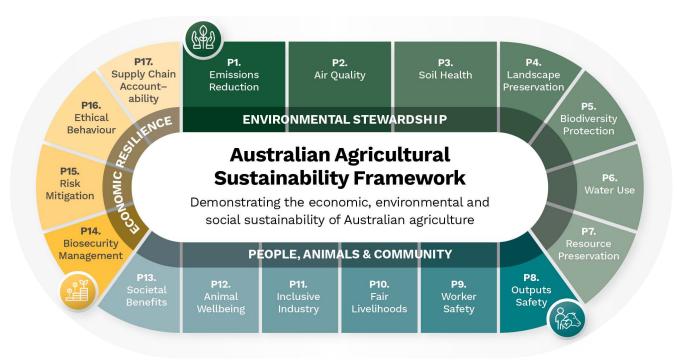
Other work to support Framework development includes:

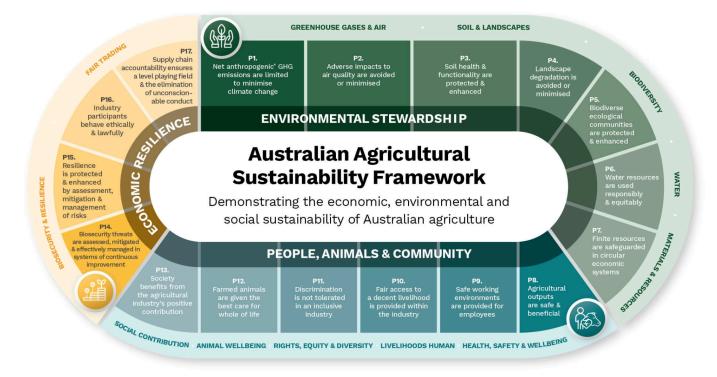
- 1. CSIRO led a data needs assessment to identify gaps and sources of data relevant for reporting against the AASF criteria. This work has informed the AASF data ecosystem project which is included in this consultation process.
- 2. KPMG explored how the AASF could support sustainable supply chains and ESG reporting, particularly by aligning with sustainability-linked incentives.
- 3. KMPG has developed **Guidelines** to assist with the use of AASF, as well as Case Studies to demonstrate the variety of ways AASF can be used. A series of supply chain pilots are also underway.
- 4. Schuster Consulting Group (Schuster Consulting) completed a two-way assessment between the AASF and domestic industry frameworks and schemes to better understand alignment and opportunities to improve the AASF, leading to the establishment of the AASF Community of Practice (CoP).
- 5. The AASF CoP holds at least two face-to-face meetings each year along with dedicated meetings for specific groups around focus topics such as regularly convening a meeting of the industry Frameworks and Schemes Owners.

The Framework

The AASF is based on 17 Principles under the three pillars of **Environmental Stewardship**, **People**, **Animals**, **and Community**, and **Economic Resilience**. While the AASF is a sustainability Framework it is possible to align its three Themes with ESG. Each Principle is further supported by Criteria and Indicators to provide tangible ways for Australian agriculture to measure and communicate its sustainability progress.

Figure 1. The Australian Agricultural Sustainability Framework





CHAPTER ONE

Future of AASF - Governance, Strategy and Operations

Background

The AASF is designed to present a unified understanding of the sustainability objectives of the Australian agricultural industry through Themes, Principles and Criteria. To date, the activities to develop the Framework itself, and the adjacent projects to undertake a materiality assessment, investigate data ecosystems and develop indicators, build use cases and pilot the Framework with multiple users has been funded by DAFF and delivered by the NFF as a coordinated and managed program of work undertaken as discrete but related projects.

The Framework has built strong stakeholder support over the last five years of development. Now, the Framework has reached a critical point and needs to evolve from being several separate but related projects managed under an overarching program of work, to being delivered under a single operational entity capable of providing sustainability related services to the Australian agricultural industry. To this end, a five-year strategic plan, operating model (including suggested governance arrangements) and an initial investment plan (collectively, the Plan) are currently being designed to enable implementation of this future state. This work will build on concepts identified in the NFF commissioned report Bringing the AASF to Life – Groundwork for implementing the Australian Agricultural Sustainability Framework, completed by the AFI.

NFF has tasked KPMG and Schuster Consulting to develop the Plan in collaboration with an independent Advisory Committee and other stakeholders. This project is expected to be completed by May 2025. The Advisory Committee will provide information and advice to NFF, KPMG and Shuster Consulting as to the practical implications of the strategy and operating model as they are developed, to ensure they meet the needs of the industry now and into the future.

The Advisory Committee was appointed following an Expressions of Interest process. The applicants were evaluated against criteria specified in the Committee's Terms of Reference to ensure a diverse mix of skills and experience.

Purpose of Consultation

It is important that broader stakeholder views are considered by the Advisory Committee and project team in evaluating the governance structure, strategic direction and operational model of the future entity responsible for the AASF. This Consultation Paper represents the first opportunity to canvass stakeholder opinions in relation to:

The options being considered for the future governance and operational structures of the national sustainability initiative for Australian agriculture. This includes the core principles against which that future entity and its structures would be evaluated.

The functions and services the future operating entity of the national sustainability initiative for Australian agriculture could or should deliver.

Strategic Framework and Governance Principles

The entity that will have custody of the AASF in the future will need to operate under a strategic framework and set of governing principles. These will help guide consideration of the different legal, governing and operational models as well as investment opportunities. The following vision, mission and governance principles have been established by the Advisory Committee and Project Team based on previous work conducted by AFI and in consideration of previous stakeholder feedback.

VISION

Australia is a global leader in sustainable food and fibre production, driving environmental stewardship, economic viability, and social well-being

MISSION

To lead a trusted approach to sustainability across Australian agriculture, integrating data-driven decision-making, stakeholder contribution and enabling continual improvement to drive long-term industry viability and international competitiveness

GOVERNANCE PRINCIPLES AND OBJECTIVES

Global leadership

Shape international sustainability initiatives to ensure Australian agriculture's priorities are effectively advocated and advanced

Impartiality and integrity

Maintain fairness, objectivity, and high ethical standards in all decisions, actions, and interactions

Collaborative governance

Promote collaborative decision-making that values input from all stakeholders across the agricultural value chain

Data-driven decision making

Base decisions and policies on rigorous scientific research and data, continually updating methods to align with evidence-based best practices

Transparency and accountability

Ensure transparent processes with clear accountability and regular reporting of progress and performance to stakeholders and the public

Economic viability and agility

Support the economic viability of the agricultural industry while fostering a culture of agile improvement and innovation

Draft Options for the Future Entity

To deliver upon the vision and mission of the future entity, a number of governance and operational structures are being assessed by the Advisory Committee and Project Team in consideration of (among other factors):

- 1. The level of complexity the option may require to establish.
- 2. The ability to operate the entity financially and its possible dependence on external funding sources.
- 3. The services or functions the option may be able to facilitate.
- 4. Any need for transitional arrangements over time.
- 5. The support of the NFF and the government to-date as well as the option's ability to involve other stakeholders; and
- 6. Other risks, timeline considerations and dependencies.

OPTION	CONSIDERATIONS	
An entity with the NFF (A)	 The entity is a wholly owned subsidiary of the NFF. The entity could be a Company Limited by Guarantee, legally separate from the NFF. 	
An entity with the NFF (B)	 The entity could be a Joint Venture (JV) between the NFF and another (or multiple other) parties; this JV could a Company Limited by Guarantee or Shares. The NFF and another (or multiple other) parties enter into a JV agreement or Memorandum of Understanding (MoU); without any formal legal structures outside the activities agreed between parties. 	
A Commonwealth Corporate Entity	 The entity is established through a legislative instrument and is a government statutory authority, no longer directly affiliated with the NFF. The entity is an industry-owned corporation (IOC), no longer directly affiliated with the NFF. 	
A program of work delivered by another entity	Another entity assumes responsibility for the AASF program of activities, in lieu of the NFF.	
An independent entity	A new entity is created, entirely separate to the NFF or other entities. This could a Company Limited by Guarantee or Shares.	
"Business as Usual"	 The NFF continues to deliver the program of activities related to the AASF. The NFF determines the level of engagement of other stakeholders and the creation of new or separate legal or operational structures would not be required. 	

Consultation Question 1.

Based on the above options, what is your preferred option for the future entity and why?

Consultation Question 2.

Based on the above options, are there any options listed that should definitely not be considered and why?

Consultation Question 3:

Are there any other options, not listed above, that you think should be considered and why?

Future AASF Functions and Services – operational requirements

It is envisioned that as the AASF shifts from being a program of various projects to being an operational entity, the Framework itself may become one of many functions or services the entity could be responsible for 'overseeing' (for example, keeping the AASF up-to-date in consideration of evolving material issues the industry needs to address).

To determine the optimal entity structure, consideration must be given to the functions and services such an entity can offer the Australian agricultural industry.

Consultation Question 4.

What functions and services do you think would be critical for a national sustainability initiative that effectively meets your current and future needs?

CHAPTER TWO

Framework Enhancement – Materiality Assessment Recommendations

Background

In early 2024 NFF commissioned ERM to complete the first double materiality assessment for the AASF. Materiality assessments are a robust and internationally recognised process to determine what topics (impacts, risks and opportunities) are most important to an entity (business, industry or sector) and its stakeholders. They are used to identify priority areas requiring action (or increased focus). Every sector has multiple stakeholders who are interested in sustainability performance and are increasingly seeking credible information for their sector. Materiality assessments enable the engagement of those stakeholders in a robust process of evaluation and review to determine the topics which are the most material and therefore the highest priority.

The findings of the AASF Materiality Assessment are being used to stress-test the framework to ensure it is fit-for-purpose and relevant to the domestic and international sustainability priorities of today. This is the first time a materiality assessment has been done since the 17 AASF Principles were completed. It is one mechanism to ensure transparency, robustness and relevance of the AASF Principles and Criteria, and will be repeated on a regular basis.

Purpose of Consultation

A series of recommendations have been prepared, as shown in Table 1, to aid in improvement of the AASF. These recommendations include proposals to add two Principles, merge two Principles and add (or amend) Criteria. The intent of these recommendations is around continual improvement of the AASF and to strengthen or address emerging priorities for Australian agriculture. Stakeholders are now invited to provide feedback.

Table 2 contains recommendations, along with NFF's initial response, including questions stakeholders are asked to consider. You are invited to provided feedback on all or some of the recommendations which will be considered in the next iteration of the AASF (version 5), due in mid 2025.

Consultation Question 5.

Please review the recommendations contained in **Table 2** and provide your comments about the NFF initial response. Do you have any alternative views about whether recommendations should be adopted, adopted with amendments or rejected?

Table 1. Materiality Assessment Recommendations - Proposed Amendments to the Framework

(Par)	
AIB	

	P1. Greenhouse Gas Emissions Reduction	C1. Greenhouse gas CHC emissions are reduced throughout production lifecycle
	Net anthropogenic GHG Greenhouse Gas emissions are limited to minimise climate	C2. Carbon emissions are sequestered wherever possible throughout production lifecycle
	change	C3. Where necessary (if C1 & C2 are impractical), greenhouse gas GHC emissions are offset throughout lifecycle by purchasing recognised credits or participating in recognised projects
	P2. Air Quality	C4. Plant, equipment and machinery are appropriately maintained and operated to maximise efficiency
GREENHOUSE GASES & AIR	Adverse impacts to air quality are avoided or minimised	C5. Activities which generate air pollutants particulate matter are conducted within regulatory guidelines and minimised where possible
	NEW. Energy Use (or under Economic	NEW. Industry participants maximise their use of renewable sources of energy, including electricity and fuels
	Resilience) Energy is consumed efficiently and	NEW. Industry participants improve energy efficiency by optimising energy consumption and generation.
	obtained from renewable sources	NEW. Plant, equipment and machinery are appropriately maintained and operated to maximise efficiency.
	P3. Soil Health	C6. Soils are managed to provide ecosystem services, including sustainable agricultural production
	Soil health and functionality are protected and enhanced	NEW. Use of fertilisers and pesticides are optimized for human, animal and environmental health.
SOIL &		C7. Land under productive agricultural management delivers beneficial ecosystem environmental services
LANDSCAPES	P4. Ecosystem landscape preservation Ecosystem conversion and landscape degradation is avoided or minimised	C8. Natural waterways are preserved and improved
		NEW. Natural habitat and ecosystem conversion, and deforestation, are avoided or minimised
		NEW. Land degradation is avoided or minimised.
	P5. Biodiversity Protection	C9. Farms Agricultural activities support a diverse range of beneficial flora and fauna species
BIODIVERSITY	Biodiverse ecological communities are protected and enhanced	C10. Farm Agricultural-related ecosystems are functioning and thriving
	P6. Water use	C11. Water is used efficiently in agricultural systems
WATER	Water resources are used responsibly and equitably	C12. Adverse impacts to surface water and groundwater quality are prevented
	P7. Resource Preservation	C13. The use of inputs and resources that cannot be reused or recycled is minimised
MATERIALS & RESOURCES	Finite resources are safeguarded in circular	C14. Renewable sources of inputs are prioritised
	economic systems	C15. Residues, by-products and waste are reused or recycled

Table 1. Materiality Assessment Recommendations - Proposed Amendments to the Framework

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		C16. Food and fibre is produced, packaged and distributed to world-leading standards of safety
	P8. Outputs Safety Agricultural outputs are safe and beneficial	C17. Food produced by the industry is healthy and nutritional
HUMAN HEALTH, SAFETY		C18. Producers practice good antimicrobial stewardship that optimises human, animal and environmental health
& WELLBEING	P9. Worker Safety	C19. Occupational health and safety are upheld in the working environment
	Respectful and safe working environments are provided for workers employees	C20. Labour rights are respected and compliance with relevant legislation is demonstrated
	, ,	C21. Physical health and mental wellbeing are valued and actively supported
	NEW. Fair Livelihoods and Societal Benefits	C22. Profitability and competitiveness are encouraged
	Fair access to a decent livelihood is provided within the industry and society	C23. Participants are provided both a living wage and a rewarding, enriching work environment
	P10. Fair Livelihoods	MOVED C29. Industry contributes to local community economic growth and social capital
SOCIAL CONTRIBUTION		MOVED AND AMENDED C30. Indigenous culture and knowledge is recognised, respected, valued and actively supported
& LIVELIHOODS	Fair access to a decent livelihood is provided within the industry	MOVED C31. Community trust in the industry is upheld
	P13. Societal Benefits Society benefits from the agricultural industry's positive contribution	NEW. Industry respects the legal and customary entitlements that grant individuals, communities or indigenous people's ownership, access and control over land, communal property and natural resources
RIGHTS, EQUITY	P11. Respectful and inclusive Industry	C24. Human rights are unequivocally respected
& DIVERSITY	Rights are respected and discrimination is not tolerated in an inclusive industry	C25. Workplace diversity is valued and actively supported
	P12. Animal Wellbeing	C26. Best practice on-farm husbandry is demonstrated
ANIMAL WELLBEING	Farmed animals are given the best care for whole of life	C27. Safe transportation of animals is demonstrated
		C28. Humane end of life for farmed animals is ensured

Table 1. Materiality Assessment Recommendations - Proposed Amendments to the Framework

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		P14. Biosecurity Management	C32. Farms have systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats
		Biosecurity threats are assessed, mitigated and effectively managed in systems of	C33. Industry has systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats
		continuous improvement	C34. Government has systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats
SILIENCE			C35. Government and industry develop and extend overarching national scenario planning for industry risks
"	BIOSECURITY &	Der Duestenhilten aud Diele Beleigneien	C36. Industry participants develop, implement and regularly review risk management plans
ш	RESILIENCE	P15. Profitability and Risk Mitigation Profitability is encouraged and resilience is protected and enhanced by assessment, mitigation and management of risks NEW. Climate Adaptation Climate change adaptation and resilience is promoted	C37. Innovation and infrastructure are well-resourced and supported by government and industry, and can be equitably accessed by industry participants
ic R			NEW. Industry participants develop, implement and regularly review plans to manage the workforce shift to more digital, automated and connected agricultural technologies
ONOMIC			NEW. Industry has systems in place to monitor risk, prevent and mitigate adverse impacts from cybersecurity threats, including data breaches
CO			NEW. Industry assesses the risks and opportunities presented by climate change
Ш			NEW. Industry develops, implements and regularly reviews plans for climate change adaptation and resilience
		P16. Ethical Behaviour Industry participants behave ethically and lawfully	C38. Compliance with applicable laws and regulations is demonstrated
			C39. Fair access to participate equally in markets is ensured
	FAIR TRADING		C40. Zero tolerance for bribery or corruption is demonstrated
		P17. Supply Chain Accountability Supply chain accountability ensures a level	C41. Product provenance information is readily available via robust traceability
			C42. Information asymmetry in the supply chain is eliminated where perverse outcomes are a risk
	playing field and the elimination of unconscionable conduct		C43. Sustainability accounting is harmonised to ensure fair and just assessments of baselines and progress across the industry

Table 2. Materiality Assessment Recommendations – Proposed Amendments to the Framework

Topic	Principles & Recommendation	Criteria & Recommendation	AASF Initial Response
ENVIROMENTAL STEWARDSHIP			
GREENHOUSE GASES & AIR			
Climate change mitigation Agriculture has the potential to actively reverse climate change through sequestration of carbon into multiple sinks, including soils and above - and belowground biomass. The AASF includes mention of sequestration in C2 but could also emphasise this opportunity in its principles. The AASF has an opportunity to educate producers about the potential for carbon sequestration activities, which can increase economic resilience while also mitigating climate change.	Current Principle P1. EMISSIONS REDUCTION: Net anthropogenic GHG emissions are limited to minimise climate change Recommendation Add to and amend Principle description. P1. GREENHOUSE GAS EMISSIONS REDUCTION: Net anthropogenic greenhouse gas emissions are limited to mitigate climate change.	Current Criteria C1. GHG emissions are reduced throughout production lifecycle C2. Carbon emissions are sequestered wherever possible throughout production lifecycle C3. Where necessary (if C1 & C2 are impractical), GHG emissions are offset throughout the lifecycle by purchasing recognised credits or participating in recognised projects	The AASF initial response is to recommend that the change to the description of Principle P1. is accepted given "mitigate" is reflective of the language used in climate change.
Relevant International Standards: ⊕ GRI 13, Topic 13.1 Emissions			
Energy Management Energy management is partially captured by C4. However, P2. Air Quality does not adequately capture the topic of energy management. Relevant International Standards: SASB standards: Agricultural Products; Meat, Poultry & Dairy; and Processed Foods	Current Principle P2. AIR QUALITY: Adverse impacts to air quality are avoided or minimised New Principle Recommendation Addition of a new Principle. ENERGY USE: Energy is consumed efficiently and obtained from renewable sources	Current Criteria C4. Plant, equipment and machinery are appropriately maintained and operated to maximise efficiency C5. Activities which generate particulate matter are conducted within regulatory guidelines New Criteria Recommendations Addition of two new Criteria. ⊕ Industry participants maximise their use of renewable sources of energy, including electricity and fuels. ⊕ Industry participants improve energy efficiency by optimising energy consumption and generation.	The AASF initial response is to consider how to add references to energy. This could be achieved as recommended with a new Principle and/ or with additional Criteria. Industry feedback is invited on the following: Does energy need its own Principle, or will additional criteria meet this need? If a new Principle is adopted, should it be located under environmental stewardship or economic resilience? Are the proposed criteria suitable or are they too prescriptive? Should more general language be adopted?
Air quality In its current state, C5. Air Emissions extends only to particulate matter and not other significant air emissions, as mentioned by GRI. These include nitrous oxides, sulphur	Current Principle P2. AIR QUALITY: Adverse impacts to air quality are avoided or minimised	Current Criteria C4. Plant, equipment and machinery are appropriately maintained and operated to maximise efficiency	AASF initial response is to accept this recommendation however industry advice is invited about whether the us of the term "air pollutants" creates an

oxides, persistent organic pollutants, volatile organic compounds, and hazardous organic pollutants that together make up air quality considerations.		C5. Activities which generate particulate matter are conducted within regulatory guidelines	concerns before a decision to adopt, amend or reject is made.
Relevant International Standards: ⊕ GRI 13, Topic 13.1 Emissions		Recommendation Amend Criterium description. C5. Activities which generate air pollutants are conducted within regulatory guidelines and minimised where possible	
SOILS & LANDSCAPES			
Chemical Use Fertiliser and pesticide use are not explicitly referred to within the AASF Principles and Criteria. This topic is a particular focus area for stakeholders dealing with export markets such as the EU. Relevant International Standards: ⊕ GRI 13, Topic 13.6 Pesticides use ⊕ WBA 2023 Food and Agriculture Benchmark, Indicator B7. Fertiliser and Pesticide use	Current Principles P3. SOIL HEALTH: Soil health and functionality are protected and enhanced P4. LANDSCAPE PRESERVATION: Landscape degradation is avoided or minimised	Current Criteria C6. Soils are managed to provide ecosystem services, including sustainable agricultural production C7. Land under productive agricultural management delivers beneficial environmental services C8. Natural waterways are preserved and improved New Criterium Recommendation Addition of a new Criterium Use of synthetic chemicals including fertilisers and pesticides is optimised for human, animal and environmental health	The AASF initial response is to agree to adopt a new Criterium however AASF proposes the following amended wording: Use of fertilisers and pesticides are optimised for human, animal and environmental health. Industry is invited to provide advice about whether to adopt, amend or reject the new criterium with the proposed new wording.
Natural ecosystem conversion (including deforestation) and Land degradation These topics may not be sufficiently covered within the current version of AASF. Neither land degradation or natural ecosystem conversion, or deforestation have explicit criteria. This topic is a focus for EU stakeholders. Relevant International Standards: GRI 13, Topic 13.4 Natural ecosystem conversion	Current Principle P4. LANDSCAPE PRESERVATION: Landscape degradation is avoided or minimised Recommendation Amend Principle description. P4. ECOSYSTEM PRESERVATION: Ecosystem conversion and degradation are avoided or minimised	Current Criteria C6. Soils are managed to provide ecosystem services, including sustainable agricultural production C7. Land under productive agricultural management delivers beneficial environmental services New Criteria Recommendations Amend Criterium description and add two new Criteria C7. Land under productive agricultural management delivers beneficial ecosystem services Batural habitat and ecosystem conversion, and deforestation, are avoided or minimised Land degradation is avoided or minimised	The AASF initial response is to agree with the recommendation to change the description of Principle P4. The AASF initial response to amending C7. from environment to ecosystem is to agree. The AASF initial response to the two proposed new Criteria is to invite industry advice about whether they should be adopted, amended, or rejected.

BIODIVERSITY				
Biodiversity The criteria related to P5. Biodiversity Protection refer to farms and farm ecosystems. These descriptions may be expanded to include all agricultural activities, not solely farms.	Current Principle P5. BIODIVERSITY PROTECTION: Biodiverse ecological communities are protected and enhanced	Current Criteria C9. Farms support a diverse range of beneficial flora and fauna species C10. Farm-related ecosystems are functioning and thriving Recommendation Amend Criteria descriptions. C9. Agricultural activities support a diverse range of beneficial flora and fauna species C10. Agricultural-related ecosystems are functioning and thriving	The AASF initial response it to accept the recommendation to amend the descriptions for Criteria C9. and C10.	
MATERIALS & RESOURCES				
Food loss and waste Food loss and waste is a significant global issue, covered by international sustainability frameworks including GRI 13 and the WBA Food & Agriculture Benchmark. There is currently no reference to this topic in the AASF Principles nor Criteria.	Current Principle P7. RESOURCE PRESERVATION: Finite resources are safeguarded in circular economic systems	Current Criteria C13. The use of inputs and resources that cannot be reused or recycled is minimised C14. Renewable sources of input are prioritised C15. Residues, by-products and waste are reused or recycled	The AASF initial response is to accept the proposed new criterium with possible amendment. Does industry see any benefits or risks in adopting the more specific language on food waste? What is the industry's view about the use of "avoided" in the	
Relevant International Standards: ⊕ WBA 2023 Food & Agriculture Benchmark, Indicator B9. Food loss and waste ⊕ GRI 13, Topic 13.9 Food security ⊕ FAO, 2023, The State of Food and Agriculture		New Criterium Recommendation Addition of a new Criterium. Food loss and waste are avoided or minimised at all stages of the agricultural supply chain	description.	

Topic	Principles & Recommendation	Criteria & Recommendation	AASF Initial Response
PEOPLE, ANIMALS & COMMUNITY			
HUMAN HEALTH, SAFETY & WELLBEIN	IG		
Antibiotics Consider expanding the description of the Criterium that references antibiotic use. In this assessment, the topic of antimicrobials was found to be most relevant to finance and investment stakeholders, many of whom are eager to reflect WHO policy on antimicrobial resistance. Relevant International Standards: GRI 13, Topic 13.11 Animal health and welfare WHO, 2017	Current Principle P8. OUTPUTS SAFETY: Agricultural outputs are safe and beneficial	Current Criteria C16. Food and fibre is produced, packaged and distributed to world-leading standards of safety C17. Food produced by the industry is healthy and nutritional C18. Producers practice good antimicrobial stewardship Recommendation Amend Criterium description. C18. Producers practice good antimicrobial stewardship that optimises human, animal and environmental health	The AASF initial response is to invite industry advice about whether the additional words under C18. should be adopted, amended, or rejected.
Freedom of association & collective bargaining This topic is emphasised in multiple international standards. The AASF includes mention of labour rights in C20, but could also explicitly reference the topic in its Principles. Also, the current description of this topic refers to "employees". To bring the description into alignment with the scope of the principle name, the description should similarly refer to "workers".	Current Principle P9. WORKER SAFETY: Safe working environments are provided for employees Recommendation Amend Principle description. P9. WORKER SAFETY: Respectful and safe working environments are provided for workers	Current Criteria C19. Occupational health and safety are upheld in the working environment C20. Labour rights are respected and compliance with relevant legislation is demonstrated C21. Physical health and mental wellbeing are valued and actively supported	The AASF initial response is to accept the amended wording for Principle P9.
Relevant International Standards: ⊕ GRI 13, Topic 13.13 ⊕ GRI 407 ⊕ WBA Food & Agriculture Benchmark 2023			
SOCIAL CONTRIBUTION & FAIR LIVELIH	OODS		
Fair Livelihoods & Societal Benefits It is suggested to combine P10. Fair Livelihoods with P13 Societal Benefits. This suggestion is based on there being an inherent relationship and thread between individual livelihoods, local contributions to	Current Principles P10. FAIR LIVELIHOODS: Fair access to a decent livelihood is provided within the industry	Current Criteria C22. Profitability and competitiveness are encouraged C23. Participants are provided both a living wage and a rewarding, enriching work environment	The AASF initial response is to invite industry feedback. It is accepted that fair livelihoods and societal benefits are linked. They are currently separated under AASF since the two Principles have a different focus.

jobs and economic activity, and societal scale economic benefits through domestic and international trade.	P13. SOCIETAL BENEFITS: Society benefits from the agricultural industry's positive contribution Recommendation Combine and amend Principle description. FAIR LIVELIHOODS & SOCIETAL BENEFITS: Fair access to a decent livelihood is provided within the industry and society benefits from the agricultural industry's positive contribution	C29. Industry contributes to local community economic growth and social capital C30. Indigenous culture is recognised, respected, valued and actively supported C31. Community trust in the industry is upheld	Industry advice is invited about combining these Principles or keeping them separate.
 Indigenous knowledge Consider explicitly referring to the importance of Indigenous knowledge, not only Indigenous culture. Relevant International Standards: ⊕ GRI 3, Topic 13.14 Rights of Indigenous peoples ⊕ WBA 2023 Food & Agriculture Benchmark, Indicator	Current Principle P13. SOCIETAL BENEFITS: Society benefits from the agricultural industry's positive contribution	Current Criteria C29. Industry contributes to local community economic growth and social capital C30. Indigenous culture is recognised, respected, valued and actively supported C31. Community trust in the industry is upheld Recommendation Amend criterium description. C30. Indigenous culture and knowledge are recognised, respected, valued and actively supported	The AASF initial response to proposed amendments to the Criterium is to invite industry advice about whether it should be adopted, amended, or rejected.
Land and resource rights The current iteration of the AASF does not consider the legal entitlements and customary entitlements that grant individuals, communities or indigenous peoples ownership, access and control over land, communal property and natural resources. Relevant International Standards: GRI 13, Topic 13.13	Current Principle P13. SOCIETAL BENEFITS: Society benefits from the agricultural industry's positive contribution Recommendation Amend Principle description. P13. SOCIETAL BENEFITS: Fair access to a decent livelihood is provided within the industry and society benefits from the agricultural industry's positive contribution	Current Criteria C29. Industry contributes to local community economic growth and social capital C30. Indigenous culture is recognised, respected, valued and actively supported C31. Community trust in the industry is upheld New Criterium Recommendation Addition of a new Criterium. Industry respects the legal and customary entitlements that grant individuals, communities or Indigenous people's ownership, access and control over land, communal property and natural resources	The AASF initial response is to accept the proposed new wording for Principle P13. AASF initial response to proposed new criterium is to invite industry advice about whether it should be adopted, amended, or rejected.

RIGHTS, EQUITY & DIVERSITY			
Respectful & Inclusive Industry P11. Inclusive Industry may be expanded to include criteria related to rights.	Current Principle P11. INCLUSIVE INDUSTRY: Discrimination is not tolerated in an inclusive industry Recommendation Amend Principle description. P11. RESPECTFUL & INCLUSIVE INDUSTRY: Rights are respected, and discrimination is not tolerated in an inclusive industry	Current Criteria C24. Human rights are unequivocally respected C25. Workplace diversity is valued and actively supported	The AASF initial response is to accept the proposed additional words for Principle P11.

Topic	Principles & Recommendation	Criteria & Recommendation	AASF Initial Response
ECONOMIC RESILIENCE	-		•
BIOSECURITY & RESILIENCE			
Climate change adaptation and resilience There is no explicit reference to climate change adaptation and resilience in the principles nor criteria. While climate change resilience may be implicitly included in the description for P15. RISK MITIGATION, there is no explicit mention of the topic within the Criteria for P15. Relevant International Standards: GRI 13, Topic 13.2 Climate adaptation and resilience	Most relevant current Principle P15. RISK MITIGATION: Resilience is protected and enhanced by assessment, mitigation and management of risks New Principle Recommendation Addition of a new Principle. CLIMATE ADAPTATION: Climate change adaptation and resilience is promoted	Current Criteria C35. Government and industry develop and extend overarching national scenario planning for industry risks C36. Industry participants develop, implement and regularly review risk management plans C37. Innovation and infrastructure are well-resourced and supported by government and industry, and can be equitably accessed by industry participants New Criteria Recommendations Addition of two new Criteria	The AASF initial response is to accept inclusion of economic dimensions around climate adaptation. This could be achieved as recommended with a new Principle under Economic Resilience or amendment to Principle P1. could be considered. Industry feedback is sought about whether to include an additional Principle or consider amendment to P1.
		 ⊕ Industry assesses the risks and opportunities presented by climate change ⊕ Industry develops, implements and regularly reviews plans for climate change adaptation and resilience 	
Profitability & Risk Mitigation It is suggested to expand P15. Risk Mitigation to include consideration of profitability Workforce and technology trends The AASF may consider explicit inclusion of the issues related to skill development, training, succession and digital transformation. These are topics the agricultural sector will need to confront in the coming decades. During this assessment, stakeholders from throughout the supply chain emphasised the importance of tackling the challenges related to these topics if Australian agriculture is to	Current Principle P15. RISK MITIGATION: Resilience is protected and enhanced by assessment, mitigation and management of risks Recommendation Amend Principle description. P15. PROFITABILITY & RISK MITIGATION: Profitability is encouraged, and resilience is protected and enhanced by assessment, mitigation and management of risks.	Current Criteria C35. Government and industry develop and extend overarching national scenario planning for industry risks C36. Industry participants develop, implement and regularly review risk management plans C37. Innovation and infrastructure are well-resourced and supported by government and industry, and can be equitably accessed by industry participants New Criteria Recommendations Addition of two new Criteria	The AASF initial response is to agree that an increased focus on profitability is a positive additional. Industry feedback is sought about whether to accept the proposed amendment to P16. Or whether Profitability should be stand alone. Feedback is also invited about the two new criterium to capture workforce and technology trends and cybersecurity and data protection.
continue to thrive. Relevant International Standards: ⊕ GRI 404: Training and education		 Industry participants develop, implement and regularly review plans to manage the workforce shift to more digital, automated and connected agricultural technologies 	

Cybersecurity and data protection The increase of data collection and the use of digital technology will require improved practices relating to the security and privacy of systems and data.	⊕ Industry has systems in place to monitor risk, prevent and mitigate adverse impacts from cybersecurity threats, including data breaches	
Relevant International Standards: ⊕ WBA Food & Agriculture Benchmark 2023		

CHAPTER THREE

Data Ecosystem

What the Data Ecosystem is now and could be in the future

Through exploration of Australia's existing agricultural sustainability data ecosystem, it has been identified that there are multiple processes, methods, standards and datasets being used by an extensive set of stakeholders who have a wide range of requirements of the AASF. For the current data ecosystem to shift from being siloed and anarchic, towards something which is trusted, effective, interoperable and efficient, a set of structures need to be designed and implemented. This is particularly important if the ecosystem is to reduce the burden on primary producers and processors for data collection and reporting activities, and deliver benefits through improved access to relevant sustainability advice and expanded market access opportunities.

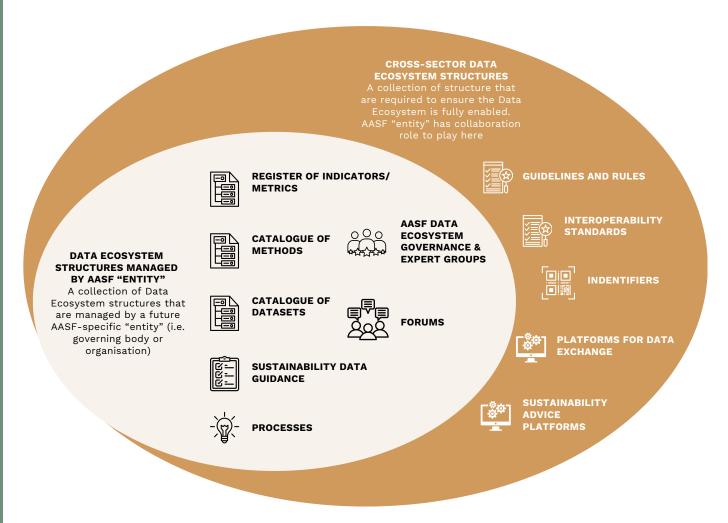


Figure 2. High-level model of potential future structures for the AASF Data Ecosystem

It is proposed that at the core of a functioning, effective, efficient AASF data ecosystem there needs to be a register of the things that an entity might measure (the "Metrics") to assess progress against individual AASF Criteria within specific contexts.

Supporting the development, maintenance and use of this register, the AASF data ecosystem also needs to provide:

- A catalogue of appropriate methods by which these metrics can/ should be measured.
- 2. A catalogue of datasets which contain observations of these metrics and that can be utilised to support sustainability related activities.
- 3. Processes by which:

\bigcirc	The register of metrics is maintained
	The catalogue of methods for measuring individual metrics is maintained
	The catalogue of datasets is maintained
	The opportunity for new datasets to be created is identified
Section 2	

- 4. A governance group, and associated expert groups, responsible for implementing these processes.
- 5. A digital platform containing curated guidance, advice and other information to help stakeholders use the register and catalogues and their content or develop their own data sets.
- 6. A set of stakeholder forums for sharing knowledge and resources.

Consultation Question 6.

What would ensure you can trust the processes by which the AASF register and catalogues are created and maintained?

Consultation Question 7.

Who would need to be involved and/or represented on the governance group and associated expert groups?

Who the Data Ecosystem Stakeholders Are

The shift towards a trusted, efficient and effective AASF Data Ecosystem will involve and directly benefit a broad range of stakeholders. Each stakeholder engaged to-date has described a range of requirements and use cases for the data ecosystem. From analysis of these use cases, it has been determined at the core are three key stakeholder cohorts: primary producers and processors; data and digital service providers; and evidence requestors.

Primary Producers and Processors

At the forefront of delivering sustainability outcomes for Australian agriculture. Ultimately, measures of sustainability outcomes in agriculture are measures of the outcomes of activities undertaken by this cohort. Members (or their representatives) use a diversity of digital services to manage farms and communicate with evidence requestors.

Evidence Requestors

Require data and information about on-farm and agricultural supply chain sustainability practices for multiple purposes. Use a variety of digital services to request information, analyse data and communicate findings.

Data and Digital Service Providers

Provide digital systems, analytical tools and/or value-added datasets for a range of agricultural and sustainability related sectors. Enable multiple connection points between Primary Producers and Processors with Evidence Requestors.

In the future, these groups could be supported through coordinated AASF Data Ecosystem activities.

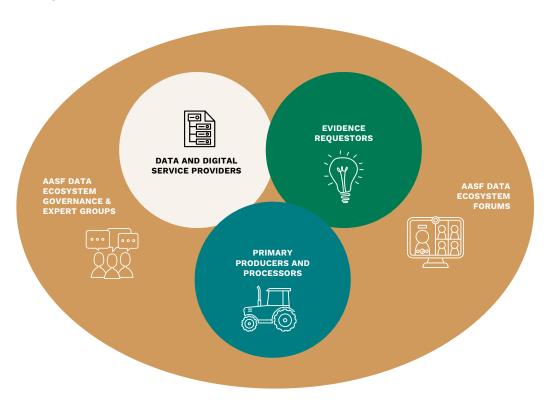


Figure 3. High-level model of potential future structures for the AASF Data Ecosystem

Consultation Question 8.

What use cases do you have for AASF-aligned data and digital systems?

Consultation Question 9.

What benefits might your organisation derive from having access to a register, catalogues, guidance and forums for AASF data practices?

Consultation Question 10.

What might be required for you to be able to engage and access these services?

CHAPTER FOUR

AASF Sustainability Indicators

Background

The 17 Principles of the AASF describe fundamental statements about desired sustainability outcomes, and the 43 Criteria describe the conditions necessary to meet those outcomes. To add further specificity and utility to the Framework, Indicators and Metrics are being developed by the AFI. The Indicators will describe what could or should be measured to address the Principles and Criteria and example Metrics will provide guidance on how this can be measured.



The current set of preliminary Indicators have been derived by:

- 1. Collecting existing indicators and supporting language from a comprehensive range of domestic and international agriculture and general sustainability frameworks, certifications and related initiatives.
- 2. Organising and refining the content to find the common denominator of shared concepts among them to yield a set of preliminary Indicators that align with the Principles and Criteria of the AASF.

Extensive desktop research, engagement with individual experts and high-level consultation with the **AASF Community of Practice** (CoP) has shaped the preliminary Indicators. The inaugural set of Indicators are intended to provide a foundation to build methods of describing sustainability via the AASF.

Purpose of consultation

Consultation for this project stream will ensure that the Indicators developed for the AASF are suitable for describing Australian agricultural sustainability, providing guidance on reporting options and reflective of current and future stakeholder expectations.

Indicators* for the AASF

The tables below present a sample of preliminary Indicators from one Principle of each theme from the AASF, presented in context with Principle, Criteria and example Metrics. While feedback at this time is principally sought on the suitability of Indicators, we also invite feedback on example metrics, measures and supporting indicators as well. Please note that the AASF project is not endorsing particular metrics or measurements at this time, and this demonstration is not an indication of future AASF metrics.

The listed examples are just a **small sample of all metrics**, **measures and supporting indicators** currently under consideration, and we invite feedback on how these may be classified, categorised, augmented, refined and improved. For example, Indicators could be described as leading and lagging, bundled into descriptive versus diagnostic sets, categorised into condition/ dependency/ impact segments, or other methods.

* It is noted that the Data Ecosystem project and the Indicator project are using the same terms with similar but not fully consistent definitions. Stakeholder feedback from this process will assist in resolving consistency.

Sample of preliminary Indicators from one Principle of each Theme from the AASF, presented in context with Principle, Criteria and example Metrics.

AASF Theme: Environmental Stewardship

Principle	Criteria	Indicator	Example Metrics/ Measures/ Supporting Indicators
P6. Water resources are used responsibly and equitably	C11. Water is used efficiently in agricultural systems C12. Adverse impacts to surface water and groundwater quality are prevented	Water Use	Water use per output unit of ag production per commodity group
			Water use per output unit of direct processing per commodity group
			Water recycled for further use in ag production systems
			Water recycled for further agricultural use in direct processing

AASF Theme: People, Animals & Community

Principle	Criteria	Indicator	Example Metrics/ Measures/ Supporting Indicators
	C16. Food and fibre are produced, packaged and distributed to world-leading standards of safety	Output safety	Food safety standards and regulatory compliance
P8. Safe agricultural outputs are			Product safety improvement and monitoring programs
	C17. Food produced by the industry is	Output nutrition	Nutrient density of key agricultural products
produced for public consumption	healthy and nutritional		Availability of nutrition education and food literacy programs for consumers
	C18. Producers practice good antimicrobial stewardship	Antimicrobial management	Antibiotic use intensity (like defined daily doses per animal of per kilogram of animal product)
			Adoption of antimicrobial stewardship guidelines and best management practices endorsed by industry and regulatory agencies



"Through collaboration and innovation, we can create a resilient agricultural sector that sets the standard for sustainable practices worldwide."

AASF Theme: Economic Resilience

Principle	Criteria	Indicator	Example Metrics/ Measures/ Supporting Indicators
	C32. Farms have systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats	Biosecurity	Percentage of farm staff trained in biosecurity measures
P14. Biosecurity threats are assessed, mitigated and effectively managed in systems of continuous improvement	threats are assessed, mitigated and effectively managed in systems of continuous C33. Industry has systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats		Direct agricultural processing businesses with a documented biosecurity plan
	C34: Government has systems in place to monitor risk, prevent and mitigate adverse impacts from biosecurity threats		Implementation and effectiveness of quarantine procedures for new or sick animals
			Biosecurity regulatory compliance rate

Preliminary Indicators and example Metrics are primarily (but not exclusively) derived from language found in the following frameworks, certifications, schemes and reports:

Australian Beef Sustainability Framework
Australian Dairy Sustainability Framework
Australian Pork Sustainability Framework
Australian Cotton Sustainability Framework
Australian-Grown Horticulture Sustainability Framework
Australian Grains Sustainability Framework
Australian Grains Sustainability Framework
Sustainable Winegrowing Australia
Smartcane BMP
Natural Capital Measurement Catalogue
Sustainable Agriculture Initiative (SAI) Platform
National Index on Agri-Food Performance (Canada)
U.N. Sustainable Development Goals
Taskforce on Nature-Related Financial Disclosures
Taskforce on Climate-Related Financial Disclosures

Australia State of the Environment Report
Australian Organic Soil Health Position
Future Drought Fund
DCCEEW National Connectivity Index
Ellen Macarthur Foundation
Food Standards Australia New Zealand
Safer Farms Report
University of Canberra Regional Wellbeing Survey
Australian Bureau of Statistics – Measuring What Matters Wellbeing Framework
Community Trust in Rural Industries program
Global Farm Metric

Consultation Question 11.

INDICATORS: Within the AASF structure, do the draft Indicators represent measurable states of sustainability?

Consultation Question 12.

Do the draft Indicators appropriately support measurement of their relevant AASF Criteria?

Consultation Question 13.

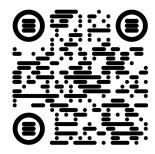
MEASURES: Are the example metrics/ measures/ supporting Indicators suitable to provide measurement of relevant draft Indicator(s)?

Consultation Question 14.

What level of specificity would you expect to see in a national guidance framework? What other examples could be added to better measure the relevant draft Indicator(s).

You are invited to provide feedback on these key elements of the AASF using our **online form** or by emailing your detailed responses to **content@nff.org.au**. For more information, visit the AASF Consultation Process **webpage**.

The consultation period will run from 13th December 2024 - 28th February 2025.



have your say!