



**ESG, Agriculture  
Sustainability Frameworks,  
Natural Capital, SDGs and  
Net Zero - Trends in sustainability reporting**

**Report for NRM Regions Australia**

## **Author**

Cathy Phelps, Principal, C&J Phelps Consulting, June 2021.

## **Scope and Limitations**

This report has been prepared by the author for NRM Regions Australia in good faith on the basis of available information. Whilst the information contained in the document has been formulated with all due care, the users of the document must obtain their own advice and conduct their own investigation and assessments of any proposals they are considering, in the light of their own individual circumstances.

The opinions conclusions and any key recommendations in this report are based on assumptions made by the author described in this report. The author disclaims any liabilities arising from any of the assumptions being incorrect.

Recognising that some of the information is provided by third parties, the author takes no responsibility for the accuracy, currency, reliability, and correctness of the information in the document provided by third parties.

# Contents

---

Introduction .....	3
Background context .....	3
Why sustainability reporting? .....	3
Drivers behind sustainability reporting .....	4
Environmental Social and Governance (ESG) Reporting .....	5
What are ESG reports? .....	5
Challenges for ESG reporting .....	6
Implementing ESG commitments .....	7
Company sustainability standards and programs .....	7
Net Zero commitments .....	8
Carbon border tariffs – an emerging ESG challenge .....	9
ESG reporting: Opportunities for Regional NRM .....	10
Company and industry sustainable sourcing programs .....	10
Biodiversity risk .....	11
Environmental condition reporting .....	11
Agriculture industry sustainability frameworks .....	12
What are Agriculture Sustainability Frameworks? .....	12
Why are industries developing Sustainability Frameworks? .....	12
Implementing industry Sustainability Frameworks .....	13
Industry best practice programs and standards .....	13
Opportunities for Regional NRM .....	14
Natural capital .....	15
What is natural capital accounting? .....	15
Why use natural capital accounting? .....	15
How is natural capital accounting being implemented? .....	15
Opportunities for Regional NRM .....	17
References .....	18
Appendix 1 UN Sustainable Development Goals .....	21
Appendix 2 Extracts from ESG reports .....	22
Appendix 3 Australian Agriculture Industry Sustainability Frameworks .....	25
Appendix 4 Contacts - Australian Agriculture Industry Sustainability Frameworks .....	29
Appendix 5 Industry Best Practice programs .....	30

# Introduction

---

This report provides an overview of company and industry sustainability reporting trends and how they may impact the role of Regional NRM bodies.

Sustainability or Environmental, Social and Governance (ESG) reporting is rapidly being adopted by all major corporations including food and drink companies and retailers. To meet their sustainability reporting commitments companies and investors are seeking transparent information about how their suppliers are managing their natural capital and climate risk.

The report covers three different approaches to sustainability reporting being implemented in Australia. These are:

- Environmental, Social and Governance (ESG) reporting
- Agriculture Sustainability Frameworks
- Natural Capital Accounting.

The information provided in the report is a snapshot in time. Sustainability reporting is rapidly evolving as companies and industries respond to changing customer, government, and investor expectations.

Trends within sustainability reporting such as Regenerative Farming have not been included in this overview. Nor has information on carbon and biodiversity offset programs.

The information is not detailed, its purpose is to raise awareness of 'why' and 'how' leading food and drink companies are incorporating sustainability into their 'brand'. The report provides some insights into what these trends may mean for Regional NRM bodies and includes information on relevant industry best practice environmental programs and contacts.

The report was commissioned by NRM Regions Australia as part of the Australian Government funded *NRM and industry partnerships project*.

## Background context

---

### Why sustainability reporting?

From a company's perspective Environmental, Social and Governance (ESG) reporting makes good business sense. Over 90% of the top 500 companies in the world prepare ESG reports<sup>1</sup>. Companies report ESG or sustainability reporting adds value by reducing their exposure to regulatory risk and increasing their profit through reduced costs and increased customer loyalty<sup>2</sup>. For industries, Sustainability Frameworks enable them to tell their story in response to consumer and customer expectations about the sustainability credentials of the products they purchase.

*Unilever reported 'Sustainable Living' brands grew 46% faster than the rest of the business and delivered 70% of its turnover growth in 2017<sup>3</sup>.*

---

<sup>1</sup> G&A, Governance and Accountability Institute (2020) *Flash Report S&P 500 Sustainability Reporting Analysis*. Available at: <https://www.ga-institute.com/research-reports/flash-reports/2020-sp-500-flash-report.html>

<sup>2</sup> Eitelwein, D (2021). *Why sustainability has become a corporate imperative*, EY Parthenon. Available at: [https://www.ey.com/en\\_au/strategy/why-sustainability-has-become-a-corporate-imperative](https://www.ey.com/en_au/strategy/why-sustainability-has-become-a-corporate-imperative)

<sup>3</sup> Unilever, (2018) *Unilever's Sustainable Living Plan continues to fuel growth*. Available at: <https://www.unilever.com/news/press-releases/2018/unilevers-sustainable-living-plan-continues-to-fuel-growth.html>

## Drivers behind sustainability reporting

The underpinning drivers for why businesses and organisations are adopting ESG or sustainability reporting are similar across all reporting frameworks. A brief explanation of the different drivers is provided below:

- **Social licence.** This is the informal acceptance granted to an industry by its community. Social licence issues vary between agricultural sectors with water usage a significant social licence issue for cotton, greenhouse gas emissions and land clearing for beef, animal welfare for wool and fertiliser use for sugar.
- **Customer expectations.** Customers are no longer satisfied with a safe and good product; they now require brands to care more about the impact of their business on the environment and society.

*According to Bank of America, 92% of Gen Z consumers would switch to a brand that supports ESG issues versus one that does not<sup>4</sup>.*

- **Market access.** For food and fibre producers market access barriers have traditionally been associated with food safety, biosecurity, and quality assurance issues. As customers' expectations change, ESG issues are becoming market access barriers with retailers and companies expecting their suppliers to meet certain standards. For example, Woolworths commitment to net zero supply chain deforestation by 2025<sup>5</sup>.

International market access barriers linked to carbon emissions and potentially other environmental issues are under development. These include the European Union (EU) Carbon Border Adjustment Mechanism (CBAM), the EU Product and Organisation Environmental Footprint method<sup>6</sup> and the proposed UK Codex Planetarius.<sup>7</sup>

- **Climate risk disclosure.** The Task Force for Climate-related Financial Disclosures (TCFD)<sup>8</sup> is being used by investors, lenders, and insurers to assess how a company or business will endure or even grow as the climate changes. Company TCFD disclosure is not yet mandatory however many major companies are adopting it response to pressure from regulators. Some countries including the UK and NZ are planning to make it mandatory.
- **Access to finance.** A companies ESG performance is being linked to access to capital and credit ratings<sup>9</sup>. Capital markets are evaluating company performance against the three ESG metrics when making investment decisions on the assumption that performance against these measures is a good indicator of an organisation's long-term performance<sup>10</sup>.

*90% of global institutional investors revise investments if companies do not at least consider ESG criteria within their business model<sup>11</sup>*

---

<sup>4</sup> UL, November, (2020) *Why ESG reporting is essential for your business*, News story. Available at: <https://www.ul.com/news/why-esg-reporting-essential-your-business>

<sup>5</sup> Woolworths Group, *Sustainability Plan 2025*. Available at: [https://www.woolworthsgroup.com.au/icms\\_docs/195860\\_sustainability-plan-2025.pdf](https://www.woolworthsgroup.com.au/icms_docs/195860_sustainability-plan-2025.pdf)

<sup>6</sup> European Commission; Single Market for Green Products Initiative. Available at: <https://ec.europa.eu/environment/eussd/smgp/>

<sup>7</sup> UK Government; Department International Trade (2021) *Trade and Agriculture Commission: Final Report March 2021*. Available at: <https://www.gov.uk/government/publications/trade-and-agriculture-commission-tac/trade-and-agriculture-commission-final-report-executive-summary>

<sup>8</sup> Financial Stability Board: *TCFD Task Force on Climate -related Financial disclosures*. Available at: <https://www.fsb-tcfd.org/>

<sup>9</sup> Segal, M; (2021) *Moody's: Improving ESG Transparency Will Increasingly Affect Access to Capital*. Available at: <https://www.esgtoday.com/moodys-improving-esg-transparency-will-increasingly-affect-access-to-capital/>

<sup>10</sup> Eitelwein, D (2021). *Why sustainability has become a corporate imperative*, EY Parthenon. Available at: [https://www.ey.com/en\\_au/strategy/why-sustainability-has-become-a-corporate-imperative](https://www.ey.com/en_au/strategy/why-sustainability-has-become-a-corporate-imperative)

<sup>11</sup> Ibid

# Environmental Social and Governance (ESG) Reporting

## What are ESG reports?

ESG reporting is the public release of information by companies to explain how they are addressing environmental, social and governance issues such as climate change, biodiversity, animal welfare and workers' rights.

Nearly all major companies publish sustainability (ESG) reports<sup>12</sup> including multi-national food and drink companies, agriculture processors and corporate farming. In some countries ESG reporting is mandatory.

There are no mandatory requirements for the content of ESG reports although most ESG reports include information on the issues most relevant or 'material' to their business and the actions they are taking to address these issues. The majority use common reporting standards such as the Global Reporting Initiative (GRI) and external assurance schemes<sup>13</sup>. Many also reference the UN Sustainable Development Goals (attached as Appendix 1).

Examples of ESG reports produced by major food producers or retailers operating in Australia can be accessed via the following links, [McDonalds](#), [Coles](#), [Select Harvest](#), [Nestle](#), and [Fonterra](#). A summary of Nestle's 2020 ESG commitments, and PepsiCo's commitment to sustainable farming is attached as Appendix 2.

Figure 1. An extract from Nestle ESG Creating Shared Value Report 2020

### Protecting natural capital

**Our commitment**  
Preserve natural capital  
Achieved

**Our objective**  
By 2020, 70% of the volume of our 15\* priority categories of raw materials have been assessed against our *Responsible Sourcing Standard* requirements and are compliant, or improvement plans to preserve natural capital are ongoing  
Achieved

**Our action and achievements in 2020**  
**Sourcing raw materials sustainably**  
Natural capital is a shared treasure; protecting it is a complex, multi-stakeholder endeavor. We leverage a global network of suppliers to preserve nature wherever we operate. To date, 73% of the volume of our priority raw materials is responsibly sourced.  
We are committed to achieving 100% deforestation-free supply chains by 2022. We employ several tools, including supply chain mapping, certification, on-the-ground assessments and satellite technologies, to continually monitor our supply chains for instances of deforestation. In September 2020, we joined the Consumer Goods Forum's Forest Positive Coalition to drive collective action against deforestation. We are also engaging our suppliers, from smallholders to large-scale operators, in initiatives to achieve our commitment. In Côte d'Ivoire, we are engaging cocoa growers, as well as our partners Earthworm Foundation and the Côte d'Ivoire Government, in efforts to end deforestation in the Cavally Forest.  
Our constant dedication has meant that, by the end of 2020, 90% of our forest-risk commodities in scope (palm oil, pulp and paper, soya, meat and sugar) were assessed as deforestation-free\*\*.

**Overall achievements**  
Every environmental initiative should contribute to natural capital preservation. To ensure this, in 2019, we formally recognized our priorities in a comprehensive, three-pronged approach:

- **Protect:** Work to reduce deforestation, minimize impacts on the oceans and prevent degradation of soils.
- **Restore:** Work with farmers to restore natural rivers and streams, replant field margins and improve soil health.
- **Diversify:** Work with farmers to diversify crops and land use to develop more resilient farms.

While this approach served to highlight our dedication, protecting natural capital is not a new focus for Nestlé. We have been working hard for a decade to address environmental issues in our own supply chains and have achieved a lot. However, we understand that we can further increase our impact through collective action.  
For this reason, in September 2019, we became an active member of *One Planet Business for Biodiversity* (OP2B), a cross-sector coalition with a focus on food and agriculture. OP2B is determined to drive transformational change, catalyzing joint action to protect and restore biodiversity. We are driving this approach throughout our *meat, poultry and eggs* supply chains, as well as with our *cocoa* and *soya* suppliers.

**Looking ahead**  
2020 has been pivotal for natural capital protection at Nestlé. As a company, our aim is to do no harm. We are dedicated to contributing positively to natural capital protection.  
To date, our primary focus has been on supply chain deforestation. This is an important ambition we will continue to work toward. However, we are also aware that to protect natural capital we must go further. That is why we are shifting focus, developing solutions that contribute to forest conservation, reforestation and regenerative agriculture. By 2030, we are committing to planting 200 million trees and to sourcing 50% of our key ingredients through regenerative agricultural methods.  
We must also be respectful of how these initiatives impact the livelihoods of smallholders. We will continue to identify solutions that both protect natural capital and support those who produce our ingredients.

**Reforestation Sabah, Malaysia, with Project RELeaf**



In September 2020, we committed to planting 3 million trees in Malaysia through Project RELeaf.  
This will support our pledge to achieve net zero emissions by 2050. Moreover, the project will restore riverbanks and forests in areas where oil palms grow, helping to develop corridors for local wildlife.

[Read more about this story and others online](#)

<sup>12</sup> G&A, Governance and Accountability Institute (2020) *Flash Report S&P 500 Sustainability Reporting Analysis*. Available at: <https://www.ga-institute.com/research-reports/flash-reports/2020-sp-500-flash-report.html>

<sup>13</sup> Ibid

## Challenges for ESG reporting

The key ESG reporting challenge for food and drink companies is obtaining good quality information about the practices of their suppliers. Without good data companies can find themselves in the situation Nestle, Unilever and other multinationals did when the Rainforest Action Network exposed the link between the palm oil they were purchasing for their products and the loss of Sumatran Rainforest<sup>14</sup>.

Figure 2. Extract from The Guardian, July 22, 2017

**Pepsico, Unilever and Nestlé accused of complicity in illegal rainforest destruction**

**Palm oil plantations on illegally deforested land in Sumatra - home to elephants, orangutans and tigers - have allegedly been used to supply scores of household brands, says new report**



▲ Deforestation in the Leuser ecosystem, one of the last homes to Sumatran elephants, orangutans, rhinos and tigers. Photograph: Sutanta Aditya/Barcroft Images

Pepsico, Unilever and Nestlé have been accused of complicity in the destruction of Sumatra's last tract of rainforest shared by elephants,

*Transparency is the cornerstone of building community trust and acceptance as people want access to accurate information to know how their food is produced or products manufactured.<sup>15</sup>*

Analysis of ESG claims is not just confined to environmental activist groups. The growth in ESG reporting is resulting in increased scrutiny by independent ratings agencies such as Standard and Poor<sup>16</sup>, the Australian Council of Superannuation Investors (ACSI)<sup>17</sup> and NGOs such as Oxfam<sup>18</sup>. This external scrutiny is putting pressure on companies to provide more transparent information about their ESG risks.

The outcome is a growing demand from food and drink companies for transparent, evidence- based information and data about the ESG practices of their food and fibre suppliers.

<sup>14</sup> Nelson, A (2017) *Pepsico, Unilever and Nestlé accused of complicity in illegal rainforest destruction*. Available at: <https://www.theguardian.com/environment/2017/jul/21/pepsico-unilever-and-nestle-accused-of-complicity-in-illegal-rainforest-destruction>

<sup>15</sup> Australian Eggs (2021), *Sustainability Framework Report 2021*. Available at: <https://www.australianeggs.org.au/what-we-do/sustainable-production/sustainability-report>

<sup>16</sup> S&P Global Ratings, *ESG Evaluation (2021)*. Available at: <https://www.spglobal.com/ratings/en/products-benefits/products/esg-evaluation>

<sup>17</sup> Australian Council of Superannuation Investors (2019), *ESG Reporting by the ASX200*. Available at: <https://acsi.org.au/wp-content/uploads/2020/02/2019-ACSI-ESG-Report-FINAL.pdf>

<sup>18</sup> Oxfam (2016), *Behind the Brands Company Scorecard*. Available at: <https://www.behindthebrands.org/company-scorecard/>

## Implementing ESG commitments

### Company sustainability standards and programs

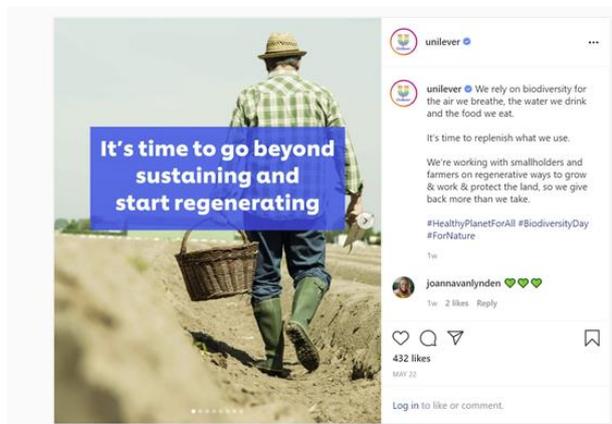
In response to ESG reporting requirements major multi-nationals and retailers are developing supplier standards and programs, either individually or through pre-competitive collaboration alliances such as SAI Platform<sup>19</sup>. These standards generally include both mandatory and expected practices. Examples include Nestle's Responsible Sourcing Standard<sup>20</sup>, Kirin's Sustainable Supplier Code<sup>21</sup> and Unilever's Sustainable Agriculture Code<sup>22</sup>.

Company sustainable sourcing guidelines are developed with the expectation that potential suppliers will meet their mandatory standards. In practice this is not always achievable, particularly in developing countries. Larger companies are addressing this gap by developing and implementing programs to support their suppliers to adopt practices that address their ESG priorities. An example is McDonalds: Scale for good – beef sustainability program<sup>23</sup>.

*Rather than being pushed aside by the pandemic, the importance of issues such as climate change seems to have accelerated.... Companies such as Nestlé and General Mills are now committed to be Net Zero by 2050 .... with others focusing more on greater recycling or use of recyclable materials or waste, energy and water use reduction, **as well as certified sourcing schemes for key agricultural commodities.**<sup>24</sup>*

As companies seek to leverage their sustainability credentials through brand and product differentiation it is highly likely they will more interested in implementing or partnering in programs to support their producers to adopt more sustainable farming practices. For example, Coca Cola and [Project Catalyst](#).

Figure 3 Unilever Twitter Account 2021



<sup>19</sup> SAI Platform — Sustainable Agriculture Initiative Platform, *Sustainable Agriculture for a better world*. Available at: <https://saipatform.org/>

<sup>20</sup> Nestle (2018) *Responsible Sourcing Standard*. Available at: <https://www.nestle.com/sites/default/files/asset-library/documents/library/documents/suppliers/nestle-responsible-sourcing-standard-english.pdf>

<sup>21</sup> Kirin Group, (2021) *Kirin Group Sustainable Supplier Code*. Available at: [https://www.kirinholdings.co.jp/english/csv/procurement/pdf/kirin\\_groupsustainable\\_supplier\\_code\\_en.pdf](https://www.kirinholdings.co.jp/english/csv/procurement/pdf/kirin_groupsustainable_supplier_code_en.pdf)

<sup>22</sup> Unilever (2021), *Unilever regenerative agriculture principles and Implementation Guides*. Available at: <https://www.unilever.com/planet-and-society/protect-and-regenerate-nature/sustainable-and-regenerative-sourcing/>

<sup>23</sup> McDonalds (2018) *Scale for Good: McDonalds Corporate Social Responsibility Report*. Available at: [https://mcdonalds.com.au/sites/mcdonalds.com.au/files/McDonald's\\_2018\\_CSR\\_Report.pdf](https://mcdonalds.com.au/sites/mcdonalds.com.au/files/McDonald's_2018_CSR_Report.pdf)

<sup>24</sup> Fereday, N (March 2021), *Talking Points, The View from Big Food*, RaboResearch, Food and Agribusiness, Rabobank. Available at: <https://research.rabobank.com/far/en/sectors/consumer-foods/talking-points-march-2021.html>

## Net Zero commitments

*69 of the 100 of the biggest economies are companies... and many companies are setting emission reduction targets for agricultural supply chains to meet their Paris agreement commitments.<sup>25</sup>*

In addition to being asked to provide information on their ESG practices some agriculture producers supplying multi-national food companies are also being asked to measure and reduce their greenhouse gas emissions. The drivers for multinationals in committing to Net Zero targets are customer expectations, access to capital and markets, and social licence.

### Unilever: Creating Net Zero Products.

#### Initiatives include:

- **Plant-based foods for the future.** This program aims to achieve a global sales target of €1 billion from plant-based meat and dairy alternatives, within the next five to seven years.
- **Collaborating with climate progressive suppliers.** Existing suppliers are being asked to adopt carbon reduction targets to cut their emissions. Partnerships with new suppliers who already have science-based emissions targets in place are being prioritised.

As with ESG reporting, multinationals, industry, and corporates are initiating programs to support Australian farmers to reduce emissions. An example is Heineken's commitment to Net Zero by 2040<sup>26</sup>. Heineken is piloting a program with producers across eight countries including Australia to adopt low carbon practices. Participating Australian barley growers wishing to supply Heineken will be required to measure and track their carbon footprint with the aim of reducing their carbon emissions. Other examples are the Mars Petcare and Kelloggs supported Cool Soil Initiative<sup>27</sup> and the MLA led [Carbon Neutral 2030](#) program.



<sup>25</sup> Eckard, R (2021), *Scientific challenges facing agricultural greenhouse gas mitigation in livestock systems*. Crawford Fund Workshop: What Can Farmers Do? Farmer-led, science-based greenhouse gas mitigation strategies for Australia and abroad. Available at: <https://www.crawfordfund.org/wp-content/uploads/2021/03/Eckardpdf.pdf>

<sup>26</sup> Heineken (2020) Low Carbon Farming Programme. Available at: <https://www.theheinekencompany.com/our-sustainability-story/our-progress/case-studies/low-carbon-farming-programme>.

<sup>27</sup> Charles Stuart University. *Cool Soil Initiative*. Available at: <https://www.csu.edu.au/research/grahamcentre/our-research/plant-systems/feature-research/cool-soil-initiative>

## Carbon border tariffs – an emerging ESG challenge

Press coverage about the intent of the EU and potentially UK, US, Canada, and Japan to impose carbon border tariffs has raised concerns that Australian agricultural exports could be subject to carbon taxes<sup>28</sup>.

The purpose of the EU Carbon Border Adjustment Mechanism (CBAM) is to prevent “carbon leakage”, or the “relocation of domestic industries from the EU to countries with less stringent carbon or climate policies”. The EU CBAM is targeting products from big emitting industries such as steel and cement production that compete directly with local industries. Agriculture is currently excluded.

Agricultural products from developed countries have relatively similar emissions intensity making an EU CBAM targeting agriculture unlikely in the near future<sup>29 30</sup>. A more likely scenario with respect to Australian agricultural products are trade barriers linked to globally agreed minimum standards for emissions abatement<sup>31</sup>.

*The proposed CBAM contemplates credits or exemptions for imported products from countries already taxing carbon.*

At a product level, directives such as the EU Renewable Energy Directive which requires Australian growers supplying canola for biodiesel to be audited on their emissions reduction<sup>32</sup>; are already impacting producers.

---

<sup>28</sup> Murphy, J (Feb 2021). *Trade partners may tax Aussie ag exports if no carbon neutral target set*. Farmonline. Available at: <https://www.farmonline.com.au/story/7112772/trade-partners-may-tax-aussie-ag-exports-if-no-carbon-neutral-target-is-set/>

<sup>29</sup> Food and Agriculture Organisation of the United Nations. *FAOSTAT Data, Agri-Environment Indicators, Emissions Intensity 2017*. Available at: <http://www.fao.org/faostat/en/#data/EI>

<sup>30</sup> Wirsenius, S; Searchinger, T; Zions, J; Peng, L; Beringer, T and Dumas, P (2020) *Comparing the Life Cycle Greenhouse Gas Emissions of Dairy and Pork Systems Across Countries Using Land-Use Carbon Opportunity Costs*. Available at <https://www.wri.org/research/comparing-life-cycle-greenhouse-gas-emissions-dairy-and-pork-systems-across-countries>

<sup>31</sup> UK Government; Department International Trade, *Trade and Agriculture Commission: Final Report March 2021*. Available at: <https://www.gov.uk/government/publications/trade-and-agriculture-commission-tac/trade-and-agriculture-commission-final-report-executive-summary>

<sup>32</sup> Sustainable Grains Australia, *Certifying canola as sustainable for the European market: A practical guide for growers*. Available at: [http://www.australianoilseeds.com/\\_\\_data/assets/pdf\\_file/0008/17891/R-003\\_Sustainable\\_Canola\\_Fact\\_Sheet\\_V3\\_07Sep20.pdf](http://www.australianoilseeds.com/__data/assets/pdf_file/0008/17891/R-003_Sustainable_Canola_Fact_Sheet_V3_07Sep20.pdf).

## ESG reporting: Opportunities for Regional NRM

### Company and industry sustainable sourcing programs

ESG reporting topics align with many of the priority issues identified in Regional NRM strategies including climate change and greenhouse gas emissions, soil and fertiliser management, water quality and biodiversity. As the demand for quality data to inform ESG reporting grows there will be increased opportunities for Regional NRM to partner with companies and retailers to support them to meet their ESG and net zero reporting targets.

Examples of Regional NRM partnering with companies, NGOs and industry organisations to achieve their ESG targets include [Project Catalyst](#) and [Bega Cheese Better Farms](#).

ESG reporting companies and philanthropic investors want benefits that can be measured, verified, and reported, but often lack knowledge and skills in implementing change. Whilst there are a number of organisations such as CDP<sup>33</sup> that support companies and investors to measure and manage their environmental impacts detailed information is not easily obtained.

Regional NRM has experience and skills in assisting producers to adopt sustainable management practices and could leverage this knowledge to partner with companies like McDonalds to deliver company sustainable sourcing programs. Alternatively, they could directly support producers to meet company sustainable sourcing requirements.

#### **McDonalds: Scale for good – beef sustainability**

*We have committed a million dollars towards research projects to support continuous improvement in Australian sustainable beef production, including a partnership with Meat & Livestock Australia (MLA), which will see us jointly developing a pilot program to enable McDonald's and other supply chains the ability to verify responsible sourcing of beef.*

By 2020, McDonald's will:

- Accelerate industry progress by sourcing a portion of our beef from suppliers participating in sustainability programs.
- Engage with local farmers to help develop and share best practices. Select and showcase McDonald's Flagship Farmers to demonstrate leading best practices.
- Set up McDonald's Progressive Farm Partnerships to trial and discover new practices.
- Conserve forests by verifying that the beef we source comes from farms where primary forests and high conservation value lands are preserved.

[https://mcdonalds.com.au/sites/mcdonalds.com.au/files/McDonald's\\_2018\\_CSR\\_Report.pdf](https://mcdonalds.com.au/sites/mcdonalds.com.au/files/McDonald's_2018_CSR_Report.pdf)

As companies increasingly use ESG credentials to differentiate their products, it is likely they will be less interested in supporting generic industry, or cross industry sustainability programs and more interested in supporting their own priorities or programs.

Companies will vary in their priorities depending on their product mix and markets. For companies selling livestock products, welfare is often the main ESG consideration with emissions and biodiversity a lower priority.

---

<sup>33</sup> CDP, Disclosure, Insight, Action. Available at: <https://www.cdp.net/en/data>

## Biodiversity risk

Addressing biodiversity loss risk is an area where companies and industry organisations lack expertise and evidence-based information. International focus on biodiversity loss risk is increasing. The Taskforce on Nature-related Financial Disclosures<sup>34</sup> (TNFD) has recently been launched with the intent that biodiversity risk declarations by companies will become mandatory.<sup>35</sup>

*Companies going carbon neutral have another thing coming. Biodiversity will be the next environmental concern that big firms should worry about, according to a group of financiers... Many investors are starting to realise that if biodiversity suffers so do their returns<sup>36</sup>.*

Regional NRM has expertise in biodiversity management, restoration, monitoring, and reporting as well as skills and expertise in implementing sustainable land management practices. The Regional NRM [Wildlife for Wine](#) case study is one example of a local industry, Regional NRM knowledge sharing partnership that could be implemented in other regions. Another approach is working directly with companies or industries to identify and protect high risk areas or species. An example is [Boosting the Bunyip Bird Yield](#).

## Environmental condition reporting

ESG investment will be preferentially directed to projects that have high levels of integrity and provide detailed and transparent data, especially in the areas of climate risk mitigation and restoration of biodiversity.

Whilst many companies and large producers are using the services of digital surveillance companies such as [FLINTpro](#)<sup>37</sup> and [Cibolabs](#)<sup>38</sup> to provide third party verification of the practices of their suppliers, these services often lack detail. They may not reflect how well the land is managed, the quality of the biodiversity being restored or any harm to Traditional Owner communities. There is potential for Regional NRM to provide more detailed environmental condition reporting services for landscape areas with significant cultural and/or biodiversity value.

*Companies and organisations are more likely to be harmed through accusations of 'greenwashing' and 'cover-up' than telling the truth.*

---

<sup>34</sup>Taskforce on Nature-related Risk Disclosure, (June 2021) *Letter from new TNFD C0-Chairs announcing launch of TNFD*. Available at: <https://tnfd.info/news/letter-from-the-tnfd-co-chairs/>

<sup>35</sup> Covington, C; Mak, S; Wynn-Pope, P and Green, J (2021). *The Latest ESG frontier: biodiversity loss risk disclosures*. Corrs Chambers Westgarth, Insights April 2021. Available at: <https://corrs.com.au/insights/the-latest-esg-frontier-biodiversity-loss-risk-disclosures>

<sup>36</sup> Williams, O (Dec 2020). *Companies Could be Punished for Poor Biodiversity*, Forbes. Available at: <https://www.forbes.com/sites/oliverwilliams1/2020/12/09/companies-could-be-punished-for-poor-biodiversity/?sh=37ab95672e73>

<sup>37</sup> FlintPro: *Empowering the land sector for smarter climate action*. Available at: <https://flintpro.com/>

<sup>38</sup> Cibolabs (2021) *MyFarmKey*. Available at: <https://www.cibolabs.com.au/myfarmkey>

# Agriculture industry sustainability frameworks

---

*Community expectations are constantly evolving, and this extends beyond mainstream consumer purchasing decisions to much broader questions about how industries conduct themselves.<sup>39</sup>*

## What are Agriculture Sustainability Frameworks?

Several Australian agriculture industries have developed or are in the process of developing industry sustainability frameworks. These frameworks detail the sustainability topics deemed material risks to the industry, and the goals, indicators, and metrics identified by industry stakeholders to address and report against these topics. As with ESG reporting industry sustainability frameworks include economic goals, as well as environmental and social goals. Some sustainability frameworks track and report performance against indicators annually, others less frequently.

These frameworks have been developed through extensive consultation with internal and external stakeholders and represent industry sustainability goals and indicators at the time of development. They define what a sustainable industry looks like and identify areas for improvement. The industry stakeholders involved in their development include peak industry councils, processors, Research and Development Corporations (RDCs), corporate producers, and producers.

The Australian Government is funding National Farmers Federation to develop an Australian Agricultural Sustainability Framework<sup>40</sup>. The objectives of this framework are to:

- Integrate productivity, sustainability and biodiversity on Australian farms to provide lasting benefits to farmers and the community.
- Ensure Australian farmers can showcase best practice sustainability/biodiversity management of natural resources – and ensure these actions are recognisable by supply chains, markets, investors, the community and other farmers.

## Why are industries developing Sustainability Frameworks?

The purpose of sustainability frameworks is to demonstrate whole of industry commitment to addressing sustainability issues important to producers, customers, investors, consumers, and the community. The drivers for developing industry frameworks are similar to those driving company ESG reporting, with a greater emphasis on social licence and market access. Goals and targets are regularly reviewed to meet the changing expectations of customers, investors, and other stakeholders.

By acting as an aggregator of evidence an additional intent of the frameworks is to minimise the need for individual producers to supply data directly to companies. The Australia Dairy industry

---

<sup>39</sup> Grain Growers (2021) *Grains Sustainability Framework*. Available at:

<https://www.graingrowers.com.au/sustainability/grains-sustainability-framework/>

<sup>40</sup>National Farmers Federation, *Australian Agriculture Sustainability Framework*. Available at: <https://nff.org.au/programs/australian-agricultural-sustainability-framework/>

successfully leveraged its Sustainability Framework to become the first industry to be deemed a sustainable supplier at the country level by Unilever<sup>41</sup>.

A summary of Australian Agriculture Sustainability Frameworks environmental goals, indicators and targets is attached as Appendix 3. Appendix 4 lists key industry contacts.

## Implementing industry Sustainability Frameworks

### Industry best practice programs and standards

Several Australian agriculture industries support national and international farm sustainability programs and initiatives. These programs define good practice management of natural resources, fertilisers, energy, emissions, chemicals and wastes for their industry. Some are based on self-assessment; others require independent certification good practice is being implemented.

Examples of Regional NRM/industry partnerships to deliver industry good practice soil management programs such as *Fert\$mart* (Dairy) and *Smartcane BMP* include [uPtake WA](#), [Wet Tropics Major Integrated Project \(Johnstone and Tully catchments\)](#) and [Corner Inlet Connections – Dairy Linkages](#)

Information on industry good practice programs relevant to NRM and climate change is provided in Appendix 5.

Figure 4. Smartcane webpage  
<https://smartcane.com.au/about/>

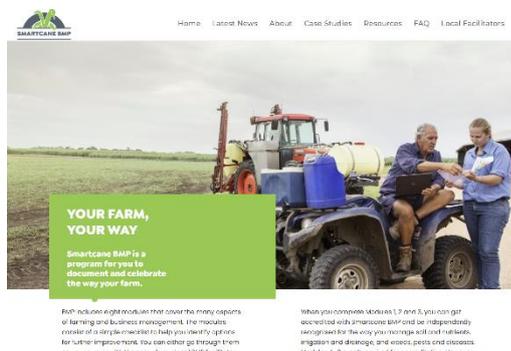
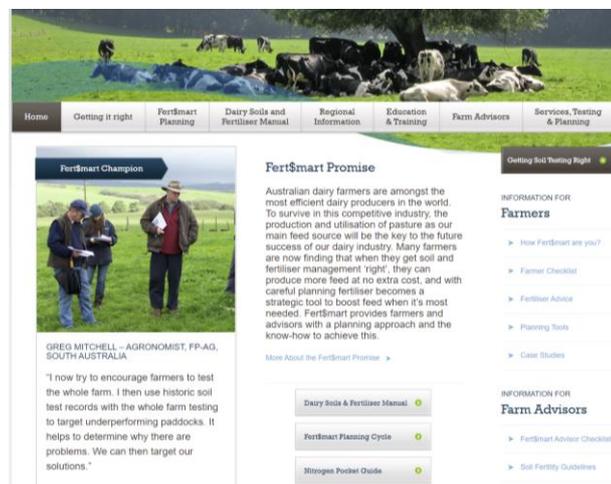


Figure 5 Fert\$mart webpage,  
<https://ferts mart.dairyingfortomorrow.com.au/>



<sup>41</sup> Unilever (2013) *Australia meets Unilever standards for sustainable dairy sourcing*. Unilever News and Features, Nov 2013. Available at: <https://www.unilever.com.au/news/news-and-features/2013/australia-meets-unilever-standards-on-sustainable-dairy-sourcing.html>

## Opportunities for Regional NRM

Sustainability framework priorities are a useful starting point for NRM regions wanting to engage and work with industry. A potential barrier when working with industry stakeholders is scale. RDCs and major peak bodies operate across multiple regions. It can be difficult for industry sustainability/NRM managers to find the time to build and maintain networks across a range of Regional Bodies. Larger agricultural organisations often have regional representatives and they may be a more useful point of initial contact.

A key challenge for industries is resourcing programs to address, monitor and report on their sustainability targets. Whilst industries frequently compete with Regional NRM bodies for government NRM funding grants to achieve similar outcomes, industry and producer groups when approached are generally supportive of being involved in collaborative partnerships for grant funding.

*Industry sustainability frameworks are not supported by dedicated amounts of allocated funding. Their intent is to act as a focus for industry stakeholders to direct investment and/or seek funding support.*

Requests for letters of support for grant funding applications and in-kind support in the form of access to industry Best Management Programs (BMPs) and/or technical resources are usually responded to positively. Direct funding support from RDCs and peak bodies for Regional NRM programs is less common. The exceptions are issues perceived to be a high risk for the industry.

Many NRM/industry partnerships are opportunistic, emerging when government funding priorities align with industry and NRM priorities. Examples include [Reef Alliance: Growing a Great Barrier Reef Program \(GGBR\)](#), [Clean Coastal Catchments – Macadamias](#), and [DairyCare](#). Prior knowledge of common regional/industry priorities, key contacts and existing industry programs can assist in being 'project ready' when funding opportunities arise.

Proposed changes in international market access requirements and increased demand for ESG data and information by companies offer opportunities for Regional NRM to look beyond government funding cycles to develop longer term collaborative partnerships with commercial industry stakeholders. For example, corporate producers (e.g., AACo - [Territory Conservation Agreements](#)), major agriculture processors (e.g., Bega Cheese & SE LLS – [BEMS & Better Farms](#)), producer groups, and major resellers (Nutrien - [uPTake](#)).

*Biodiversity loss and carbon emissions are emerging social licence and market access issues common to all agriculture sectors. These are issues relevant to regional NRM.*

Producer groups are actively assisting their members meet company specific ESG reporting and market access requirements. These groups are often already involved in Regional NRM partnerships through the Australian Government Regional Land Partnerships funding and are well placed to work with Regional NRM to address emerging social licence and market access issues.

# Natural capital

---

## What is natural capital accounting?

Natural capital accounting (NCA) is being promoted as a way of valuing the benefits of maintaining or enhancing natural resources. A farm's natural capital is its stocks of renewable and non-renewable resources, its minerals, soil, plants, animals, air, and water.

## Why use natural capital accounting?

Farming systems that enhance or maintain natural capital are more likely to be resilient and profitable over time. They are also potentially providing ecosystem services such as maintenance and enhancement of biodiversity, management of invasive species, pollination of crops, increased climate resilience and carbon sequestration storage.

National Farmers Federation, farmer groups and industry peak bodies are exploring the potential for natural capital accounting to be used to support market mechanisms for farmers to be rewarded for providing ecosystem services<sup>42</sup>.

On farm natural capital accounting is also of interest to companies and investors from an ESG reporting perspective. Business and financial services are looking for standards and metrics that can support ESG reporting and align with UN Sustainable Development Goals. The finance industry was the original champion of natural capital accounting through the establishment of the Natural Capital Coalition, now the Capitals Coalition.

## How is natural capital accounting being implemented?

The concept of natural capital accounting is not new, the difficulty is how to measure and value changes in natural capital stocks. Existing approaches, for example the TEEBAgriFood Evaluation Framework<sup>43</sup> and the 2016 Natural Capital Protocol Food and Beverage Sector Guide<sup>44</sup> are designed to be a starting point in 'how' to assess risks to natural capital, including identifying areas where more information might be needed.

Whilst the theory and concepts are well developed, practical implementation is proving more challenging. Nationally and internationally agreed cost-effective and easy to implement natural capital accounting methods that can be used by farmers, financial institutions and other key stakeholders are not yet available. Several different approaches are being piloted by Australian industry and government agencies including the Food Agility CRC led *Natural Capital Constellation for Climate*

---

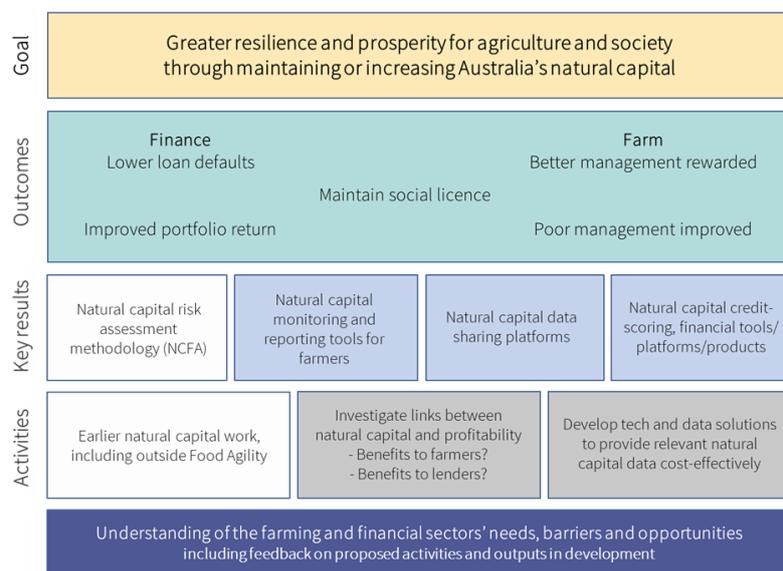
<sup>42</sup> Poole et al, (2019) *A Return on Nature: Enabling the market for sustainable finance and ecosystem services*. KPMG and NFF. Available at: <https://assets.kpmg/content/dam/kpmg/au/pdf/2019/kpmg-nff-return-on-nature-report.pdf>

<sup>43</sup> TEEB *The Economics of Ecosystems and Biodiversity: The Evaluation Framework*. Available at: <http://teebweb.org/our-work/agrifood/understanding-teebagrifood/evaluation-framework/>

<sup>44</sup> Natural Capital Coalition (2016) *Natural Capital Protocol: Food and Beverage Sector Guide*. Available at: [NCC\\_FoodAndBeverage\\_WEB\\_2016-07-12.pdf](https://www.naturalcapitalcoalition.org/NCC_FoodAndBeverage_WEB_2016-07-12.pdf) (naturalcapitalcoalition.org)

*Resilient Farm Systems program*<sup>45</sup>, the La Trobe University led *Farm-scale Natural Capital Accounting*<sup>46</sup> project, and the Perth NRM led *Measuring on-farm Natural Capital*<sup>47</sup>.

Figure 7. Natural Capital Constellation for Climate Resilient Farm Systems: Building the business case for natural capital, Theory of Change.



The intended outputs from these projects include natural capital accounting standards and tools land managers could use to quantify changes in their natural capital stocks and any associated ecosystem services and productivity benefits.

The key challenge for adoption of the natural capital accounting tools developed by these pilot projects will be the business case for the land manager.

One assumption is that the business case for adopting NCA will be linked to payments for ecosystem services as well as providing access to a wider range of markets. The second assumption is that producers who can demonstrate they are managing their natural capital sustainably will have improved financial performance and potentially easier access to capital. NAB were an early signatory to the Natural Capital Coalition and have been working with a range of stakeholders to find a way of linking the sustainability metrics of their farming clients to their financial performance. Determining the financial benefits is proving challenging.

*“Every farm looks profitable in a good season” ... “You only get to see the value of your investment in resilience when the system is stressed, so we need to collect data across all conditions.”*<sup>48</sup>

Until there are nationally agreed methodologies and standards to quantify the extent and impact of changes in natural capital stocks, payment for eco-systems services based on natural capital

<sup>45</sup> Food Agility CRC (2020), *Natural capital for climate resilient farm systems: Building the business case for natural capital*. Available at: <https://www.foodagility.com/research/natural-capital-for-climate-resilient-farm-systems-constellation>

<sup>46</sup> La Trobe University (2021), *Putting natural capital on farm accounts*. News Article, La Trobe University. Available at: <https://www.latrobe.edu.au/news/articles/2021/release/putting-natural-capital-on-farm-accounts>

<sup>47</sup> Perth NRM (2021). *Investigating Natural Capital*. Available at: <https://www.perthnrm.com/project/measuring-on-farm-natural-capital/>

<sup>48</sup> Bentley, J (2020), *The \$6.5tn question: How to capitalise on Australia's natural assets*. NAB, Agribusiness Insights. Available at: <https://business.nab.com.au/natural-capital-how-farmers-can-rise-to-a-growing-challenge-41778/>

accounting is likely to be constrained to government and philanthropic investment, for example the Australian Government Carbon-Biodiversity Pilot<sup>49</sup>.

## Opportunities for Regional NRM

Without a clear business case for NCA adoption by producers, Regional NRM involvement maybe confined to participation in pilot projects supported by governments, banks, philanthropists, and corporate social responsibility funding. There could be potential to work with interested companies and multi-nationals to assist them to better understand the benefits of NCA with respect to ESG reporting and how the two approaches could align.

---

<sup>49</sup> Australian Government, Department of Agriculture, Water & Environment (2021). *Carbon and Biodiversity Pilot*. Available at: <https://www.agriculture.gov.au/ag-farm-food/natural-resources/landcare/sustaining-future-australian-farming/carbon-biodiversity-pilot>

## References

---

- Alembakis, R (2021) *Enhanced ESG reporting linked to funding outcomes*. Available at: <https://www.fssustainability.com.au/enhanced-esg-reporting-linked-to-funding-outcomes>
- Ascuí, F and Cojoianu, T (2019) *Natural Capital Credit Risk Assessment in Agricultural Lending*, Natural Capital Finance Alliance. Available at: [Natural-Capital-Credit-Risk-Assessment-2019.pdf \(unepfi.org\)](https://www.unepfi.org/natural-capital-credit-risk-assessment-2019.pdf)
- Australian Council of Superannuation Investors (2019), *ESG Reporting by the ASX200*. Available at: <https://acsi.org.au/wp-content/uploads/2020/02/2019-ACSI-ESG-Report-FINAL.pdf>
- Australian Eggs (2021), *Sustainability Framework Report 2021*. Available at: <https://www.australianeggs.org.au/what-we-do/sustainable-production/sustainability-report>
- Australian Government, Department of Agriculture, Water & Environment (2021). *Carbon and Biodiversity Pilot*. Available at: <https://www.agriculture.gov.au/ag-farm-food/natural-resources/landcare/sustaining-future-australian-farming/carbon-biodiversity-pilot>
- Bentley, J (2020), *The \$6.5tn question: How to capitalise on Australia's natural assets*. NAB, Agribusiness Insights. Available at: <https://business.nab.com.au/natural-capital-how-farmers-can-rise-to-a-growing-challenge-41778/>
- Bernow, S; Nuttall, R and Brown, S (2020). *Why ESG is here to stay*; McKinsey & Company, Podcast. Available at: <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/why-esg-is-here-to-stay>
- Charles Stuart University. *Cool Soil Initiative*. Available at: <https://www.csu.edu.au/research/grahamcentre/our-research/plant-systems/feature-research/cool-soil-initiative>
- Cibolabs (2021) *MyFarmKey*. Available at: <https://www.cibolabs.com.au/myfarmkey>
- Connell, T (2021); *What nature is worth. The rise of natural capital accounting*. Ecos Issue 278 - Sustainable agriculture, CSIRO. Available at: <https://ecos.csiro.au/knowning-the-price-of-nature-the-rise-of-natural-capital-accounting/>
- Climate Works Australia (2020), *Global Food and Land Use Transitions; Food and land use transitions: Harnessing the digital revolution*. Available at: <https://www.climateworksaustralia.org/resource/harnessing-the-digital-revolution/>
- Covington, C; Mak, S; Wynn-Pope, P and Green, J (2021) *The Latest ESG frontier: biodiversity loss risk disclosures*. Corrs Chambers Westgarth, Insights April 2021. Available at: <https://corrs.com.au/insights/the-latest-esg-frontier-biodiversity-loss-risk-disclosures>
- Eckard, R (2021), *Scientific challenges facing agricultural greenhouse gas mitigation in livestock systems*. Crawford Fund Workshop: What Can Farmers Do? Farmer-led, science-based greenhouse gas mitigation strategies for Australia and abroad. Available at: <https://www.crawfordfund.org/wp-content/uploads/2021/03/Eckardpdf.pdf>
- Eitelwein, D (2021). *Why sustainability has become a corporate imperative*, EY Parthenon. Available at: [https://www.ey.com/en\\_au/strategy/why-sustainability-has-become-a-corporate-imperative](https://www.ey.com/en_au/strategy/why-sustainability-has-become-a-corporate-imperative)
- European Commission; *Single Market for Green Products Initiative*. Available at: <https://ec.europa.eu/environment/eussd/smgp/>
- Fereday, N (March 2021), *Talking Points, The View from Big Food*, RaboResearch, Food and Agribusiness, Rabobank. Available at: <https://research.rabobank.com/far/en/sectors/consumer-foods/talking-points-march-2021.html>
- FlintPro: *Empowering the land sector for smarter climate action*. Available at: <https://flintpro.com/>

Food and Agriculture Organisation of the United Nations. *FAOSTAT Data, Agri-Environment Indicators, Emissions Intensity* 2017. Available at: <http://www.fao.org/faostat/en/#data/EI>

Financial Stability Board: *TCFD Task Force on Climate -related Financial disclosures*. Available at: <https://www.fsb-tcfd.org/>

Food Agility CRC (2020), *Natural capital for climate resilient farm systems: Building the business case for natural capital*. Available at: <https://www.foodagility.com/research/natural-capital-for-climate-resilient-farm-systems-constellation>

G&A, Governance and Accountability Institute (2020) *Flash Report S&P 500 Sustainability Reporting Analysis*. Available at: <https://www.ga-institute.com/research-reports/flash-reports/2020-sp-500-flash-report.html>

Grain Growers (2021) *Grains Sustainability Framework*. Available at: <https://www.graingrowers.com.au/sustainability/grains-sustainability-framework/>

Guerin, M & Foley, R (2019), *Natural capital: a paradigm shift in economic and environmental solutions*, Farm Policy Journal, vol. 16, no. 3, Spring 2019, pp. 4-14, Surry Hills, Australia. Available at: <https://www.farminstitute.org.au/product/fpj1603b-guerin-m-foley-r-2019-natural-capital-a-paradigm-shift-in-economic-and-environmental-solutions/>

Heineken (2020) *Low Carbon Farming Programme*. Available at: <https://www.theheinekencompany.com/our-sustainability-story/our-progress/case-studies/low-carbon-farming-programme>.

Kirin Group, (2021) *Kirin Group Sustainable Supplier Code*. Available at: [https://www.kirinholdings.co.jp/english/csv/procurement/pdf/kirin\\_groupsustainable\\_supplier\\_code\\_en.pdf](https://www.kirinholdings.co.jp/english/csv/procurement/pdf/kirin_groupsustainable_supplier_code_en.pdf)

La Trobe University (2021), *Putting natural capital on farm accounts*. News Article, La Trobe University. Available at: <https://www.latrobe.edu.au/news/articles/2021/release/putting-natural-capital-on-farm-accounts>

McDonalds (2018) *Scale for Good: McDonalds Corporate Social Responsibility Report*. Available at: [https://mcdonalds.com.au/sites/mcdonalds.com.au/files/McDonald's\\_2018\\_CSR\\_Report.pdf](https://mcdonalds.com.au/sites/mcdonalds.com.au/files/McDonald's_2018_CSR_Report.pdf)

Murphy, J (Feb 2021). *Trade partners may tax Aussie ag exports if no carbon neutral target set*. Farmonline. Available at: <https://www.farmonline.com.au/story/7112772/trade-partners-may-tax-aussie-ag-exports-if-no-carbon-neutral-target-is-set/>

National Farmers Federation, *Australian Agriculture Sustainability Framework*. Available at: <https://nff.org.au/programs/australian-agricultural-sustainability-framework/>

Natural Capital Coalition (2016) *Natural Capital Protocol: Food and Beverage Sector Guide*. Available at: [NCC\\_FoodAndBeverage\\_WEB\\_2016-07-12.pdf \(naturalcapitalcoalition.org\)](https://www.naturalcapitalcoalition.org/NCC_FoodAndBeverage_WEB_2016-07-12.pdf)

Nelson, A (2017) *Pepsico, Unilever and Nestlé accused of complicity in illegal rainforest destruction*. Available at: <https://www.theguardian.com/environment/2017/jul/21/pepsico-unilever-and-nestle-accused-of-complicity-in-illegal-rainforest-destruction>

Nestle (2018) *Responsible Sourcing Standard*. Available at: <https://www.nestle.com/sites/default/files/asset-library/documents/library/documents/suppliers/nestle-responsible-sourcing-standard-english.pdf>

Oxfam (2016), *Behind the Brands Company Scorecard*. Available at: <https://www.behindthebrands.org/company-scorecard/>

Perth NRM (2021). *Investigating Natural Capital*. Available at: <https://www.perthnrm.com/project/measuring-on-farm-natural-capital/>

Poole et al, (2019) *A Return on Nature: Enabling the market for sustainable finance and ecosystem services*. KPMG and NFF. Available at: <https://assets.kpmg/content/dam/kpmg/au/pdf/2019/kpmg-nff-return-on-nature-report.pdf>

SAI Platform — Sustainable Agriculture Initiative Platform, *Sustainable Agriculture for a better world*. Available at: <https://saiplatform.org/>

Segal, M; (2021) *Moodys: Improving ESG Transparency will Increasingly Affect Access to Capital*. Available at: <https://www.esgtoday.com/moodys-improving-esg-transparency-will-increasingly-affect-access-to-capital/>

S&P Global Ratings, *ESG Evaluation (2021)*. Available at: <https://www.spglobal.com/ratings/en/products-benefits/products/esg-evaluation>

Sustainable Grains Australia, *Certifying canola as sustainable for the European market: A practical guide for growers*. Available at: [http://www.australianoilseeds.com/\\_data/assets/pdf\\_file/0008/17891/R-003\\_Sustainable\\_Canola\\_Fact\\_Sheet\\_V3\\_07Sep20.pdf](http://www.australianoilseeds.com/_data/assets/pdf_file/0008/17891/R-003_Sustainable_Canola_Fact_Sheet_V3_07Sep20.pdf).

Taskforce on Nature-related Risk Disclosure, (June 2021) *Letter from new TNFD CO-Chairs announcing launch of TNFD*. Available at: <https://tnfd.info/news/letter-from-the-tnfd-co-chairs/>

TEEB *The Economics of Ecosystems and Biodiversity: The Evaluation Framework*. Available at: <http://teebweb.org/our-work/agrifood/understanding-teebagrifood/evaluation-framework/>

UK Government; Department International Trade, (Independent) *Trade and Agriculture Commission: Final Report March 2021*. Available at: <https://www.gov.uk/government/publications/trade-and-agriculture-commission-tac/trade-and-agriculture-commission-final-report-executive-summary>

UL, November, (2020) *Why ESG reporting is essential for your business*, News story. Available at: <https://www.ul.com/news/why-esg-reporting-essential-your-business>

Unilever (2021), *Unilever regenerative agriculture principles and Implementation Guides*. Available at: <https://www.unilever.com/planet-and-society/protect-and-regenerate-nature/sustainable-and-regenerative-sourcing/>

Unilever, (2018) *Unilever's Sustainable Living Plan continues to fuel growth*. Available at: <https://www.unilever.com/news/press-releases/2018/unilevers-sustainable-living-plan-continues-to-fuel-growth.html>

Unilever (2013) *Australia meets Unilever standards for sustainable dairy sourcing*. Unilever News and Features, Nov 2013. Available at: <https://www.unilever.com.au/news/news-and-features/2013/australia-meets-unilever-standards-on-sustainable-dairy-sourcing.html>

Williams, O (Dec 2020). *Companies Could be Punished for Poor Biodiversity*, Forbes. Available at: <https://www.forbes.com/sites/oliverwilliams1/2020/12/09/companies-could-be-punished-for-poor-biodiversity/?sh=37ab95672e73>

Wirsenius, S; Searchinger, T; Zionts, J; Peng, L; Beringer, T and Dumas, P (2020) *Comparing the Life Cycle Greenhouse Gas Emissions of Dairy and Pork Systems Across Countries Using Land-Use Carbon Opportunity Costs*. Available at <https://www.wri.org/research/comparing-life-cycle-greenhouse-gas-emissions-dairy-and-pork-systems-across-countries>

World Resources Institute, Working Paper. Available at: [https://files.wri.org/d8/s3fs-public/comparing-life-cycle-greenhouse-gas-emissions-dairy-pork-systems\\_0.pdf](https://files.wri.org/d8/s3fs-public/comparing-life-cycle-greenhouse-gas-emissions-dairy-pork-systems_0.pdf)

Woolworths Group, *Sustainability Plan 2025*. Available at: [https://www.woolworthsgroup.com.au/icms\\_docs/195860\\_sustainability-plan-2025.pdf](https://www.woolworthsgroup.com.au/icms_docs/195860_sustainability-plan-2025.pdf)

## Appendix 1 UN Sustainable Development Goals

### UN Sustainable Development Goals

In 2015 the United Nations' set out 17 [Sustainable Development Goals](#) (SDGs) to 'promote prosperity while protecting the planet'.

The (SDGs) are a call for action by all countries and interested parties in a global partnership. They recognize that ending poverty and other deprivations must go together with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The UN SDGs underpin many sustainability reporting frameworks and commercial, government and not-for-profit organisations are increasingly aligning their sustainability commitments to the SDGs. Australian agriculture sustainability frameworks are aligned with the SDGs. Corporate farming and major food and drink companies also reference the SDGs in their sustainability reports including Danone, McDonalds, Olam, Syngenta, and Wesfarmers.

Australia's progress toward the SDGs 2030 targets is captured on the Australian Government's Reporting Platform on the Sustainable Development Goals Indicators (SDGs).



# Appendix 2 Extracts from ESG reports

## Nestle ESG Creating Shared Value Report Summary

<https://www.nestle.com/sites/default/files/2021-03/creating-shared-value-report-2020-en.pdf>

### Our 2020 commitments and progress

Status of our commitments  
 Achieved Extended or partially achieved

For individuals and families Enabling healthier and happier lives	For our communities Helping develop thriving, resilient communities	For the planet Stewarding resources and the environment
<b>Our 2030 ambition is to help 50 million children lead healthier lives</b>	<b>Our 2030 ambition is to improve 30 million livelihoods in communities directly connected to our business activities</b>	<b>Our 2030 ambition is to strive for zero environmental impact in our operations</b>
<b>Offering tastier and healthier choices</b> <ul style="list-style-type: none"> <li>Launch more foods and beverages that are nutritious, especially for mothers-to-be, new mothers, infants and children</li> <li>Further decrease sugars, sodium and saturated fat</li> <li>Increase vegetables, fiber-rich grains, pulses, nuts and seeds in our foods and beverages</li> <li>Simplify our ingredient lists and remove artificial colors</li> <li>Address under-nutrition through micronutrient fortification</li> </ul>	<b>Enhancing rural development and livelihoods</b> <ul style="list-style-type: none"> <li>Improve farm economics among the farmers who supply us</li> <li>Improve food availability and dietary diversity among the farmers who supply us</li> <li>Implement responsible sourcing in our supply chain and promote animal welfare</li> <li>Continuously improve our green coffee supply chain</li> <li>Roll out the Nestlé Cocoa Plan with cocoa farmers</li> </ul>	<b>Caring for water</b> <ul style="list-style-type: none"> <li>Work to achieve water efficiency and sustainability across our operations</li> <li>Advocate for effective water policies and stewardship</li> <li>Engage with suppliers, especially those in agriculture</li> <li>Raise awareness on water conservation and improve access to water and sanitation across our value chain</li> </ul>
<b>Inspiring people to lead healthier lives</b> <ul style="list-style-type: none"> <li>Apply and explain nutrition information on packs, at point-of-sale and online</li> <li>Offer guidance on portions for our products</li> <li>Leverage our marketing efforts to promote healthy cooking, eating and lifestyles</li> <li>Empower parents, caregivers and teachers to foster healthy behaviors in children</li> <li>Support breastfeeding and protect it by continuing to implement an industry-leading policy to market breast-milk substitutes responsibly</li> <li>Inspire people to choose water to lead healthier lives</li> <li>Partner for promoting healthy food environments</li> </ul>	<b>Respecting and promoting human rights</b> <ul style="list-style-type: none"> <li>Assess and address human rights impacts across our business activities</li> <li>Improve workers' livelihoods and protect children in our agricultural supply chain</li> <li>Enhance a culture of integrity across the organization</li> <li>Provide effective grievance mechanisms to employees and stakeholders</li> </ul>	<b>Acting on climate change</b> <ul style="list-style-type: none"> <li>Provide climate change leadership</li> <li>Promote transparency and proactive, long-term engagement in climate policy</li> </ul>
<b>Building, sharing and applying nutrition knowledge</b> <ul style="list-style-type: none"> <li>Build and share nutrition knowledge from the first 1000 days through to healthy aging</li> <li>Build biomedical science leading to health-promoting products, personalized nutrition and digital solutions</li> </ul>	<b>Promoting decent employment and diversity</b> <ul style="list-style-type: none"> <li>Roll out our Nestlé needs YOUTH initiative across all our operations</li> <li>Enhance gender balance in our workforce and empower women across the entire value chain</li> <li>Advocate for healthy workplaces and healthier employees</li> </ul>	<b>Safeguarding the environment</b> <ul style="list-style-type: none"> <li>Improve the environmental performance of our packaging</li> <li>Reduce food loss and waste</li> <li>Provide meaningful and accurate environmental information and dialogue</li> <li>Preserve natural capital</li> </ul>

## Extracts from PEPSICO ESG reporting topics: Agriculture.

<https://www.pepsico.com/sustainability/esg-topics-a-z#agriculture>

Our objective is to advance farming practices to optimize crop yields, respect human rights, improve farmer livelihoods, and secure supply as part of our aim to build a more sustainable food system.

### OUR GOALS AND COMMITMENTS

In 2015, we publicly committed to sustainably source potatoes, whole corn, oats, oranges, palm oil, and cane sugar for our business by 2020, and other priority crops that we don't source directly from farmers by 2025. Building upon the progress made, in 2021 we announced a new, impact-driven Positive Agriculture ambition, setting 2030 goals to source crops and ingredients in a way that accelerates regenerative agriculture and strengthens farming communities. This agenda includes a specific focus on:

- Spreading the adoption of regenerative farming practices across 7 million acres – approximately equal to 100% of the land used around the world to grow crops and ingredients for the company's products.
- PepsiCo will continue to collaborate with farmers across 60 countries to adopt practices that build resilience and improve and restore ecosystems.
- Sustainably sourcing 100% of key ingredients, expanding to include not only its direct-sourced crops (potatoes, whole corn, oats, and oranges), but also key crops from third parties, such as vegetable oils and grains.

We continue to make progress, and in 2019:

- Nearly 80% of the potatoes, whole corn, oats, and oranges we sourced directly through the SFP were sustainably sourced, an increase from 51% in 2018;
- 82% of the palm oil we sourced was Roundtable on Sustainable Palm Oil (RSPO) certified, an increase from 52% in 2018;
- 86% of the cane sugar we sourced was sustainably sourced as Bonsucro certified, an increase from 58% in 2018;

Our Sustainable Agriculture Policy sets out our overall objectives and principles in sourcing ingredients for our business which are reflected in our Sustainable Farming Program (SFP).

Our Global Supplier Code of Conduct sets out our expectations for suppliers (including those that supply raw agricultural commodities), in the areas of business integrity and anti-corruption, labor practices, health and safety, and environmental management.

### SUSTAINABLE FARMING PROGRAM

Through our Sustainable Farming Program, we champion and advance positive social, environmental, and economic outcomes among the farmers from which we directly source crops, which encompasses potatoes, corn, oats, and oranges. The program is based on self-assessment, capacity building, and verification. We are working with farmers around the world to provide training for on-field agronomy, resource-efficient use of fertilizers and irrigation, plant protection techniques, workers' rights, and other issues. To leverage the expertise and local influence of farmers, we're growing a network of demonstration farms where locally-relevant best practices can be put into action and local farmers can observe and learn from their peers.

### OTHER PRIORITY RAW MATERIALS

By 2030, we are committed to sustainably sourcing priority-supplier-sourced raw materials – those that we don't source directly from farmers – based on business need.

Our priority-supplier-sourced key ingredients include raw milk and others derived from crops such as corn, wheat, sugar beet, orange, banana, cocoa, sunflower, soya and canola.

We also updated our approach to sustainable sourcing of these supplier-sourced raw materials to better reflect our sourcing relationships, the risk profile of each raw material, and opportunities to drive meaningful impacts at the farm level. Through partnership and collaboration with suppliers, industry groups, and NGOs, we are leveraging two models to make progress toward our goal: verified volumes and continuous improvement.

For crops on a verified volumes pathway, we leverage an equivalency framework to recognize volumes that are verified to a sustainability standard benchmarked by a third party, as equivalent to our Sustainable Farming Program. For example, SAI Platform's Farm Sustainability Assessment (FSA) is recognized by our program.

## SUSTAINABLE SOURCING PROGRAM

For many of the crops that we source, we purchase ingredients that have been milled, crushed, or refined at our supplier's processing facilities. To realize our vision of a sustainable supply chain, we leverage our Sustainable Sourcing Program (SSP) to engage our agricultural suppliers at the processing level.

Our Sustainable Sourcing Program (SSP) builds supplier awareness and capabilities on the issues and expectations referenced in our Supplier Code of Conduct (SCoC). Through the SSP, we engage suppliers – including agricultural commodity suppliers – on the SCoC and our standards through a self-assessment, third party audit, and corrective action process. The SSP leverages the Sedex SMETA methodology aligned to international standards in the areas of business integrity, labor practices, health and safety, and environmental management.

## LOOKING AHEAD

In the coming year, our Sustainable Sourcing priorities include:

- Increasing our ingredient supply from sustainable sources, with emphasis on our committed commodities, palm oil and cane sugar, and the crops we source directly from farmers – potatoes, corn, oats, and oranges;
- Supporting adoption of regenerative farming practices across our agricultural supply chains to reduce our greenhouse gas footprint and improve farm resilience;
- Continuing to leverage our global demonstration farms to catalyze local adoption of relevant sustainable agriculture practices;
- Enabling direct farmers in high-water-risk locations to improve water use efficiency;
- Deepening our work on farmer livelihoods through initiating women's economic empowerment programs in key supply chains; and
- Maintaining engagement and leadership roles in key industry groups, such as SAI Platform, Field to Market, Midwest Row Crop Collaborative, Cool Farm Alliance, Bonsucro, and RSPO.

## Appendix 3 Australian Agriculture Industry Sustainability Frameworks

Summary of Australian Agriculture Industry Sustainability Frameworks – common environmental goals, priorities, topics, and indicators

Industry	<a href="#">Beef</a>	<a href="#">Dairy</a>	<a href="#">Sheep</a>	<a href="#">Grains (under development)</a>	<a href="#">Horticulture</a>	<a href="#">Cotton</a>	<a href="#">Wine</a>
UN SDGs	2,6,7,13,14,15	2,6,7,12,13,15	2,6,7,12,13,14,15	6,12,13,14,15	2,6,12,13,15	6,12,13,15	
			3.2 Responsible environmental practices	Goal: Industry engaged in incentivised. environmental stewardship programs.			Based on BMP Certification and auditing
<b>Land Management Practices</b>	Priority 5. Improve Land Management Practices	Goal 8: Improve Land Management	3.1 Improve natural resource management	Goal: Proactively improve the health of our soils			Soil health, Nitrogen use efficiency
Soil Health	5.1b Soil health.		3.1.1 Protecting soil resources		Topic: Best practice management	Improved soil health	Standard: Manage land and soil to minimise degradation and optimise soil organic matter and remediation.
Fertiliser /nutrient management	5.1 Minimise nutrient and sediment loss	8.2 100% of farmers complete and implement a soil and nutrient management plan			Topic: Nutrient, soils, and land management	Nitrogen use efficiency	Standard: Select fertilisers and soil additives to minimise risk to the environment.
Groundcover /erosion	5.1a Number of days per year soil covered by vegetation. 5.2 b) (v) Percentage of regions achieving healthy ground cover gain						

Industry	<a href="#">Beef</a>	<a href="#">Dairy</a>	<a href="#">Sheep</a>	<a href="#">Grains (under development)</a>	Horticulture	<a href="#">Cotton</a>	<a href="#">Wine</a>
Water quality/riparian management	5.1c Water quality	8.1a 100% of stock excluded from waterways 8.1b 100% of riparian zones actively managed and maintained			Topic: Minimising impact on waterways		
<b>Water</b>							
Water use efficiency	6.3 Efficient use of water	9.2 Improve water use and water productivity to utilise 2.0 tonnes of dry matter per ML used		Ongoing improvements to water use efficiency in rainfed grain production.		Priority: Decrease in the amount of water need to grow a bale of cotton	Standard: Manage water use on the property: A Water Management Program is documented
		9.3 100% of farmers recycling water from dairy sheds					Standard: Water is harvested, extracted, stored, used and discharged in accordance with licences and permits
		9.4 100% of farmers monitoring water consumption					Standard: Maintain water sources and infrastructure.
		9.5 100% of farmers have a water security risk management plan by 2020 and are implementing it by 2030					Standard: Manage water to minimise environmental harm.
<b>Biodiversity</b>	5.2 Balance of tree and grass cover		3.3 Encourage biodiversity		Topic: Biodiversity and pollinators	Priority: Benefitting from biodiversity	

<b>Industry</b>	<b><u>Beef</u></b>	<b><u>Dairy</u></b>	<b><u>Sheep</u></b>	<b><u>Grains (under development)</u></b>	<b>Horticulture</b>	<b><u>Cotton</u></b>	<b><u>Wine</u></b>
Increase area under conservation	5.2 a) (i) Percentage of cattle producing land set aside for conservation protection purposes 5.2 a) (ii) Land managed by beef producers for conservation outcomes through formal arrangements 5.2 a) (iii) Percentage cattle producing land managed for environmental outcomes through active management		3.1.2a % sheep producing land identified for conservation protection purposes.			Area of land managed for conservation	
Biodiversity Action Plan		8.3 100% of farmers have and implement a documented biodiversity action plan					Standard: Manage Biodiversity on the property. Biodiversity Management Program is established.
Manage and improve biodiversity	5.2 b) (i) Percentage of national forest cover gain 5.2 b) (ii) Percentage of national forest cover loss 5.2 b) (ii) Percentage of national forest cover loss 5.2 b) (iii) Percentage of national woodland gain 5.2 b) (iv) Percentage of national woodland loss	8.4 Zero net deforestation by 2020	3.3.1 Maintaining and increasing biodiversity			Reduced Environmental Toxic Load (ETL) for bees	Standard: Develop strategies to protect and improve biodiversity.
<b>Climate change</b>	Key Priority 1. Manage Climate Risk					Priority: Acting on climate change	

Industry	<a href="#">Beef</a>	<a href="#">Dairy</a>	<a href="#">Sheep</a>	<a href="#">Grains (under development)</a>	Horticulture	<a href="#">Cotton</a>	<a href="#">Wine</a>
Reduce greenhouse gas emissions intensity	6.1 e) Percentage total CO2e reduced by beef industry from a 2005 baseline. R&D priorities: Soil carbon sequestration, co-benefits of vegetation planting, pasture species that increase carbon stocks	10.1 Reduce greenhouse gas emissions intensity by 30% across the whole industry (from a baseline of 2015)	4.1 Reduce Greenhouse gas emissions		Topic: Carbon value and greenhouse gas emissions	Reduced carbon emissions per bale.  Improved on farm energy use efficiency.  Increased use of renewable energy	Reduce emissions intensity
Reduce net carbon footprint	6.1d) Carbon sequestration		4.1.1 Contribution of sheep production to global warming/GHG emissions  4.1.2 Renewable energy	Goal: Reduce our industry's carbon footprint and greenhouse gas emissions	Topic: Energy use	Carbon positive cotton	Energy use efficiency
Adaptation	6.2 Climate change adaptation and preparedness		4.2 Adapt to a changing climate including extreme weather events. 4.2.1 Response to a changing and variable climate	Goal: Future-proof the industry from climate related risks through investment and development of adaption tools.	Topic: Climate variability and adaptation		Climate adaptation - separate program
Chemical usage				Goal: Redesign, reduce and/or develop alternative chemical use whilst ensuring productivity, safety, and environmental outcomes.	Topic: Pest management and agricultural chemicals	Priority: Efficient responsible pesticide use	Standard: Select pest and disease control strategies to minimise risk to the environment. Standard: Store, manage and dispose of chemicals to minimise the risk of environmental harm.

## Appendix 4 Contacts - Australian Agriculture Industry Sustainability Frameworks

### **Australian Eggs**

contacts@australianeggs.org.au

<https://www.australianeggs.org.au/what-we-do/sustainable-production/sustainability-framework/>

### **Australian Pork**

Gemma Wyburn, Climate Friendly Pork, Program Leader

[gemma.wyburn@australianpork.com.au](mailto:gemma.wyburn@australianpork.com.au)

<http://australianpork.com.au/industry-focus/environment/environmental-sustainability-an-industry-priority/>

### **Beef Sustainability Framework**

Jacob Betros, Secretariat, Sustainability Steering Group

[jbetros@mla.com.au](mailto:jbetros@mla.com.au); Ph. +61 (7) 3620 5292

<https://www.sustainableaustralianbeef.com.au/>

### **Cotton Sustainability Framework**

Jennifer Brown, Policy Specialist Cotton Australia

[jenniferb@cotton.org.au](mailto:jenniferb@cotton.org.au)

<https://cottonaustralia.com.au/sustainability-reports>

### **Dairy Sustainability Framework**

Helen Dornom, Manager Sustainability, Dairy Australia

[helen.dornom@dairyaustralia.com.au](mailto:helen.dornom@dairyaustralia.com.au)

<https://www.sustainabledairyoz.com.au/>

### **Grains Sustainability Framework – under development**

Fiona McCredie, Policy Manager Sustainability and NRM, Grain Growers

[fiona.mccredie@graingrowers.com.au](mailto:fiona.mccredie@graingrowers.com.au)

<https://www.graingrowers.com.au/sustainability/grains-sustainability-framework/>

### **Horticulture Sustainability Framework– under development**

Anthony Kachenko, General Manager Extension and Adoption

[Anthony.Kachenko@horticulture.com.au](mailto:Anthony.Kachenko@horticulture.com.au)

Ingrid Roth, Roth Rural Consulting

[ingridroth@roth.net.au](mailto:ingridroth@roth.net.au)

<https://www.horticulture.com.au/hort-innovation/our-work/horticulture-sustainability-framework/>

### **Rice – under development**

<https://investors.sunrice.com.au/investors/?page=sustainability-reports>

### **Sheepmeat and Wool Sustainability Framework**

Sarah Hyland, Secretariat, Sheep Sustainability Framework

[shyland@mla.com.au](mailto:shyland@mla.com.au)

<https://www.sheepsustainabilityframework.com.au/>

### **Wine Sustainability Framework**

Mardi Longbottom, Manager Sustainability and Viticulture AWRI

[mardi.longbottom@awri.com.au](mailto:mardi.longbottom@awri.com.au)

[https://www.awri.com.au/industry\\_support/sustainable-winegrowing-australia/](https://www.awri.com.au/industry_support/sustainable-winegrowing-australia/)

## Appendix 5 Industry Best Practice programs

Industry	Program	Topics relevant to Sustainable Ag.	Self-assessment/ Certified options	Benefits for the producer	Lead agency
Wine grapes	<p><a href="#">Sustainable Winegrowing Australia</a></p> <p>Modelled on global best practices and aligned to the United Nations Sustainable Development Goals.</p>	Adapting to a changing climate, Clean environment, Wastes, Landcare and biodiversity, Water	<p>Triennial Independent audits</p> <p>Linked to Freshcare certification</p>	Certified trust mark to enable market access and sustainability stories.	Australian Wine Research Institute
Vegetables	<p><a href="#">EnviroVeg</a></p> <p>Vegetable industry's environmental best management practice (BMP) program. Supports benchmarking and continuous improvement.</p>	Soils and nutrients, water and waterways, chemical use, waste, Energy, Pests and Diseases, Biodiversity, Air quality.	<p>Annual self-assessment</p> <p>Pathway to Freshcare certification</p>	<p>Market access/competitive advantage from EnviroVeg membership and branding</p> <p>Track industry progress in adopting sustainable farming practices.</p>	<a href="#">AusVeg</a>
Fresh produce (horticulture industries and grapes)	<p><a href="#">Freshcare Standards</a></p> <p>Started as an on-farm food safety program. Now provides a suite of assurance standards for the Australian fresh produce and wine industries, which include Freshcare Environmental – On-farm Standard.</p> <p>Supports benchmarking.</p>	Environmental action planning, Land and soil, Biosecurity, Chemicals, Fertilisers and soil additives, Water, Biodiversity, Waste, Air, Energy and Fuel	Environmental assurance program, mandatory third-party audit	<p>Market access and competitive advantage from branding.</p> <p>Freshcare provide the certification for the Australian Wine Industry Standard of Sustainable Practice – Viticulture</p>	<p><a href="#">Freshcare</a></p> <p>Freshcare is the name for the horticultural industry owned, not-for-profit, on-farm assurance program, established in 2000. Freshcare is supported by twenty- seven peak industry bodies.</p>
Cotton	<p><a href="#">MyBMP</a></p> <p>Cotton industry best management practices program. Supports growers to access the latest technical data and provides practical tools to help growers operate at maximum efficiency whilst minimising their</p>	Biosecurity, Energy and input efficiency, Integrated Pest Management, Sustainable Natural Landscape, Pesticide Management, Soil	Self-assessment, option for myBMP certification through external audits.	<p>Access to markets including those aligned with the Better Cotton Initiative.</p> <p>Cotton from a myBMP-certified farm can be sold to</p>	<a href="#">Cotton Australia</a>

Industry	Program	Topics relevant to Sustainable Ag.	Self-assessment/ Certified options	Benefits for the producer	Lead agency
	impact on the environment.	Health, Water Management.		merchants as Better Cotton.  Social licence  Demonstrate industry progress in adopting sustainable farming practices.	
Sugar	<a href="#">Smartcane BMP</a>  Eight modules covering farming and business management. Supports producers identify areas for improvement as well as providing an accredited process for demonstrating and verifying land stewardship.	Soil health and nutrients, irrigation and drainage, weeds, pests and diseases.	Self - assessment and independent verification.	3 NRM modules mandatory for certification.  Social licence.  Demonstrate industry progress in adopting sustainable land management practices.	<a href="#">Canegrowers</a>
Dairy	<a href="#">Dairying for Tomorrow</a>  Supports farmers to reduce their environmental footprint while increasing productivity. Main tool - DairySAT	Soils, fertilisers, water, irrigation, effluent, farm wastes, greenhouse gas emissions, biodiversity, chemicals, energy.	Self-assessment	DairySAT modules used as a starting point for externally funded NRM projects.  Market access, social licence.	<a href="#">Dairy Australia</a>
Dairy	<a href="#">Fert\$mart</a>	Industry soils, effluent and fertiliser extension program	Peer reviewed. Linked to FertCare	Improve farm profit and productivity.  Market access	<a href="#">Dairy Australia</a>
Sheep	<a href="#">Making more from sheep.</a>  Best practice package of management information and tools.	Protect your farms assets, soils	Self-paced learning modules.	Improve farm profit and productivity.	AWI/MLA

**Rice:** Environmental Champions program  
[https://www.rga.org.au/Public/Content/The\\_Rice\\_Industry/Rice\\_and\\_the\\_Environment.aspx](https://www.rga.org.au/Public/Content/The_Rice_Industry/Rice_and_the_Environment.aspx)

**Grains:** <https://riverhealth.org.au/stewards/grains-industry-best-management-practices/>  
[http://www.graintrade.org.au/sites/default/files/GTA\\_Technical\\_Guidelines/TGD%20No.11%20-%20Growing\\_Australian\\_Grain\\_March2018.pdf](http://www.graintrade.org.au/sites/default/files/GTA_Technical_Guidelines/TGD%20No.11%20-%20Growing_Australian_Grain_March2018.pdf)