



Social Licence to Farm: Sustainable Agriculture Recognition Systems

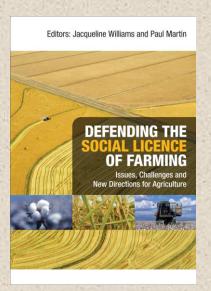




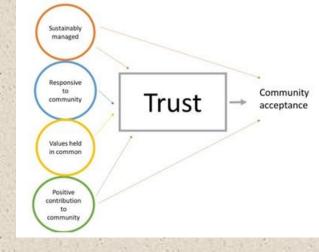
Overview

- Social licence and sustainability recognition
- Risks of current policy vacuum
- What is sustainable agriculture?
 - Definitions: Australia
 - Definitions: globally
- The Global context
- Who will deliver sustainable agriculture?
- Opportunities for local-regional systems





Social licence



FRDC 2019

Politics, property rights, regulation, trust building, social responsibility/ accountability. Final chapter presents a strategy to defend farmers social licence: a conceptual framework for recognition of sustainable agriculture.

Trust is at the heart of social licence. Trust based relationships between agricultural industry and society (government, civil society/NGOs, consumers) to give farmers the freedom to operate. Trust needs to be built and maintained, and takes time.

Current trust is determined by translation of what is sustainable through voluntary sustainability standards (VSS), western science, civil society and government.

Where is the farmers' translation of sustainability recognized and validated?

Current challenges facing the global food system (OECD 2019)

- The global food system is expected to provide safe and nutritious food to a population that will likely grow from 7.5 billion people today, to nearly 10 billion by 2050.
- The agro-food sector also provides a livelihood for millions of people. There are an estimated 570 million farms worldwide today (predominantly rural areas), and millions of other people work in food-related jobs.
- The global food system also has a large environmental footprint.



Risks of current Australian policy vacuum

- International obligations: sustainable agriculture
- Philanthropists & investment banks: sustainable agriculture
- Growth of socially responsible investing with the Environmental-Social Governance (ESG) issues potentially reshaping and reinventing business models
- AMP Capital flagged 'climate change' as the top ESG issue globally for 2019
- The State of Sustainable Markets (2018) global report found the ongoing trend of sustainable agricultural products are growing at a pace that exceeds markets for conventional products.
- Recognition of the role of Voluntary Sustainability Standards (VSS) in bringing positive outcomes (UNFSS)
- In Australia the responsible investment market continues to grow with ESG the dominant responsible investment strategy
- Consumer preferences are also aligning with the rise of socially responsible investment globally and domestically
- Market value chains requirements are driven by ESG, Corporate Social Responsibility CSR) and international obligation commitments of corporations, organisations and governments

Australian agriculture is vulnerable.....

Australia's clean and green reputation is considered a vulnerable brand as it is not unique, is poorly differentiated and not something that businesses can afford to be overly reliant on (CSIRO 2017).

"We (Australia) produce the most environmentally and ethically sustainable food and fibre in the world" (Minister for Agriculture May 2019)

AAP FactCheck (2019) concluded that the Minister's claim that Australia has the world's most environmentally sustainable food and fibre was false based on international metrics of:

- Food Sustainability Index
- Environmental Performance Index
- The Coller FAIRR Protein Producer Index

Are these the metrics Australia should rely upon for recognition of sustainable agriculture?



Global definition?

To date, there is still no international benchmark defining what "sustainable production" actually entails.

There is no universally accepted set of indicators to measure sustainability performance of agriculture.

(FAO 2011, 2017)





Australian definition

- 16 Meaning of sustainable agriculture
- (1) For the purposes of this Act, *sustainable agriculture* means the use of agricultural practices and systems that maintain or improve the following:
 - (a) the economic viability of agricultural production;
 - (b) the social viability and well-being of rural communities
 - (c) the ecologically sustainable use of Australia's biodiversity;
 - (d) the natural resource base
 - (e) ecosystems that are influenced by agricultural activities.
- (2) To avoid doubt, for the purposes of this Act, property management planning in relation to the farm unit is taken to be sustainable agriculture.



Sustainable Agriculture Indicators

Long-term real net farm income	Real net farm income Total factor productivity Farmer's terms of trade Average real net farm income Debt servicing ratio
Natural resource condition	 Phosphate and potassium balance Soil condition: acidity and sodicity Rangeland condition and trend Diversity of agricultural plant species Water use by vegetation
Off-site environmental impacts	Chemical residues in products Salinity in streams Dust storm index Impact of agriculture on native vegetation
Managerial skills	Level of farmer education Extent of participation in training and Landcare Implementation of sustainable practices
Socioeconomic impacts	Age structure of the agricultural workforce Access to key services



Sustaining the environment

Australians aspire to manage the environment sustainably for future generations

Overall progress?

Land use

Technology and Strategies

A data gap currently exists for sustainable land use

In MAP there are several types of data gaps where:

- 1. the concept is not yet developed enough to measure;
- 2. the concept is important for progress but may not lend itself to meaningful measurement;
- 3. there is no data of sufficient quality to inform on progress; or
- 4. there is only one data point, so a progress assessment cannot be made.

In order to capture the spirit of this idea in a measure, further development will need to be undertaken. We will continue to explore options for a suitable indicator in the future.



Sustaining the environment

Australians aspire to manage the environment sustainably for future

Overall progress?

Technology and Strategies

Climate

Managing the environments sustainably in Australia has regressed over the last decade

Indicator: Australia's net greenhouse gas emissions

Why is this theme important?

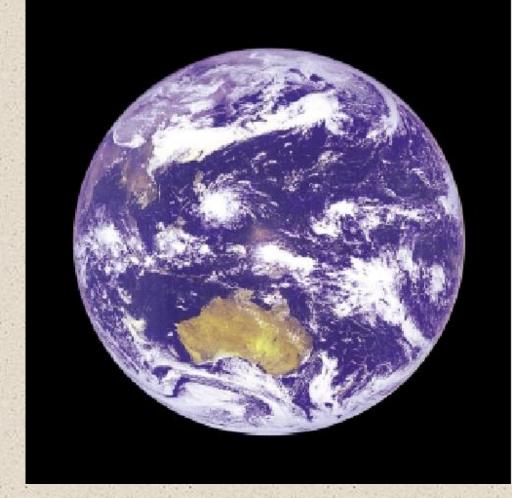
Australians told us that acting to sustain the natural environment and its resources for the long term was important to business, government, communities and society. People felt that how we use the environment's resources affects our present wellbeing and the wellbeing of future generations. In relation to this, people told us about the importance of environmental resources that provide the basis for food and industrial production. Australians supported the development of adaptive technologies and strategies to enable environmental sustainability. Many thought it was important to be aware of the impact of human activities or lifestyles on the environment, particularly those that either moderate resource denletion or threaten long term

Please install or enable flash on you browser.

Australia's net greenhouse gas emissions(a), excluding wildfires Mt CO2-e(b) 600 500 400 2006 2011 Year

Headline progress indicator ▼

Global context





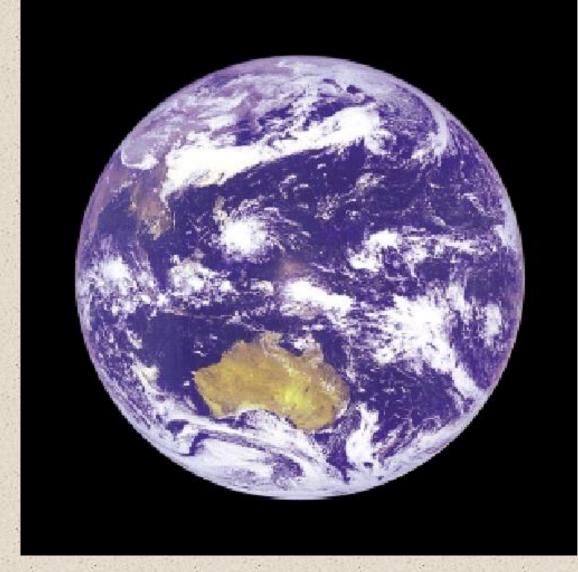
The Anthropocene defines Earth's most recent geologic time period as being human-influenced, or anthropogenic, based on overwhelming global evidence that atmospheric, geologic, hydrologic, biospheric and other earth system processes are now altered by humans.



The need for Planetary Stewardship

- In 50 years we tipped from 10,000 year Holocene to the Anthropocene.
- What we do in the next 50 years will determine the outcome for the next 10,000 years.
- We are the generation at that tipping point. We were alive during that exponential journey that took us here, we will probably be alive during the journey that will decide the outcome for the next 10,000 years.
- Emphasizes that sustainable agriculture and sustainable forestry are fundamental pre-requisites to succeed in remaining in the Holocene..... to lead us towards a transformation to sustainability.

International Obligations



Sustainable Development Goals



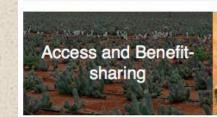
'Sustainable agriculture' is crucial in the delivery of outcomes within at least 6 of the 17 SDGs including: no poverty; zero hunger; responsible consumption and production; climate action; life below water; and life on land.

Aichi Targets for Biodiversity (CBD)



Sustainable use is one of the three main objectives of the Convention on Biological Diversity and underpins the Aichi Biodiversity Targets in particular Target 7: that by 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity. Recognizing the broad nature of Target 7, progress towards its fulfillment will contribute to several other targets, in particular targets 4, 5, 6, 8, 13 and 15.





International Treaty on Plant Genetic Resources for Food and Agriculture



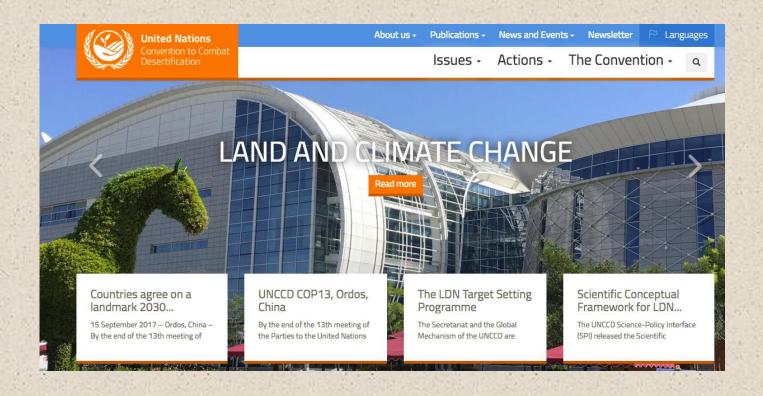
The International Treaty on Plant Genetic Resources for Food and Agriculture (ITPGRFA) also relies on 'sustainable agriculture' to demonstrate outcomes in particular compliance with Article 6, which proposes a series of measures to promote the sustainable use of Plant Genetic Resources for Food and Agriculture (PGRFA) and calls upon Contracting Parties to develop and maintain appropriate policy and legal measures to that end.

Paris Agreement



The role of agriculture in the Intended Nationally Determined Contributions (INDCs) of ratified countries including mitigation targets, adaptation priorities and greenhouse gas reduction and the need for 'sustainable agriculture' as a more climate friendly system.

UN Convention to Combat Desertification

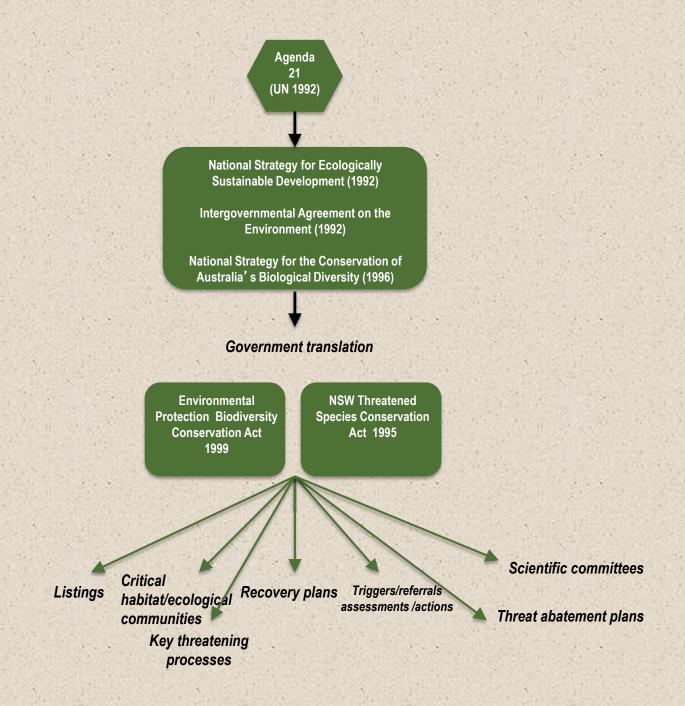


Relies on 'sustainable agriculture' to achieve Land Degradation Neutrality (LDN) and Sustainable Land Management (SLM) objectives and outcomes



As 'sustainable agriculture' cross cuts numerous Sustainable Development Goals (SDGs), the FAO has been given the responsibility for the important **SDG indicator 2.4.1** defined as the 'percentage of agricultural area under productive and sustainable agriculture'.

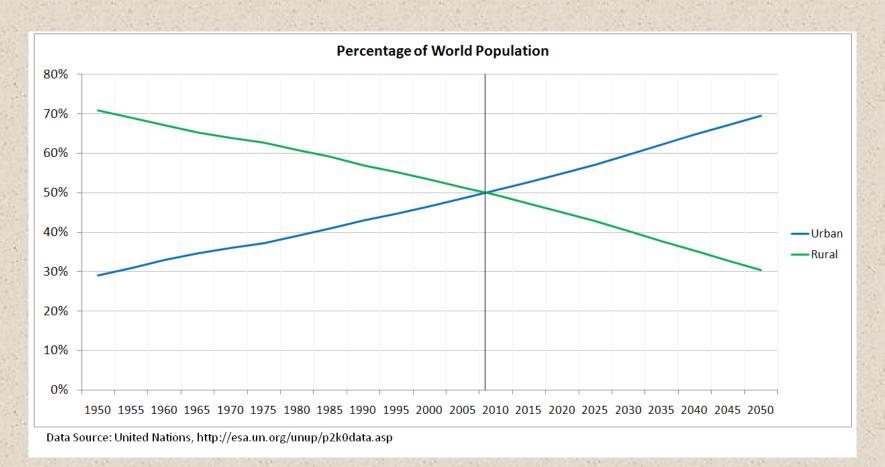
The FAO is developing a methodology inclusive of the economic, social and environmental dimensions of sustainable production, with the measurement instrument to be farm surveys (to be pilot tested in selected countries in selected regions) with the intention that countries will have the flexibility to identify priorities and challenges within the three dimensions of sustainability. Sustainable farms would be identified as those that satisfy the indicators selected across all three dimensions.



Who are the Planetary stewards?



Global migration trends....urban vs rural



World population projected to reach 9.8 billion in 2050, and 11.2 billion in 2100 – says UN

Global picture.....

- There are more than 570 million farms worldwide, most of which are small and family-operated. Small farms (less than 2 ha) operate about 12% and family farms about 75% of the world's agricultural land. Family farming is the predominant form of food and agricultural production in both developed and developing countries, producing over 80 percent of the world's food in value terms (FAO 2016, 2019)
- 370 million Indigenous people live in more than 70 states throughout the world constituting 5% of the global population. 80% of all biodiversity on the planet thrives in the 22% of global territories home to Indigenous peoples. The same forces that threaten biodiversity also threaten Indigenous peoples relationships with country, their health and wellbeing (Corntassel & Bryce 2012)
- 25% of world's land surface managed or under tenure of Indigenous Peoples (Garnett et al 2018)

Australia

25 million

3 people per sq km

3% First Nations Peoples

URBAN: 90% live in 3% of landscape RURAL: 10% live in 90% of landscape

Farmers and ATSI manage most of the landscape Farm ~ 50% ATSI. ~ 40%

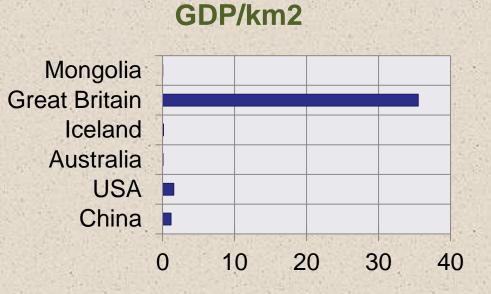


85,000 farms
Predominantly family farms.



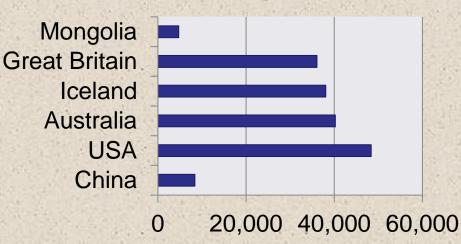
Least farmer support in OECD.

Large area, small population = ?

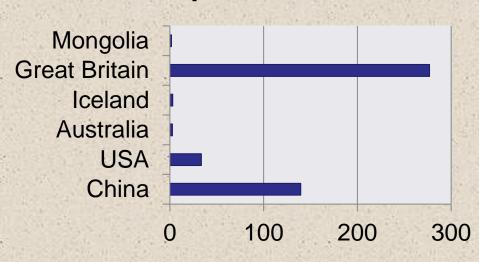




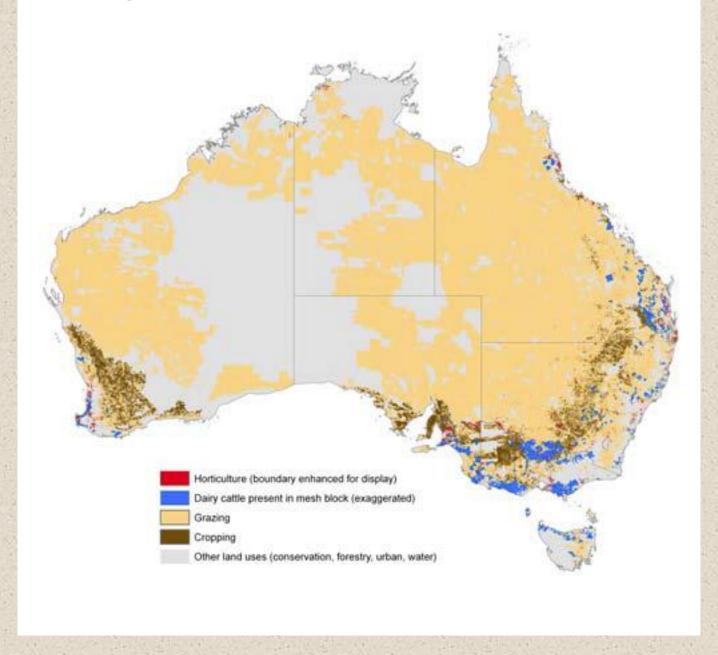
GDP/Capita



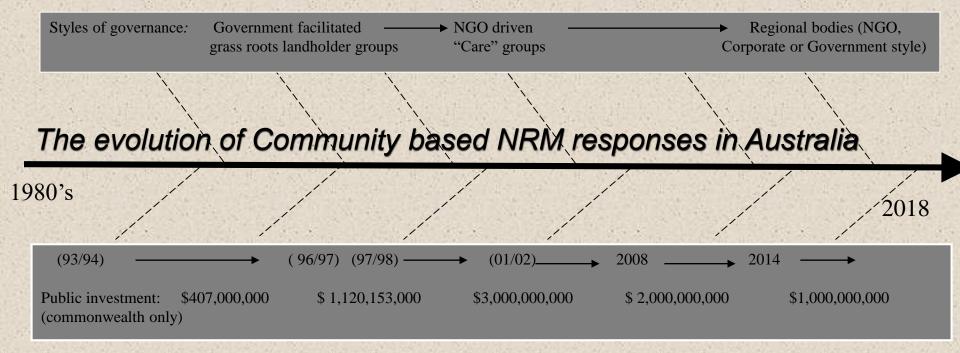
Population/km2



2/3rds of Native Vegetation occurs on land as mapped for Agriculture (ABARES 2012)



Paradoxes



Increased farmer stewardship (\$3.7 billion per annum): not recognised
Increased Local Government stewardship (\$1.9 billion per annum): not recognised
Indigenous custodianship (unknown per annum): not recognised

Decline in natural resource condition (measurement and lag problems)

The current sustainability dilemma......





Natural Capital

Recent research shows the value of Australian natural assets has risen to \$6,562 billion (6.5 trillion) as at at 30 June 2018 (ABS 2018).

In 2017-18, land accounted for 90 per cent of the total value of Australia's environmental assets at \$5,921 billion (almost 6 trillion).

The land value alone would equate to \$246,708 for every person in Australia, based on a population of 24 million.

Given the highly urbanized nature of Australia's population this equates to \$ 5.31 billion of the land value estimated for the collective urban population and \$0.6 billion of the land value for the collective rural/remote population, and yet the responsibility for caring for almost 90% of the land mass rests with these agricultural and Indigenous rural/remote communities with little if any cost sharing from the urban communities.



Sustaining the environment

Australians aspire to manage the environment sustainably for future generations

Overall progress?

Resources

Land use

Water use

Waste

Technology and Strategies

Climate

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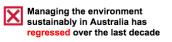
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Indicator: Australia's net greenhouse gas emissions

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Please install or enable flash on you browser.

Australia's net greenhouse gas
emissions(a), excluding wildfires

Mt CO2-e(b)

700

400

300

200

2001

2006

2011

Year

Headline progress indicator ▼

Progress????

- ABS 1996 Report 'Sustainable Agriculture in Australia'
- Natural Heritage Trust Act 1997: definition of sustainable agriculture
- SCARM 1998: indicators for sustainable agriculture
 - EMS in Agriculture 2002 2006
 - National Framework
 - National pilots
- NRM on Farms 2004-05 and 2005-06 (ABS data)
- Property Management Systems 2005-2006
 - National approach across jurisdictions
 - · Ministerial councils (PI and NRM) CoAG
- National Framework for Property Management Systems (shelved from 2007)
- Sustainable Agriculture Policy development (shelved from 2007)
- Sustainable agriculture grants (Landcare)

SUSTAINABLE AGRICULTURE



No. 76, 1997

Primary Industries Report Series

Assessing Australia's Recent Performance

A new report initiated by the Standing Committee on Agriculture and Resc (SCARM).











Australian Beef Sustainability Framework



ALMG

CLM categories

There are three categories of CLM:

- Eucalyptus
- Banksia
 Grevillea

These are not hierarchical categories rather each has been designed to meet varying landholder requirements. Each category is designed to meet different needs and landholders don't have to progress between categories unless they think the benefits warrant the additional costs

Landholders in each category must implement a continuous improvement cycle. Categories differ mainly on who does the auditing and the frequency of auditing.



EUCALYPTUS CATEGORY

alyptus landholders have had their ALM plan certified by an











compliant with the Unilever Muddy Boots program



Kagome Australia have been certified a 'Sustainable Supplier' in accordance with the Unitever Sustainable Agriculture Code and Scheme Rules



BMP Certified Cotton

BMP is the Australian cotton industry's guide for growing cotton in harmony with our natural environment.

The Australian BMP Cotton trademark is a consumer guarantee that the branded textile product they are buying is made of Australian cotton grown under Best Management Practices by growers who care for our environment.



















Banking & multi-nationals





syngenta foundation for sustainable agriculture

SYNGENTA FOUNDATION FOR SUSTAINABLE AGRICULTURE

New award

THE ENVIRONMENT REPORT

New index highlights sustainability risks of meat, fish and dairy industries

June 1, 2018



A new index analysing 60 global intensive farming companies on health, environmental and social issues has found that the large majority of meat, fish and dairy suppliers are failing to manage critical business risks such as greenhouse gas emissions and antibiotics risk.

The <u>Coller FAIRR Protein Producer Index</u> is the world's first comprehensive assessment of how some of the world's biggest, listed suppliers of meat and fish are managing critical sustainability risks from pollution to the Paris Agreement, food safety to worker safety.

The Index is produced by the \$5.9 trillion investor network FAIRR which has large investors such as Aviva Investors, Schroders and US fund University of California Office of the Chief Investment Officer of the Regents among its members. The Index aims to improve corporate disclosure on sustainability issues by all major livestock and fisheries companies and bridge the knowledge gap for investors on this sector.

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END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE



"While agriculture has been a consistently strong performer, there are five key areas we can't ignore. They are the competitiveness race, Asia's re-emergence, evolving consumer preferences, resource scarcity and climate variability and change. Each of the five bring both opportunities and threats. disrupting the status quo. How we respond to these challenges and opportunities will shape the future of Australian agriculture."

Dr Steve Hatfield-Dodds, Executive Director, Australian Bureau of Agriculture and Resource Economics and Sciences, Outlook 2018

Agriculture plays a central role in the Australian identity and is an important pillar of the Australian economy. Agriculture relies on a clean, healthy, productive environment - underpinned by a range of the SDGs - and has a particular link to Australians' health and wellbeing, or SDG3. Australia produces enough food to feed around 60 million people annually, so Australian agriculture contributes to both domestic and global food supply, with over two-thirds of Australian agricultural produce exported.

Australia is a strong advocate for open markets and free trade, and for the reduction of marketdistorting agricultural support. Substantial reforms in the 1980s and 1990s saw innovation and productivity growth increase across the agriculture value chain with benefits to consumers and creating economic and employment opportunities in rural Australia.

Our food system is underpinned by high levels of food safety, a reliable food supply and competitive and efficient markets. Through the Australian Centre for International Agricultural Research (ACIAR), we share our expertise with developing countries to promote more productive and sustainable agricultural systems and practices, supporting nutrition and economic arowth.

Given agriculture's dependence on natural resources, the sector must adapt to the potential impacts of climate change, but can also contribute to its mitigation through emissions reduction. Australian governments support the agriculture sector to build adaptive capacity, preparedness, sustainability and risk management capability, to better enable primary producers to manage the effects of climate change.



Sustainable agriculture framework

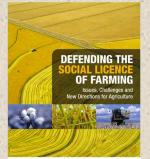
To demonstrate and trade sustainable agriculture (food, fibre & ecosystem services) consistent with state, national and international standards/metrics/obligations through:

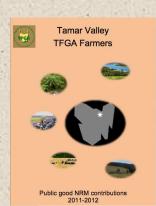
- Property management planning systems
 - Legally and scientifically valid
 - Governance systems of integrity
 - Harmonization
 - Government recognition/verification
 - Least transaction costs











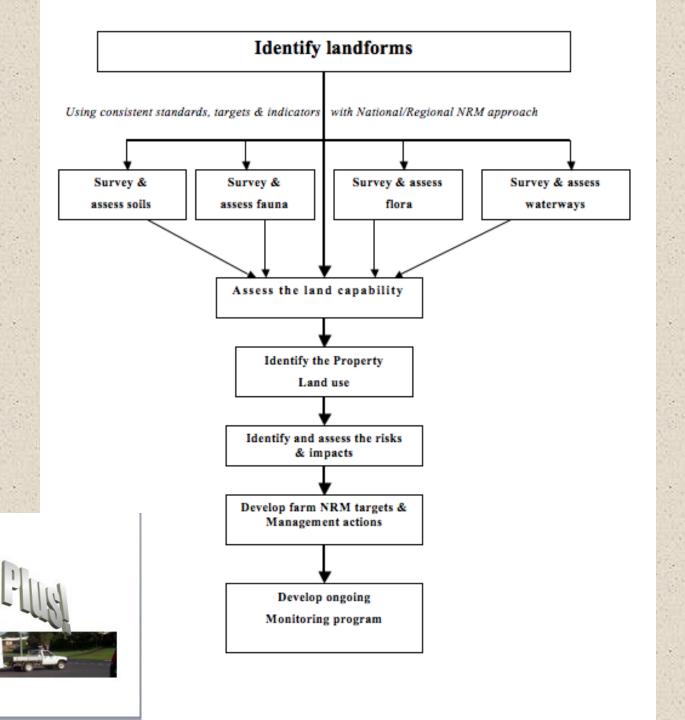
Harmonization is crucial

While the number of Voluntary Sustainability Schemes (VSS) has greatly increased globally, the significant variation in the number of active VSS across different country-product-markets suggests that problems with duplication and overlap between standards (and the increased compliance costs on suppliers) are likely to differ across markets (UNFSS 2018).

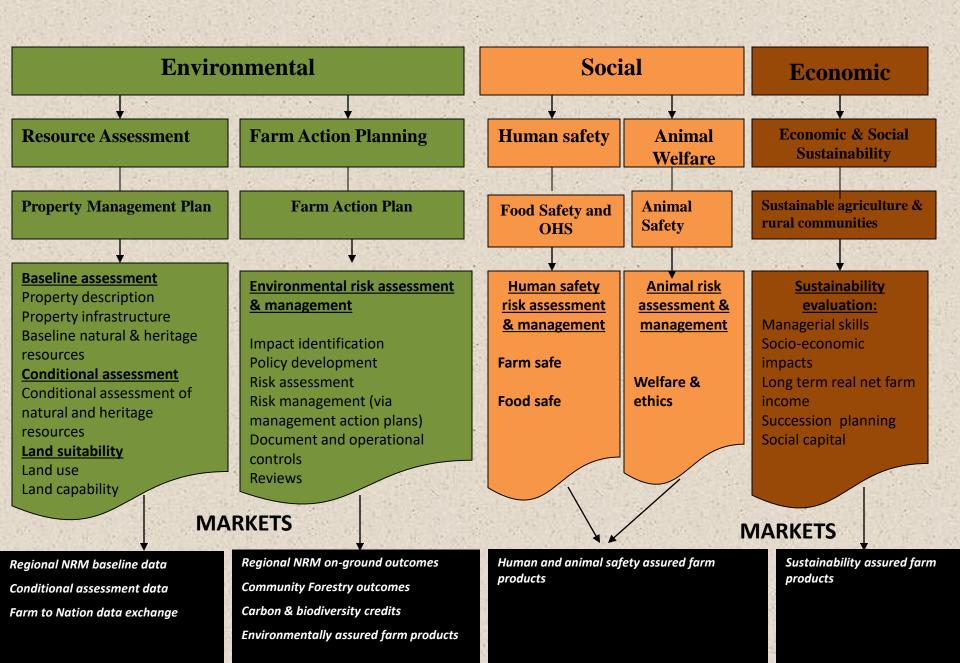
Traditional Ecological Knowledge Systems & Citizen Science



Translation, Equivalence, Recognition



PROPERTY MANAGEMENT SYSTEM COMPONENTS





Tamar Valley **TFGA Farmers**



Public good NRM contributions 2011-2012

Table 4: NRM activities of Tamar Valley farmer survey participants

Activities	Hours	Kilometres	Communication	
Community meetings	553	11329	\$ 119	
Industry meetings	496	9536	\$ 126	
Government meetings	809	8232	\$ 63	
Workshops	468	5045	0	
Training and field days	529	5738	\$ 30	
Submissions	398	1178	\$1248	
TOTAL	3253 hours	41088 kms	\$1586	

Farmers' \$8m land auded

By MICHELLE WISBEY

By MICHELLE WISBEY

A NEW report has put an \$8 million price tag on the environmental contribution that Tamar Valley farmers make to their land.

Produced in collaboration with the Tamar Valley branch of the Tasmanian Farmers and Graziers Association and Tamar Natural Resource Management, the independent report looked into the pendent report looked into the fits of work that was performed by landowners.

Tamar Valley branch chairman

Jandowners.

Tamar Valley branch chairman
Ian Sauer said the report was
about recognising the financial
contribution farmers made
through weed management, fencing, re-vegetation and other farming practices.

"By doine a sample of 6 per cent of the farmers in the Tamer Valley, they contribute \$500,000 a year of their own money to natural re-source management outcomes," Mr Sauer said.

"If you extrapolate that out to 100

per cent of the farmers, which we didn't survey, it's \$8 million.
"It was amazing when the Tamar Valley branch started getting these figures, even the farmers were amazet."

amazed."

Mr Sauer said the report, undertaken by Dr Jacky Williams, of the following said that these investments remained almost invisible to governments and members of the covernments and members of the covernments and members of the following said that the work that farmers do on their farms, like landcare work. that goes completely the said.

"There's a public benefit to it, it's preserving patches of bush, it's fencing off streams to get better water quality and increasing biodiversity."

"This is what farmers want to do they don't have to do it but they

Mr Sauer said that there was a need for policy reforms to support the rursi communities who were managing the Australian land-scape.

Table 5: Environmental Services of Tamar Valley farmer survey participants

Environmental Service	Area Hectares	Hours	Materials \$	Equipment \$	Contractors \$	Travel Kms	
Game Management	3590	685	6330	1200	0	225	
Fencing of streams	53.8	268	13770	1950	1000	15	
Native habitat maintenance	267.37	88	0	50	3600	0	
Shelter belts	71	102	2265	200	2000	20	
Weed control	1234	1025	10141	1000	2800	1000	
Responsible fertiliser use	653	2	29300	0	0	1500	
Willow removal	46.5	249	1200	6560	4000	112.5	
Productive pasture	1179	254	20000	3000	2000	0	
Recreation	2715	323	220	0	0	0	
Tree planting	0.4	16	0	0	0	0	
Bush regeneration (fencing & weeds)	4	5	10	0	0	0	
Built heritage	1.2	82	0	0	0	0	
Visual amenity	1.2	8	0	0	176	0	
Hazard reduction burning	360	124	114	400	500	217.5	
Other:	700	20	0	0	0	0	



Sustainable Agriculture Recognition Systems

Delivering planetary stewardship from the farm gate

- Farmer led 'sustainable agriculture' system
 - Definition
 - Practice
 - Governance
 - Verified by Government
 - Equivalence recognition
 - Harmonization
- Value chains:
 - Regional sustainable agriculture:
 - · Sustainable food and fibre
 - Ecosystem services





Opportunities

- Community defined 'sustainable agriculture'
 - Definition
 - Practice
 - Delivering planetary stewardship from the farm gate
- Value chains:
 - Local-regional
- Group Certification/Participatory Guarantee Systems (PGS):

Locally focused quality assurance systems that certify producers based on active participation of stakeholders and are built on a foundation of trust, social networks and knowledge exchange. PGS represent an alternative to third party certification, especially adapted to local markets and short supply chains.

– Cooperative/collective?





Potential Outcomes

- Provide a community-led farm survey system that complies with international obligations for demonstrating sustainable agriculture.
 - Legally and scientifically valid
- Provide a community-led farm survey system that can demonstrate sustainability to the government, the market and the community.
- Provide a system for farmers to establish the baseline of natural resource condition of the farm for future monitoring.
- Provide a system for farmers to demonstrate maintenance and enhancement of natural capital on the farm for financial institutions.
- Provide a system for farmers to demonstrate their environmental stewardship individually and collectively.



THANK YOU

Jacqueline.Williams@une.edu.au



Ecosystem Management Environmental and Rural Science University of New England, Australia

Australia urgently needs real sustainable agriculture policy

http://theconversation.com/australia-urgently-needs-real-sustainable-agriculture-policy-120597

Harmonization of On-farm Metrics for Sustainability Assessment of Australian Agricultural Industries

Williams et al 2019 forthcoming AFI journal (spring)