

Address to Rural Press Club – Mark Davie

29 April 2022

Slide 1

I'm Mark Davie, Chair of the Steering Committee for the Australian Beef Sustainability Framework.

I begin today by acknowledging the Turrbal-Gubbi Gubbi people. The traditional Custodians of the land on which we meet today, and pay my respects to their Elders past, present and emerging. I extend that respect to Aboriginal and Torres Strait Islander peoples here today. I wanted to also acknowledge the Dreamtime

In the Beginning, the Aboriginal and the Torres Strait Islander people were governed by laws which were laid down by the creative ancestral being. Law came from tradition, not from parliaments.

The creative beings travelled across the countryside giving the earth the shape we now recognise. They formed the air, the sky, the rivers and tributaries, the mountains, and all the other features we see today.

Then created the plants, animals and people who were to inhabit the landscape. They also defined the boundaries of the country which would belong to each group, and laid down how the land should be cared for by use and ceremony. The basic principle was that people were obliged to maintain the land and its traditions for future generations.

This is sustainability.

Slide 2

The our aim today is to have conversation:

- Run through the 'why' the ABSF does the work it does
- Look at the global sustainability initiatives which are presenting threats and opportunities for market access and regulation for our industries big challenges:
 - CN2030 and global carbon targets.
 - Deforestation in a Queensland and Australian context
 - Feeding the world and global hunger.

Compare our response to CN2030 and deforestation, and challenge the industry to address the obstacle of deforestation. The main aim is that I want action from all the people in the room - so don't think this is a lazy Friday lunch before a public holiday.

The Beef industry has sustainability targets bearing down on us - net zero, deforestation, biodiversity. The timeline for these goals is fast approach – but our first opportunity is not to reach targets that are put before us.

The more pressing timeline is the one we have to still drive our narrative, to present our solution to feed the world and support the response to climate change. I am not here to be an apologist for our industry – I am an optimist.

Very few industries have an opportunity to feed the world and execute a response to global challenges the way beef can. We are a carbon sink, we as an industry can actively manage the biogenic carbon cycle.

Why I am here in this role, the ancient Greek's thought about things a lot more deeply than we do today, and they developed multiple words for happiness, because happiness is can different. And the one that best describes how I feel when producing beef is – Eudemonia –this is a deep abiding fulfilment, a quiet internal happiness. How I felt sitting on a deck at the farm and how I saw beef production being negatively portrayed were opposed.

Our response needs to be to tell our story in a transparent and measured way. The ABSF is how we start to open up that conversation with customers and stakeholders.

Slide 3

Quick context: How the ABSF defines sustainability:

- The production of beef in a manner that is socially, environmentally and economically responsible. We do this through the care of natural resources, people and the community, the health and welfare of animals, and the drive for continuous improvement.

For me it is: give people permission to feel good about eating beef, because they bloody well should. Eudemonia is what you should feel when eating a steak.

Slide 4

WHY do we do this work?

- Provides consumer, customers, industry and other interested stakeholders with a clear snapshot of the beef industry's performance across environmental, welfare, social and economic areas.
- To maintain continued access to markets Australian beef businesses. And to access new markets. This is how we are going to reach the ambitious goal of RedMeat2030 goals of doubling the value of meat by 2030.
- Responding to requests to industry to explain our views on environment and welfare in particular. And these topics are now entering trade negotiations. Sustainability is now a non-tariff trade barrier. The Europeans are incredible at making these. **Animal Welfare is becoming a critical issue in negotiation and the EU wants to align best welfare to its intensive highly monitored system.** How we produce beef in Australia is different, freedom is a positive for welfare, and no one elects to live in a nursing home. We just need to be able to support our animal welfare approach with evidence.
- Companies looking to access capital are now being asked to demonstrate beyond the economic.

- We need to build trust with all stakeholders and ultimately consumers. To ensure that Australia continues to be recognized as a global leader in sustainable beef production.
- We want to minimise regulation, by industry taking a proactive approach. It's to be ahead of the curve – by listening to what others are saying about Australian beef and being prepared in a global environment where sustainability has become embedded in company and consumer thinking and reporting.

I am someone that know a little bit about that crumbing and battering. Really what the ABSF is doing is valued adding beef.

These drivers are all interrelated, customer perceptions and the level of trust drive market access, regulation, and access capital. For industry to meaningful drive the narrative that best suits productive agriculture, the environment and helps meet global challenges - we need to have an open and transparent conversation with our customer and opponents.

SLIDE 5 ABSF Values

For me the value of the ABSF are the best way we can do this.

Our values – Transparency, Inclusivity, Credibility, Practicality, Relevance – our **special sauce**

- Everyone is invited to the consultation, we do not shy away from those who are critical of the industry. We we call people in in an open and transparent way and can also call out opponents when they are not acting this way publically.
- We have **one** opportunity to present our industry in an open and honest way.

SLIDE 6 Customer Trust

Is the customer always right?

- We accept the broad range of perceptions and values our consumers and customers hold
- Our response doesn't necessarily mean just changing, but **engaging, demonstrating, and increasing transparency**

No the customer is not always right, the customers need and perception is always right - the customer does not know what we don't tell them

As an example a major supermarkets wanting the industry to do more about renewable energy on farm. Producers don't like running extension leads around the farm and we have been leading in the use of renewable energy on farm for about perception of renewable energy use on farm for about 150 years.

But this lack of understanding is not the fault of the supermarket. It is on industry. We do not think to tell our customer about all the good things we do.

SLIDE 7 – Current Sustainability Initiatives

These are the current global sustainability initiatives that demand our attention. If we do not engage with them - we will be engaged by them when the supermarkets or major customers are required to report against them.

SLIDE 8 – Critical Elements of Sustainability Initiatives

There are three things at play in each of these initiatives – a market access risk or regulation, a definition and plenty of lobbying.

What I am fast discovering is it is not the regulation that is most important, it is the definition. **Deforestation isn't determined by knocking down a tree - it is determined by the person that gets to define a forest.** And the lobbying and advocacy are what determines the definition.

Slide 9 – Our Challenges

Marcus Aurelius was Roman Emperor 1850 years ago, and he wrote a book for himself called meditations. Where he defined his life philosophies. One of these was that - the obstacle is the way - the impediment to action advances action. What stands in the way becomes the way –

What are our obstacles?

Carbon neutrality, Deforestation and Feeding the World.

Slide 10 – CN2030 Update

Our industry set a goal for no net release of greenhouse gas (GHG) emissions into the atmosphere by 2030. And we committed in 2017 - years ahead of the pressure on the issue, businesses and governments set are only really starting to set strategies in the last 12 months.

We defined a problem, our obstacle, and set about driving research and development to address the challenge, informed by the drivers of industry - productivity and cost. Because of this initiative we are driving the narrative emissions reduction and it is now being used to inform discussion globally.

MLA have developed 4 work areas to achieve this goal:

- **GHG emissions avoidance** activities on-farm, feedlots and processing.
- **Carbon storage** on-farm via trees, legumes and pastures.
- **Integrated management systems** linking GHG emissions avoidance and **carbon storage activities into farm system thinking.**
- **Leadership** building to support growth in capacity and competency among individuals and organisations.

Slide 11 – Leadership Building

Leadership building involves building leadership capacity and competency across industry to enable the transition to a carbon neutral position in

2030. Alignment with industry but most importantly - working with Government to set clear and stable policy mechanisms underpinned by science-based evidence that support research, development and adoption activities.

Slide 12 – GHG Avoidance

I wanted to quickly put up these work areas, which although this is a high level summary. To MLA's credit they are starting to define these really well. What I really want to touch on is the overlap of vegetation management in the carbon space. How we manage vegetation could be the biggest opportunity to achieving CN2030. But I am going to take a guess the Jason Strong isn't crazy enough to want MLA do define vegetation management policies. But these do highlight the role of vegetation management in:

- Carbon avoidance

Slide 13 – Carbon Storage

And the role of vegetation management in carbon storage to:

- Improving integration of trees and shrubs for improved carbon storage, animal health and biodiversity;
- Optimising vegetation regrowth management;
- Optimising carbon storage in dead woody biomass;

Slide 14 – Integrated management

Incorporate these methods into extension and adoption and improve our methodologies for measure and accounting.

Slide 15 – Queensland Low Emission Agriculture Roadmap

In the last two weeks I have provided input for the Queensland Low Emissions agriculture road map. What is clear is that MLA's CN2030 work is leading the discussion!

In the areas reforestation and vegetation, where we haven't developed a solution or policy response we are not.

Where we defined our challenge, committed our resources and focus to solutions, we are leading the discussion.

Slide 16 – Threats to Production

If we put the problem of achieving carbon targets and emission reduction in a box by itself it becomes a threat to production. We are in a battle against the marginal costs of abatement - where by removing land from production and locking it up without Carbon Management obligations becomes the easiest solution..

..until of course you have to put food on the table.

We need to push for emissions reduction regulation that drive 'in setting' and values it above 'offsetting'. We must protect productive agriculture from offsetting. And

must be conscious of this relationship in our own branded products. Offsetting a premium beef product by removing production from another part of the country is not in the spirit the good we are trying to do for humanity. There would be some far more threatened habitats in Victoria than mulga in western Queensland.

I urge the value chain to come and engage with the framework on how to progress these products. Coles's product was a great initiative with the some great in setting activates by farmers in Victoria. But on offsetting, we understand the issues, beef producers and farmers are highly trusted individuals in society. No one has measured the level of trust in **carbon aggregators yet**.

We are seeing new industries created around carbon markets and there drivers may not align to our own. We need to be aware of this and we cannot accept any solutions which separate agricultural production form the land, and which break up the biogenic carbon cycle.

We are starting to see corporates outlining pathways to carbon neutral and some involve bio-fuels in wheat production areas. Corporate solutions to offset emissions using limited available cropping land may present a profit opportunity for a farmer here but the problem with food availability is if we all lined up all the available food with all the people of the world. When we pull food production from the top of the line it is the people at the end. The people at the back drop off.

Slide 17 – Feeding the World

Contrary to popular belief Bono and Bob Geldof's did not solve world hunger with the song "Feed the World, Do they know it's Christmas" in the 1984.

I might joke but World hunger is a serious global challenge, and we have got first world countries paying people to remove ruminants form the environment. Northern Ireland is going to take 1,000,000 million sheep and cattle from production!

We have seen Oxfam raise the alarm of the risk to of global food prices rapidly increasing due to reforestation process. Recently the Sri Lankan government converted all of agriculture to organic farming, within six month there was food shortages and the economy was spirally out of control. Food security doesn't matter - until it does and it is the poorest people of the world that feel it first. People are dying in the street in Sri Lanka and we are paying people to stop producing the most nutritious vitamin rich form of food. This is insanity! I genuinely fear for humanity if this is the low hanging fruit.

Slide 18 – Biggest Threat to Carbon Goals

What is the single biggest threat to emission reduction targets – fire.

*A 'carbon bomb' - 700 million tonnes of Carbon Dioxide emitted by the **2019/2020 bushfires**, which doubled our national carbon emissions for that year and wiped out millions of native species.*

Productive beef in the landscape is the solution to managing this risk for 52% of the nation. We need to embrace and support programs Indigenous programs that manage fuel loads in National Parks.

Australia's indigenous population practiced active vegetation management (pre-arrival of Europeans), predominantly using low-intensity fires, for up to 60,000 years. These programs can reduce the risk of fire in National Parks, the risk to native wildlife and the risk to neighbouring farms.

Slide 19 - Deforestation

If a cow is grazing in a forest and no one is there to see it does it exist?

This goes to the core of the Australian beef industries challenge with deforestation, we can productively produce beef in a forest.

Deforestation is a significant focus from global sustainability initiatives. We have a significant number of global and corporate commitments being developed around deforestation and as discussed early. They all have to define a forest and define what deforestation is and they define land use change.

Slide 20 – Does Australia, QLD have a deforestation issue

The SLATS methodology has been updated to reflect an increase in area captured from 20% down to 10% canopy cover. Making the area of land measured by SLATS significantly larger. **The reported clearing does not differentiate weed removal, fences lines and fire breaks and it does not include regrowth.** The communication of tree clearing is a challenge for industry. I am a beef producer we are currently using a bull dozer and fire to recover a block which has not been maintained for 20 years. It is covered in Lantana and rubber vine. We will be included on the SLATS report for our service to the local environment.

For our efforts until now it has been public shaming, messaging on fake meat products that we are the problem, each time I look on Facebook the I am told we are knocking over 100,000 trees per day. This is our challenge. And if we don't measure and communicate it correctly, our environment will lose. And this runs both ways. If global markets push for deforestation commitments based on current flawed quantitative measurement tools with no view on the quality of the bioregion, the outcome could be environmentally disastrous.

Slide 21 – Australia is a reforestation nation

The truth: Australia is gaining forest faster than Europe.

Slide 22 – Most Clearing is to manage regrowth

We clear trees to manage regrowth.

Slide 23 – Do we have a clearing problem or a regulation problem?

Rates of clearing spike in the lead up to regulations, I have been involved in many conversations with producers regretting trees they felt they had to clear, or wanting more trees and shade. But the changes to regulations favour the person that manages trees closely. The producer that kept more trees is more likely the one who loses property rights and the value of their productive asset.

Slide 24 – Holistic Approach – Vegetation Management

We need to define measure and report on vegetation management practice – no one else will develop the solution or policy that best solves this challenge for industry: **Create a CN2030 like Vegetation management policy initiative.** Jason Strong doesn't want to do it, the processors don't want to do it. Producers need to do it – it has to come from industry.

Regulation has failed us for the last 70 years – people are still alive today that drew blocks in the ballot and had to clear Brigalow in order to keep their block.

I challenge industry to make a forest commitment, producers could elect to convert **Category X to 40% or more canopy cover in an actively managed state**

Acceptance that active management drives environmental outcomes is the key. We need to get to a stable partisan regulatory environment because regulation is the number one cause of deforestation.

The vegetation could generate carbon and biodiversity income - or be an offset to manage non category X land - (forest have a productive life and emit methane)

Revenue from carbon in vegetation can offset increased management costs across managing regrowth in broad areas.

We need to measure, report and engage with customers and stakeholders on vegetation. Because **we can produce beef in a forest**, a forest that is thickening and that we can selectively manage to remain productive and continue to regenerate and store carbon!

Slide 25 – Holistic Approach – Biodiversity

Last year the ABSF undertook a materiality review to determine any changes to issues that were material to our customers. Biodiversity didn't appear in our last review but following the 2019 bushfires it is now highly material to ABSF stakeholders.

We need to embrace our role as a production system that can support biodiversity. Biodiversity is real, it is measured on the ground not from the satellite. This is where our production system truly stands out. The Biodiversity Stewardship program created by David Littleproud laid the groundwork for this expansion.

I want to introduce Bill Ellis one of the authors of a 2019 paper into the importance for scattered trees on Koala habitat, which detailed some of the ecosystem benefit beef production provides to Koalas.

Slide 26 – A holistic approach - Communicate

Last Slide:

We need to communicate and we need to lobby!

How many lobbyists sit across the table in EU negotiations?

How many lobbyists sit across the table at NGOs?

We need to operate like an NGO and CN2030 is an example of where we did this and are already winning hearts and minds. We must be ambitious, define our goal for vegetation management and resource how we are going to solve this issue in an open and transparent way.

Cattle Australia is going to be our new boat and how effective it will be will depend on how we as an industry engage and support it. Grass-fed beef is the sleeping giant of agricultural advocacy. Queensland beef producers are demonstrating some real leadership and commitment the development of CA and we all need to embrace and drive it.

We need to better fund whole of industry marketing efforts, these are the activities that raise all boats. The \$5 levy is insufficient - 0.2%. We need to get the Levy to \$15!

Most importantly:

- Be **optimistic and solutions focussed** we have the moral high ground, and are the solution to our opponents problems – they just don't know it yet.
- Lastly, **never give up a beast to climate policy!** We must use scientific evidence to support the role of the ruminant animal in meeting global challenges, preserving our environment and feeding the world.