

Land Management Commitment

Frequently Asked Questions

The below questions and answers are in relation to the [Land Management Commitment project](#).

1. What is the issue we are trying to solve?

Global consumers, policymakers, and corporations are putting increased pressure on supply chains to demonstrate their products are ethically and sustainably produced, with a current focus on avoiding deforestation. International deforestation definitions are not aligned with Australian legislation and land management practices that seek to balance production and environment.

This initiative aims to map the gaps between good land management in Australian beef systems and global requirements, to provide a practicable deforestation definition.

2. Why is Cattle Australia leading this work?

The beef producers Cattle Australia represents are custodians of more than 50% of the country's land mass. Cattle Australia wants to ensure grass-fed beef producers continue to be empowered to appropriately manage their land for production and nature-positive outcomes.

3. What is the ability to change for an Australian context?

The international frameworks that define deforestation allow for interpretation to capture the national/regional context.

4. What if we do nothing?

Commercial supply chains and global governments will continue to stipulate requirements that may be defined in multiple different ways and difficult to meet in an Australian context. When this happens, there will be increased trade barriers to export and sell our beef products onto the global market.

5. Is the Government on board?

Several Government departments, at both a State and Federal level, have been working with us to date and will continue to do so.

6. All states are currently different. How will it work?

The approach starts with high-level principles that can be tailored to meet the needs and legislative requirements of different States, Territories, and bioregions. We are seeking equitable outcomes for all producers in this space, as land management and production systems are different across this geographically diverse country.

7. Is a target outcome for this process a method to report to the Taskforce on Nature-related Financial Disclosures (TNFD) and/or International Sustainability Standards Board (ISSB) standards?

Deforestation is gaining momentum as a variable for companies to report against. This work helps to define what credibly constitutes deforestation in the Australian landscape, so quantitative measures can be adopted to support reporting regimes, as a second order focus.

8. Has there been engagement with the Science Based Targets initiative (SBTi) so far and are they receptive to a new 'Natural Forest' definition localised to Australia?

The SBTi defers to the Accountability Framework initiative (AFi) for defining and managing deforestation. AFi proposes the use of Natural Forest so that regionally appropriate specificity can be introduced.

9. If so, how does/will it correlate or coordinate with other agricultural sectors?

Cattle Australia will leverage the existing governance models in Australian agriculture and through wide engagement, ensure alignment across commodities. This engagement includes participation within the Australian Agricultural Sustainability Framework (AASF) Community of Practice (COP), virtual meetings providing key project updates with other commodity representatives and frameworks, and routine engagement.

10. If Cattle Australia is leading this work, will the result only be relevant for beef producers and beef production zones?

Although Cattle Australia is leading this work, we are highly aware of the importance of ensuring the result can be utilised and adopted across mixed enterprises and varying production zones in Australia, to ensure we don't silo the beef industry to a definition and standard that is different to other commodities. The representation on our Advisory Board and engagement with industry will ensure we consider these intricacies.

The policy structure provides an umbrella set of principles that can be used by all commodities, as well as other at-risk sectors (e.g. mining / construction). These principles will ensure alignment across different areas but enable the flexibility necessary for industry-specific prescriptive interpretation.

11. The FAO definitions are not compatible with state-based regulatory definitions. How can you shift rules enshrined for several decades in multiple State and Federal legislation?

Our state and territory legislation provides strong evidence of how land management practices are required for positive environmental outcomes. The policy leverages these definitions as a baseline and sets out any additional considerations that are required to maintain market access.

12. What is the timeframe for completing this work?

By the end of July 2024, we aim to have a draft definition of deforestation for the Australian context for consultation. Implementation is required by the end of December 2024 to meet mandatory reporting obligations both domestically and internationally.

13. What are the potential reporting metrics from this work?

Reporting metrics, data, and mapping will be built out as a second stage after the high-level function of the policy is approaching finalisation. These metrics will work with the policy and be aligned to emerging reporting regimes e.g., TNFD and due diligence requirements (EUDR). The measurement and monitoring systems will be simple, reliable, credible and cost efficient, for an equitable outcome for all producers.

14. Is this work focusing on what is a deforestation-free product? What are you defining as deforestation, assuming you are not aligning with the current definition?

This work leverages the existing internationally recognised definitions and drives interpretation within the context of the Australian landscape and Australian agricultural land management practices. This will enable ongoing land management practices, which promote sustainable outcomes, under international frameworks.

15. Is this work a duplication of other frameworks and initiatives in the industry like the ABSF?

Cattle Australia will continue to work with the Australian Beef Sustainability Framework (ABSF) to ensure the framework can adopt and report on the outcomes of this work given its alignment to the emerging ESG disclosure standards. Currently, the ABSF utilises the Australian Collaborative Land Use and

Management Program (ACLUMP) land use data to define the grazed area of Australia, and most grazing falls under 'Grazing Native Vegetation' land use areas.

The LMC work seeks to be complementary to existing work in progress across the commodities, and Cattle Australia is actively engaged with the AASF through its Community of Practice (COP) to identify linkages with other agricultural commodity frameworks and metrics.

16. Why are these three commitments the most important and are they achievable?

The three commitments underpin international market access requirements and mandatory reporting of large corporations. We want Australian producers and supply chain partners to be able to participate in numerous markets, access finance at the lowest cost of compliance and meet reporting requirements.

17. How were the Advisory Board members selected and why is an Advisory Board needed?

The Advisory Board is representative of the supply chain partners in the beef industry and others that are closely linked to international frameworks that will impact the Australian beef sector. The supply chain is motivated to support the industry in meeting consumer demands and maintaining market access and access to capital.

18. How will the Advisory Board communicate?

On the Cattle Australia website, there is a page dedicated to keeping everyone informed of the progress. You can find the information here: <https://cattleaustralia.com.au/land-management/>

19. What determined the policy principles that have been included? How has Cattle Australia consulted with the industry and supply chain on these?

The principles were first scoped using feedback and information provided during an initial scoping considerations process. This process requested organisations and individuals to submit feedback to Cattle Australia on the key challenges and opportunities.

The principles were [launched for feedback and consultation during Beef24](#). This feedback was analysed and incorporated. The principles are being used to inform and communicate the key decision points of the project.

20. What are the principles?

Reflects the Australian Ecosystem	The policy will reflect the unique Australian land management practices that drive positive environmental and economic outcomes. This will factor in the quality and function of a landscape, its historical use, and the benefits of active management.
Promoting Economic Outcomes	Promoting producer economic outcomes will be core to informing decision making. The final commitment will ensure a balance between optimal environmental outcomes, access to markets and financial services, and business resilience and profitability.
Is Simple to Use	The policy will seek to build on existing State, Territory and Federal definitions, legislation, and measurement and monitoring systems where possible. It will then provide clear guidance to end users on how to demonstrate alignment with the policy.
Consistently Applied by all Parties	Collaboration with the supply chain and financial sector is being undertaken to leverage an industry agreed definition and common method of verification. This will avoid a scenario where multiple definitions and monitoring approached create confusion and compliance burden for producers.
A 'Make Good' Mechanism	The policy will provide direction regarding alignment and seek to provide clarity around future land management practices, which facilitates producers and landowners being provided with informed insights on how they can achieve compliance while continuing to operate an economically sustainable enterprise.

21. What is the process and timeframe for this work?

- Stream one - Information paper (early June)
- Stream two - Consultation (mid-June)
- Stream three - Finalisation of Draft Policy (July)
- Ongoing – The scoping of implementation requirements

22. What process has been undertaken to try to review and find alignment across definitions of deforestation, agricultural use and land use change?

We need a consistent set of definitions for interpretation and application. Currently, Australia has a distinctly different definition of forest compared to the Accountability Framework initiative (Afi), Food and Agriculture Organisation (FAO), and the European Union Deforestation Regulation (EUDR). A definition scan and analysis has been undertaken to build out a matrix to work through the risks and opportunities associated with aligning with any definition. Balancing the distinctive features of the Australian context, which differs markedly from some other jurisdictions, is a key outcome being sought.

A Technical Working group of 19 members across the supply chain self-nominated to participate were then validated and approved for meetings by the Advisory Board. Refer to monthly updates for further information on this process. Common land management practices were identified as core and common across state and territories. In addition, these land management practices are embedded in state and territory legislations. The case studies are an important tool for applying the definitions. Slight adjustments to the international framework definitions have been required to more accurately reflect the Australian agricultural environment.

23. Why can't we utilise an existing definition of deforestation, forest and agricultural use?

Existing definitions are the foundations of this work and are now being interpreted for applicability in the Australian landscape.

24. Is the use of 'native forest' and 'natural forest' interchangeable?

The definitions are relatively interchangeable in most circumstances.

25. What is the significance of the 1990 baseline?

This is the date from which an area of land will be assessed for an agricultural use classification. 1990 represents the period prior to significant vegetation management legislative reform across State, Territory, and Federal levels.

26. Why does the policy need to include case studies? What is the purpose of these?

The case studies have been included to communicate how the policy would be implemented and makes clear acknowledgement for key management activities. The case studies demonstrate that certain practices are vital to ensure a business can continue to be sustainable. These include examples such as weed control, the building or maintenance of key property infrastructure, and the clearing of regrowth.

27. What determined the specific case studies that were included? Will there be more case studies developed in future?

The included case studies will explore land management practices that are at heightened risk of being flagged as deforestation under incoming regulation and supply chain due diligence. The case studies apply the policy decision tree to support interpretation of the risk for being flagged as deforestation and provide guidance to producers on how to mitigate this risk. These initial studies have been selected to support understanding of the policy function and structure, and more will be included, in more detail, later in the project.

The current case study topic areas are:

- Regrowth
- Weed management

- Remnant vegetation
- Drought fodder
- Natural disaster
- Infrastructure

28. What will the pathway to acceptance and/or adoption of this look like across the national supply chain?

The pathway to acceptance and adoption of this information will be through Government for international support. This work will also inform a voluntary credential that will use the existing traceability systems in the industry.

29. What do the different thresholds mean to a producer, and why is one better than the other?

The forest thresholds come from Australian and international frameworks. This means the Australian thresholds link into existing Australian measurement/monitoring systems, while international thresholds are used by trading partners in their measurement and monitoring systems. The impact of height and cover thresholds is a secondary consideration to an area's agricultural use classification.

30. Why is natural forest important?

Natural forest allows for the consideration of an area's biodiversity and general ecosystem benefits. By taking 'natural forest' into consideration, we are able to treat native and invasive species differently, even if they both meet the thresholds to be classified as forest.

31. Why do international definitions need to be adapted to Australia?

International definitions of 'Forest', 'Deforestation', and 'Agricultural Use' are being used by governments, supply chain organisations and financial sector institutions to inform policy and disclosure requirements regarding deforestation-free commitments. These definitions are provided in broad terms, and this allows the ability to apply regional context. The regional context for Australia is the size and scale of our operations, the existing legislative requirements, and the government incentivisation.

Australia's operating environment is quite different to other countries, and our reliance on export markets is greater than that of the US, for instance. The change in vegetation will be measured and monitored by satellite imagery for every 0.5ha of change. The land management practices in Australia that are outlined in the case studies would trigger that change in vegetation and require justification. Cattle Australia is working to explain that best practice agricultural activities, in the Australian context, should be promoted and not restricted by international definitions (which is currently a risk).

32. What advantage is there for Australian producers by advocating the Australian context?

An example: Australian government representatives who are negotiating in Brussels have clarified that, under the EUDR, forest vegetation on agricultural land use will be assessed for potential deforestation. It will not be excluded on the basis of being on agricultural land. Cattle Australia's work is being undertaken to demonstrate the importance of vegetation management in Australian production systems so best practice activities will be exempt under the EUDR. This is being done to avoid more extreme and penalising regulation when the EUDR comes into effect.

33. How is land use classified in Australia, can land have more than one use?

One property may have more than one land use, the Australian Land Use and Management (ALUM) Classification system provides a nationally consistent method to collect and present land use information for a wide range of users across Australia.¹ Note, these are different to the international definitions of land use.

¹ <https://www.agriculture.gov.au/abares/aclump/land-use/alum-classification>

- a. Conservation and Natural Environments: Land is used primarily for conservation purposes, based on the maintenance of essentially natural ecosystems already present.
- b. Production from Relatively Natural Environments: Land is used mainly for primary production based on limited change to the native vegetation.
- c. Production from Dryland Agriculture and Plantations: Land is used mainly for primary production, based on dryland farming systems.

3.2.0	Grazing modified pastures
3.2.1	Native/exotic pasture mosaic
3.2.2	Woody fodder plants
3.2.3	Pasture legumes
3.2.4	Pasture legume/grass mixtures
3.2.5	Sown grasses

- d. Production from Irrigated Agriculture and Plantations: Land is used mainly for primary production, based on irrigated farming.
- e. Intensive uses: Land is subject to substantial modification, generally in association with closer residential settlement, commercial or industrial uses.
- f. Water: Although primarily land cover types, water features are regarded as essential to the classification.

36. What about land that has been under agricultural use before 1990, and there has been no significant change since?

Classification 1 examines the level of impact to an area of land when compared to its natural state. If there has been an ongoing use of agriculture, e.g. cropping, since before 1990 and that use has continued since, then that area of land will be Classification 1. If the land use prior to 1990 has been grazing under native vegetation with minimal other impacts and that land use has continued post 1990, then the land would be Classification 2.

37. Does CA accept that Australian Private Native Forestry on agricultural land may have aspects of natural forest but has history of the same land of grazing or rotational PNF by a farmer?

It is acknowledged that properties have a mix of vegetation types and land management activities which could benefit from a case study to provide context and clarity.

38. Where a forest is cleared there needs to be options to retain conformity. Can we get a definition where there is replacement planting that compensates for the loss? This is the farm plan code in NSW.

Many of the states and territories have set aside requirements, and that is a consideration for the make-good mechanism.

39. Many blue gum plantations are being reverted to pasture for livestock in southern Australia. Are they an issue?

The proposed EUDR would see conversion of a tree plantation to agricultural use a deforestation event, however, this is a more extreme view than the AFi framework which the Land Management Commitment aligns with. Under the proposed definitions, clearing an invasive species or monoculture that does not have the characteristics of natural forest would not be deforestation.

40. Further to that question on blue gum plantations - has CA considered if the EU says it's a natural forest and offsets are required, there is a disincentive for farmers to take up voluntary biodiversity or plantation forestry programs?

The intention of this work is to ensure there are equitable outcomes for all producers to access and participate in as many markets as possible at the least cost of compliance.

39. Does silviculture or thinning activities that meet State Government requirements constitute deforestation?

Additional case studies are going to be developed to provide further clarity on the activities that can be undertaken within land that is Classification 1 and Classification 2 agricultural use. These will rely on scientific research regarding the sustainability credentials of the activities as part of a production system. It will also take into consideration the historic land use practices of an area.

40. What action can be taken if there is significant encroachment by eucalyptus, for example, into savanna. Will it be possible to return it to savanna?

If encroachment is addressed and permitted in state and territory legislation, it is not at risk of deforestation and would be considered similarly to invasive native species.

Source information: Managing encroachment assists in restoring grassland ecosystems to a more natural state and in turn, improves biodiversity, reduces soil erosion and provides for better grazing potential. The first step in managing encroachment is clearing the invading native woody species causing the issue.

Clearing of encroachment may involve any of the following methods:

- manual clearing of small areas using a chainsaw or other tool (hand felling)
- mechanical clearing using a tractor with a stick rake, thinning bar or other implement
- herbicides in certain circumstances
- controlled burning, by carefully planning the timing, intensity, interval, and lighting pattern of the fire.

41. What happens in grasslands with more than 50% native grasses, if invasive grass species take over? If we were to control the invasive species to the same area using an effective control method for invasive species and the outcome is beneficial to native species, are there exemptions to the term deforestation?

Deforestation-free frameworks are focused on vegetation that meets the height and canopy cover thresholds to be classified as Forest – grasses are not likely to meet these thresholds.

Additionally, the Land Management Commitment takes into consideration Natural Forest, which allows for the management of vegetation to promote ecological and biodiversity outcomes.

42. Has deforestation been defined by scale and impact of activity (including exemptions)? For example, how much clearing makes it deforestation?

Later phases of this work will focus on landing clear metrics around the level of vegetation loss that will constitute deforestation. This will consider the reason for the activity (e.g. infrastructure versus clearing for additional grassland area), as well as the materiality of the impact as a proportion of the total area of the site.

43. The FAO offers us a definition for trees on agricultural land as “Other land with tree cover”. The term is defined in the FRA 2020. Why is it that this definition does not provide clarity in an Australian context?

In the Australian response to the 2020 FRA - Global Forest Resources Assessment (FRA) 2020 Australia - Report (fao.org)² – forest on agricultural land was reported under the category Forest and was not reported under the category ‘Other Land with Tree Cover’. A misalignment in this respect should be avoided. However, if the Land Management Commitment designated these areas as ‘Other Land with Tree Cover’, the supply chain, financial sector and international regulatory regimes would still expect protections be afforded to native forest areas on agricultural land.

² <https://openknowledge.fao.org/server/api/core/bitstreams/d74a78f4-9279-4d13-8abe-42131f79f7b6/content>

44. How is mesquite in Texas any different?

The United States will also need to be applying the definitions contained within deforestation-free frameworks to manage their vegetation in a way that complies with the key principles, if they are seeking the same market access as Australia. Dependencies are likely to include the scientific basis of management activities, historic land use practices and measurement/monitoring capabilities. It is not clear that managing mesquite in Texas is getting special treatment.

45. How long will all this remain voluntary?

It is Cattle Australia's strong position this should always remain voluntary to ensure producers have multiple market options and are able to make informed business and management decisions.

46. What does this paper offer for Northern Australia?

For Northern Australia, it provides clarity and reassurance that the land management practices outlined in the paper can be continued without the risk of deforestation. However, as per the voluntary nature of this policy, commercial decisions to significantly change the vegetation/natural forest must be done within state, territory and federal legislation, and under the understanding it could be classed as deforestation, and you would not be able to sell into deforestation-free markets.

The make-good clause is still under development. It is critical to acknowledge the rigour development applications are subject to, and the requirements and commitments made by landholders in developing land.

47. What is Cattle Australia's response to the suggestion this work has been influenced by eNGOs?

The eNGOs do not support the entire contents of the consultation paper, something they have made very clear in their public statements.

CA is leading this work to resolve what is a very challenging area for industry, with our primary goal being equitable outcomes for all producers.

Industry is well within its rights to ignore the ESG requirements, such as deforestation-free, coming at us, however it would be unwise to do so. The LMC work is about leadership, and taking control of an issue that is critical to our future. This is not a defensive mechanism; rather, it is the proactive development of a definition and context that relates to our unique environment. In doing so, we seek to provide clarification around a national framework to tie our pre-existing state and territory regulations into a single source of truth.

48. Is Cattle Australia planning to incorporate other elements of ESG reporting and if so, will this include carbon accounting?

Cattle Australia is working to empower producers to work with all sustainability initiatives, where it makes sense to do so, with the most accurate and up to date information and science available to make informed decisions.

The information paper addresses the deforestation aspects that maintains land management practices for the benefit of both production and environmental outcomes. Biodiversity and nature related reporting are emerging issues and opportunities. Natural forest and natural ecosystems are terms that talk to these while not seeking to confuse an already complex set of definitions. This information paper does not intend to address emissions directly, but as a voluntary standard it allows for producers to continue to adapt to the other incentives and markets available. This is a policy position to address deforestation-free claims for producers, supply chain and government, for domestic and international markets.

49. How can I contact Cattle Australia for further information?

You can email us at environment@cattleaustralia.com.au