

# AASF NATURAL AND SOCIAL CAPITAL ACTIVITY GROUP



AUSTRALIAN COTTON SUSTAINABILITY FRAMEWORK  
**PLANET. PEOPLE. PADDOCK.**

TERMS OF REFERENCE | August 2023



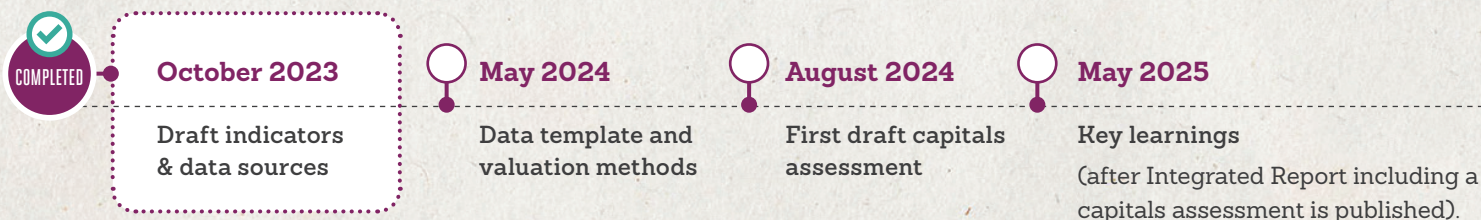
## PURPOSE

This Activity Group aims to provide a collaborative forum, using the Australian cotton industry's natural and social capital project as an evolving proof of concept, for experts and end-users of natural and social capital assessments within Australian agrifood to:

- **Review and advise** on draft project outputs... with a view to having input to a natural and social capital assessment process that is ultimately of more value to all agriculture sectors
- **Share** knowledge and plans across the group... with a view to avoid inconsistency and duplication as application of natural and social capital accounting/assessments rapidly expands
- **Collaboratively learn** how to create and apply natural and social capital concepts to Australian agriculture... with a view to maximising benefits to Australian agriculture, society and nature.

## FREQUENCY AND TIMING

Draft milestone deliverables will be provided to the Activity Group for review, and an online meeting held to provide feedback, at approximately the following timeframe:



## SCOPE

The cotton industry expects there will be a wide range of natural and social capital views and maturity of understanding in the Activity Group. To manage this diversity constructively and efficiently:

- **Where there is strong consensus** the industry's draft deliverables could be different or improved: amend the draft deliverable to reflect Activity Group consensus advice
- **Where there is no strong consensus:** note and publish a range of alternative approaches suggested by the Activity Group that could be taken by stakeholders for a specific step (noting this is an iterative process, and changes to deliverables can be made at a later date if a specific approach emerges as the best consensus option to take).



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## MEMBERSHIP

The Activity Group will seek to be representative of stakeholders who have an interest in applying natural and social capital to agricultural industries, and who are committed to collaborative and coordinated progress.

This includes:

1. Agriculture sustainability frameworks
2. Farming businesses and their advisers
3. Governments
4. Natural and social capital researchers and data providers
5. Natural and social capital standards organisations
6. Customers of Australian food and fibre
7. Other end-users of natural and social capital, such as financial institutions.

To build shared knowledge, it is hoped members joining the Activity Group will remain for the duration of the project. Membership may be limited to a certain number, if demand to join the Group results in a size the cotton industry and NFF considers likely to be too unwieldy to be effective.

## REPORTING

As part of knowledge-sharing with the broader AASF community, summary of Activity Group feedback will be provided with milestone reports and key project deliverables. Feedback will be reported as broadly consensus, or as representing a spectrum of views without consensus. Chatham House rules will apply: any statements and comments used in reporting will not be attributed to any individual.

## BACKGROUND

With the support of the Federal Government's National Agriculture Traceability Grants Program, the Australian cotton industry is working to enhance its already sound sustainability data collection and reporting to:

- Develop a framework with indicators that are aligned to major current and emerging market-based sustainability standards
- Identify cost-effective and robust industry-scale data sources for indicator gaps
- Use the enhanced data to explore if the industry can and/or should:
  1. Publish industry-scale natural and social capital assessments
  2. Set Science Based Targets
  3. Produce annual integrated reports to more clearly communicate the links and trade-offs between natural, social, and financial capital.

Within this broad project, the Queensland Department of Agriculture and Fisheries is providing in-kind assistance to apply natural and social capital valuation methodologies.

## SCALABILITY

The project is designed to be scalable and repeatable across all agriculture industries; it is hoped it will provide a proof-of-concept for other Australian agricultural sustainability frameworks to use if they wish. Progress and learnings from the project will be regularly shared with other stakeholders in Australian agriculture.

## FIND OUT MORE

### More information and to register interest in joining

For more details or queries, please contact project lead and cotton industry sustainability adviser

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### To submit an expression of interest to join

the Activity Group, please email your name, title and stakeholder sector (per the categories in Membership, on page 1) to:

**Emily White**

Project Officer

Australian Agricultural Sustainability Framework

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