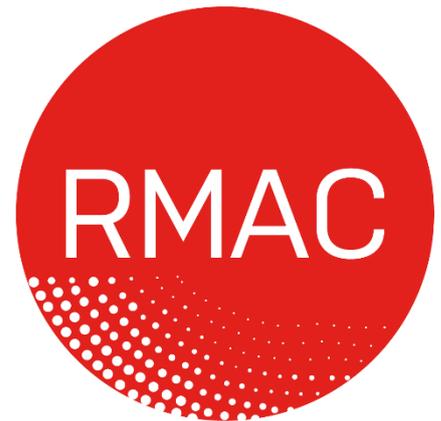




AUSTRALIAN LIVESTOCK
EXPORTERS COUNCIL



RED MEAT ADVISORY COUNCIL

A RED MEAT & LIVESTOCK INDUSTRY JOINT SUBMISSION

SENATE STANDING COMMITTEE ON ENVIRONMENT AND
COMMUNICATIONS:
INQUIRY INTO GREENWASHING

JUNE 2023

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Introduction

The Red Meat Advisory Council (RMAC) and its members welcome the opportunity to provide a submission to the Senate Standing Committee on Environment and Communications inquiry into greenwashing. RMAC is Australia's only policy leadership and advisory forum made up of producers, lot feeders, processors, manufacturers, retailers and livestock exporters, representing the entire red meat supply chain from paddock to plate. RMAC members are the following prescribed industry representative bodies under the Australian Meat and Live-stock Industry Act 1997:

- Australian Livestock Exporters' Council,
- Australian Lot Feeders' Association,
- Australian Meat Industry Council,
- Cattle Australia,
- Sheep Producers Australia, and
- Goat Industry Council of Australia.

Australia's red meat and livestock industry is comprised of more than 76,000 businesses and collectively services 25 million Australians and over 100 export destinations every day with safe, high quality and nutritious red meat. As a world leader in sustainability, the Australian red meat industry supports efforts to increase scrutiny of, and enforcement against, potentially misleading sustainability claims.

We agree that Australian consumers should be provided with accurate marketing and labelling information to enable them to make informed choices about the food they purchase and consume. Research shows that consumers trust red meat producers – and our ongoing commitment to protecting the environment for future farming generations in a credible and impactful way can only help to build that trust further.

Red meat and livestock action on climate change

In 2017, the Australian red meat and livestock industry set a world-leading and ambitious target to be carbon neutral by 2030 (an initiative known as CN30). This means that by 2030, Australian beef, lamb, and goat production, including lot feeding and meat processing, will make no net release of greenhouse gas (GHG) emissions into the atmosphere. Research undertaken by a consortium of organisations led by Australia's national science research agency, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), has shown it is possible for the Australian red meat and livestock industry to achieve this goal.

Meat & Livestock Australia (MLA) has since developed the CN30 Roadmap in consultation with the broader red meat industry¹. The Roadmap is a science-based plan that defines carbon neutrality in the Australian red meat industry, explains why industry has set the target, the work areas industry will focus on between now and 2030, and how the industry can execute those work areas. MLA has invested >\$140 million in projects directly contributing to CN30 since 2017 and has invested much more in projects indirectly contributing to the target prior to and since 2017. A further \$150 million has been allocated to this program of work by MLA. Importantly, the Australian red meat industry is

¹https://www.mla.com.au/globalassets/mla-corporate/research-and-development/program-areas/environment-and-sustainability/2689-mla-cn30-roadmap_d3.pdf

making great progress, with CSIRO analysis of the latest data from the National Greenhouse Gas Inventory showing the red meat industry has reduced sector emissions by almost 60% between the baseline year of 2005 and 2019².

As an industry, we are not afraid of scrutiny on our environmental impact, but that scrutiny needs to be fair and balanced. Scrutiny needs to also acknowledge the great strides we have already made towards lowering our carbon footprint and the industry's clear proactive actions and commitment to drive solutions that improve productivity, reduce emissions and promote sustainable practices.

Recommendation 1: The Committee recognises that the Australian red meat and livestock industry has reduced greenhouse gas emissions by almost 60% since 2005 – more than any other sector in the nation.

How we substantiate our claims

The Australian Beef Sustainability Framework (ABSF) and Sheep Sustainability Framework (SSF) are industry-led but customer and investor focused frameworks. They were developed to meet the changing expectations of customers, investors and other stakeholders, to ensure continued access to financial capital and markets and industry can keep pace with new commercial requirements. The frameworks are a testament to the red meat industry's commitment to transparently reporting industry performance and progress over time using defensible data relevant to the critical sustainability issues as defined by the four themes of Best Animal Care; Environmental Stewardship; Economic Resilience; and People & the Community.

The Frameworks are informed by regular material assessments of sustainability topics. These assessments encompass a review of global standards and sustainability disclosures and reporting, an investigation of international and national industry-peer frameworks, and extensive external and internal stakeholder engagement.

These assessments apply the principle of double materiality and define the material issues through both an internal and external stakeholder lens, to recognise the topics which reflect industry's significant economic, environmental, and social impacts and substantively influence the assessments and decisions of customer and investor stakeholders. This ensures that industry is supporting best practice in addressing its sustainability impacts and supports equity and equivalency for the Australian context in global reporting.

The assessments have identified animal health, husbandry practices and welfare, livestock transport and slaughter practices, GHG emissions, biodiversity, forest and woodlands, soil health, water security and quality, chemical use and safety, climate change and resilience and biosecurity as the most highly material issues for the Australian red meat and livestock industry.

These assessments are followed up with an extensive stocktake of current sustainability indicators, metrics and data available for the Australian industry and within an Australian context. As a result of these assessments and stocktakes, the Sustainability Steering Groups review and revise the number of

² https://www.mla.com.au/contentassets/34fa6fd009ee43ef85c17b4adf60c556/b.cch.1016-final-report_6-june-2022.pdf

indicators, reporting metrics and data sources to enable more accurate reporting of industry performance and progress, against material topics.

The ABSF and SSF are aligned with the UN Sustainable Development Goals (SDGs) in order to demonstrate how the Australian red meat and livestock industry is contributing to sustainability in a global context. The frameworks map on an ongoing basis the priority SDGs to which industry's sustainability commitments align to.

In 2022, the ABSF and SSF began the process of aligning their sustainability priorities and indicators with the Global Report Initiative (GRI) topics, including GRI-13 Sector Standard for Agriculture, Aquaculture and Fishing, recognised as one of the leading, globally accepted and scientifically robust independent sustainability reporting standards. The process has demonstrated good overall alignment between the frameworks' most highly material issues and the GRI topics, with some differences in scope, topics, country equivalency, language, and terminology. These will be reviewed and the GRI13 topics incorporated into the 2024 ABSF and SSF Annual Reports.

The frameworks do not support prescriptive management practices, nor endorse accreditation or certification systems. Rather by aligning to internationally recognised and credentialed disclosure and reporting standards, the frameworks sustainability themes and relevant evidence-based priorities inform supply chain stakeholders and their sustainability commitments and pathways.

Challenges for balanced attribution of livestock's environmental impact

Red meat production is often attacked by those ideologically opposed to animal agriculture advocating for a reduction or complete elimination of red meat from our diets and food systems. They often base arguments on misleading, inaccurate and out of context information. Unfortunately, media are often willing to repeat these claims without consulting industry or seeking to verify such information or understand data in an Australian context. For instance, detractors neglect to mention that compared to other foods consumed in the Australian diet, the water and cropland footprint of Australian beef and lamb is low because production is typically on marginal land, not suited for cropping and horticulture, or integrated into a mixed-farming system. What they also often fail to disclose is that most of the water used is naturally occurring rainfall – i.e., rain that would have fallen whether or not that animal was grazing the grass.

Furthermore, campaigns targeting deforestation in relation to beef production by prominent Non-Government Organisations (NGOs) often misrepresent the data. For example, they use definitions of 'forest' that are not consistent with those nationally accepted or fail to recognise the impacts of drought, fire, or floods on the landscape. Misrepresented claims about deforestation in our production systems are damaging and send the wrong message to consumers. **The United National Food and Agriculture Organisation (FAO) ranks Australia as second in the world for average annual net gain in forest area between 2010 to 2020³.**

We acknowledge that ruminant animals, like cattle and sheep, are often linked to climate change because they emit methane. But often overlooked is the fact this enteric methane is part of a natural – or biogenic – carbon cycle, in which the methane breaks down into carbon dioxide (CO₂) and water after about 12 years. Grass then absorbs the CO₂ through photosynthesis, ruminants eat the grass and

³ <https://www.fao.org/3/ca9825en/ca9825en.pdf>

the cycle continues. In contrast, methane released from fossil fuel extraction has been stored underground through geological processes over millions of years and CO₂ from burning fossil fuels continues to build up and heat the atmosphere over centuries. This means that GHGs, including methane, generated by burning fossil fuels and their impact on our climate is far more destructive than methane emissions from livestock.

Detracting conversations about sustainable livestock production are often driven by wealthy northern hemisphere countries, where livestock are often housed in intensive systems over winter and generate relatively higher concentrated levels of N₂O and methane. Production systems in Australia are very different to this, and it is important that these differences are understood and valued. It's why the red meat industry remains steadfast in our commitment to openly explaining the credentials of our product and how it is produced. It's also time for those with an anti-red meat agenda to acknowledge the environmental stewardship credentials of our producers and their work to date to lowering emissions, as well as their proactive commitment to intergenerational sustainability and improved production.

Recommendation 2a: The Committee recognises that environmental assessments have frequently oversimplified the Australian livestock sector's environmental impact and overlooked the benefits of meat production and well managed land.

Recommendation 2b: The Committee recognises that the Federal Government needs to do more to combat the spread of misinformation to consumers in relation to the impacts of red-meat production on the environment.

The importance of making truthful and accurate claims

The Australian Consumer Law requires that any claims made about food products should be accurate, true and based on reasonable grounds. It's also currently against the law for a business to make false or misleading claims about specific aspects of food products or production. When creating advertising or marketing materials which contain environmental claims (including carbon neutral claims), it is also important to consider the Australian Association of National Advertisers Environmental Claims Code (Code).

The Code defines environmental claims broadly to mean “any express or implied representation that an aspect of a product or service as a whole, or a component or packaging of, or a quality relating to, a product or service, interacts with or influences (or has the capacity to interact with or influence) the environment”⁴. Therefore, all environmental claims should ensure they are:

1. **Truthful and factual representations**: environmental claims in advertising must not be misleading or deceptive and must ensure that all disclaimers, including those about the extent of environmental benefit, are presented in a manner that can be clearly understood by the consumer.
2. **Provide a genuine benefit to the environment**: environmental claims must clearly explain the significance of the claim but not overstate the claim or imply the product or service is more socially acceptable on the whole.

⁴ <https://aana.com.au/content/uploads/2018/03/180316-Environmental-Claims-Code.pdf>

3. Are substantiated: environmental claims must be able to be substantiated and verified.

While these requirements are similar to the requirements of the Australian Consumer Law, they are more specific and require more prominent substantiation.

Recommendation 3a: The Committee notes the red meat sector's strong support for measures to increase scrutiny of, and enforcement against, potentially misleading sustainability claims.

Recommendation 3b: Any new measures to target inflated or overstated favourable environmental claims also have capacity to address misleading and unsubstantiated negative environmental claims, where appropriate.

Plant based greenwashing – how sustainable are fake meats?

If the Australian Competition and Consumer Commission (ACCC) was serious about scrutinising organisations that overstate or mislead consumers about their environmental credentials, the fake meat sector should be high on their target list. Disappointingly, the ACCC has demonstrated a complete lack of appreciation of the labelling and marketing issues surrounding plant-based substitutes as was highlighted by the recent *Senate Rural and Regional Affairs and Transport legislation Committee Inquiry into meat definitions and other animal products*.

Red meat industry concerns about misinformation were validated by the Senate Inquiry findings that environmental statements being made for some products were concerning and failed to acknowledge the livestock sector's commitment and substantial progress in improving environmental outcomes in Australia.

The alternative protein industries generally do not provide any transparent or verifiable data that can reliably demonstrate their environmental or sustainability credentials in an Australian context, including factors such as: land clearing for cropping; high water and fertiliser inputs; monoculture of crops and impact on biodiversity; pest management practices; etc. Any claimed environmental benefits should be substantiated yet no action has been undertaken.

As identified by a 2020 University of Melbourne study, there is overwhelming evidence of unsubstantiated credence claims (including environmental claims) being made by manufactured plant-based protein⁵. Twelve of the 16 companies identified made claims of being natural, despite the product undergoing a significant transformation process. With the majority of claims unverified, these value claims are deceptive and would be likely to mislead consumers. In a separate study from the University of California, the global warming potential of cell-based meat production was found to be up to 25 times greater than the average for retail beef⁶. Despite these findings, the environmental impacts of lab-grown meat are often misrepresented as being more sustainable than traditional red meat production systems.

⁵https://research.unimelb.edu.au/data/assets/pdf_file/0005/4108595/Report-The-Australian-Alternative-Protein-Industry-Lacy-Nichols.pdf

⁶<https://www.ucdavis.edu/food/news/lab-grown-meat-carbon-footprint-worse-beef>

An important principle in consumer law is that “credence” claims require extra care and support to be lawful. These are expressed or implied claims where the consumer cannot readily verify the claims independently and must trust the seller. This research exposes the extent to which alternative protein companies make unsubstantiated claims while simultaneously denigrating the reputation of red meat category brands for commercial gain.

Recommendation 4: The ACCC includes the alternative protein sector on its target list for potential ‘greenwashing’.

The Australian red meat and livestock industry welcomed the findings and common-sense approach handed down in the 2022 report by the *Senate Rural and Regional Affairs and Transport legislation Committee Inquiry into meat definitions and other animal products*. After comprehensively reviewing all the available evidence, the Committee found that the current regulatory framework for the labelling of plant-based protein products was inadequate and minimum regulated standards were needed to protect consumers, as well as the brand and reputation of traditional animal proteins like ‘beef’, ‘lamb’ and ‘goat’.

Unfortunately, a formal government response to the Committee’s report is now well overdue. There is also little evidence at this stage to indicate the Albanese Government is progressing its election commitment to provide accurate and clear food labelling standards for alternative protein products. With environmental concerns becoming a heightened priority for many Australians, consumers deserve robust truth in labelling regulations that ensure heavily processed manufactured plant-based proteins and lab-grown meats cannot peddle false or misleading environmental or sustainability claims.

Recommendation 5: The Albanese Government provides a response to the Senate inquiry into meat definitions and other animal products and delivers on its election commitment to ensure accurate and clear food labelling rules for alternative protein products.

Conclusion

RMAC thanks the Committee for the opportunity to provide this information and would welcome the opportunity to engage further on the contents of our submission.



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