

# Joint response to the Australian cotton industry's Third Environmental Assessment

## Background:

The Australian cotton industry has a 24 year history of independent environmental assessments, demonstrating our commitment to monitoring and improving our industry's environmental performance. The initial assessment, conducted in 1991, saw the cotton industry become the first major agricultural industry undertake such a task.

In 2012, the Third Environment Assessment was conducted to continue documenting performance and practice change, and to continue the industry's commitment to continuous improvement.

This statement is the industry's official response to the Third Environmental Assessment, outlining the high level outcomes that have been delivered on behalf of the industry.

## Third Environmental Assessment: recommendations and industry response

The Australian Cotton Industry: Third Environmental Assessment, conducted by Inovact Consulting and published in September 2012, made six recommendations for the industry to improve its environmental performance.

Following the release of the report, Cotton Australia and CRDC joined forces to form the Environmental Assessment Working Group; charged with developing a response to the report's recommendations and a supporting implementation plan.

A major outcome of the industry's response, led by the Working Group, was the release of the Australian cotton industry's Australian Grown Cotton Sustainability Report, published jointly by CRDC and Cotton Australia in November 2014. The report benchmarks how the industry is performing in terms of economic, environmental and social indicators, and charts this performance over time. It also sets high level targets and commits to a plan of action.

As part of the industry's response to the Third Environmental Assessment, CRDC and Cotton Australia have committed to review and produce an industry Sustainability Report on a regular basis, to ensure the industry can continuously monitor and improve its performance.

The Sustainability Report forms a core part of the industry's response, supported by other actions of the Working Group.

The table overleaf outlines the specific outcomes the industry has delivered, or continues to develop, in response to the Environmental Assessment.





Recommendations	Response and key deliverables
<p><b>1.</b> It is recommended that CRDC work with its grower base, Cotton Australia, the industry's value chain, cotton industry service providers, the Australian Government and relevant state government agencies to develop a five-year RD&amp;E strategy for continuous improvement in environmental management and performance in cotton growing.</p>	<p>CRDC's Strategic R&amp;D Plan sets strategic R&amp;D priorities over a five year period. Each plan is developed in consultation with growers, industry leaders, the Australian government and Cotton Australia. One of the five strategic outcomes established in CRDC's current Strategic R&amp;D Plan (2013-18) is: <i>The Australian cotton industry is the global leader in sustainable agriculture (Industry program)</i>.</p> <p>The Chairs of CRDC and Cotton Australia have publicly stated their commitment to sustainability in the Australian Grown Cotton Sustainability Report. The Report included an industry-wide statement for environmental management and performance in cotton growing, including a commitment to consulting with external stakeholders on issues relating to the cotton industry's sustainability and the development of sustainability targets. The industry has committed to ongoing reporting, with a Sustainability Report to be produced every five years.</p>
<p><b>2.</b> It is recommended that the industry undertakes a significant re-appraisal of myBMP and its role in the industry's assurance to markets and other stakeholders of best practice environmental stewardship by growers.</p>	<p>The industry has undertaken a reappraisal of myBMP and its role in both delivering on-farm environmental stewardship and helping to underpin access to market strategies.</p> <p>myBMP is recognised as key component of the Australian cotton industry's involvement in international marketing programs, including the Better Cotton Initiative, and a significant upgrade is underway to improve the value, impact and accessibility of the myBMP program and its underpinning platform for the direct benefit of growers.</p>
<p><b>3.</b> It is recommended that CRDC and Cotton Australia collaborate on establishing accurate and up to date databases of cotton growers and key industry stakeholders to ensure that the industry organizations effectively engage levy paying growers and influential stakeholders on industry plans and performance reporting regarding environmental management and practices.</p>	<p>CRDC and Cotton Australia have committed to, and are working together to achieve, collaboration on accurate and up to date databases of cotton growers and key industry stakeholders to ensure greater communication and engagement with industry.</p> <p>The CottonInfo joint venture, of which both CRDC and Cotton Australia are partners, is part of this process: ensuring information regarding environmental management and practices is communicated to stakeholders.</p>



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<p><b>4.</b> It is recommended that the industry continue to commission independent environmental assessments of cotton growing in five-yearly time periods to establish longer term trends in its environmental performance and data sets that provide evidence based assessments over long periods of time. It is also recommended that a practical monitoring, evaluation and reporting framework be established that will support evidence based annual reporting on the outcomes of environmental management in cotton growing.</p>	<p>CRDC and Cotton Australia have committed to continuing to commission independent environmental audits of the Australian cotton industry, with the fourth audit to be undertaken in 2020. CRDC and Cotton Australia have also committed to five yearly progress reporting against agreed Sustainability indicators and progress towards meeting sustainability targets.</p>
<p><b>5.</b> It is recommended that the cotton industry value chain, including the grower sector, actively engage with market based initiatives such as the Better Cotton Initiative to monitor international consumer preferences and retailer strategies and actions so that this intelligence can be incorporated into industry strategies and actions for improvements in environmental practices that are market driven.</p>	<p>The cotton industry has, and continues to, actively engage in market based initiatives in response to this recommendation through the Cotton to Market strategy, driven by Cotton Australia, and underpinned by research from CRDC.</p> <p>This includes the establishment of the CottonLEADS partnership, the benchmarking of myBMP with the Better Cotton Initiative, and the recognition of myBMP certified cotton as Better Cotton, providing tangible benefits to growers and ensuring commitment to market driven environmental standards. In addition, Cotton Australia was elected to the BCI Council in mid 2014, with cotton grower Simon Corish elected as Cotton Australia’s delegate.</p>



Recommendations	Response and key deliverables
<p><b>6.</b> It is recommended that the industry continue its market research on consumer, community and stakeholder perceptions of the environmental performance and practices of cotton growing that updates and extends the previous studies to take account of how individuals and organisations now access information through contemporary media which has changed considerably since these studies.</p>	<p>Market research on consumer, community and stakeholder perceptions will be continued through a Sustainability Stakeholder Forum, which will bring key stakeholders together as part of sustainability reporting efforts, in line with the stakeholder engagement principles of the Global Reporting Initiative.</p> <p>The Forum will consist of representatives from a range of groups, including customers, suppliers and service providers, government agencies, community representatives and peak non-government organisations. It will provide guidance and feedback to the Australian cotton industry on sustainability issues from a range of perspectives. The group will come together periodically, in line with the industry’s ongoing sustainability reporting practice, providing an ongoing source of information on stakeholder perceptions and expectations.</p> <p>In addition, information from the cotton supply chain, consumer and community interest groups (domestic and international) is also being collected through Cotton Australia’s Cotton to Market program and the vast contacts and networks it has established.</p> <p>In particular, Cotton Australia’s partnerships with the Better Cotton Initiative and CottonLEADS provide regular formal and informal opportunities to engage directly with a range of important stakeholder groups and supply chain representatives. Further, CRDC supports projects which are looking at a number of market indexes and tools.</p>

**Ongoing commitment to delivery::**

Just as the industry’s commitment to ongoing independent assessment is ongoing, so is the implementation of the recommendations. From this point forward, the Environmental Assessment Working Group will become the Sustainability Working Group, and will oversee the industry’s ongoing commitment to sustainability reporting. The actions of this Group will include the establishment of the Sustainability Stakeholder Forum, outlined above.

The industry has also committed to continuing the practice of commissioning independent environmental audits and has scheduled the next one – the fourth – for 2020.

