



Australian Sustainable Sugar Framework

CANEGROWERS CEO

Dan Galligan

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CANEGROWERS



SMARTCANE BMP

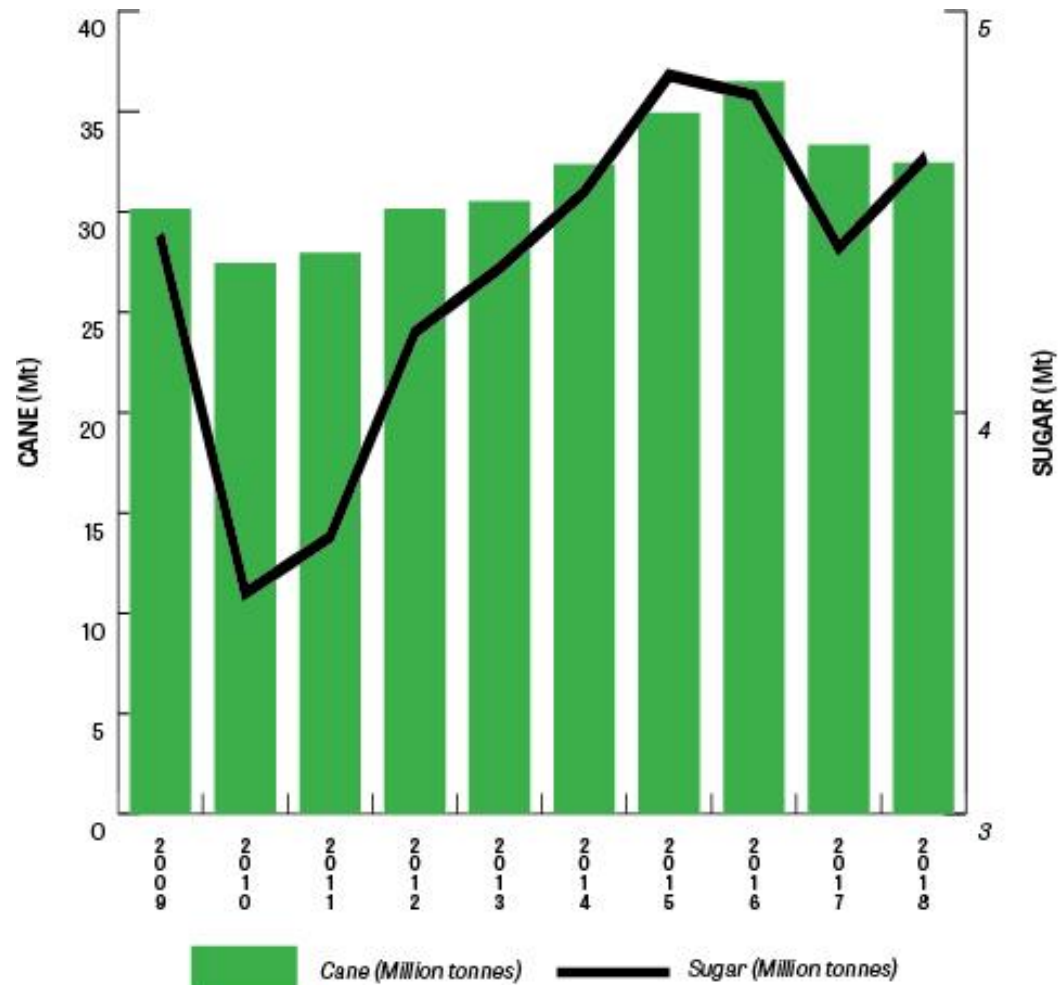


- 4,000 cane farming businesses across Australia's east coast
- 35 million tonnes of cane each year
- 4.5 million tonnes of raw sugar
- 24 sugar mills
- 6 bulk storage ports
- 80% of raw sugar product is exported

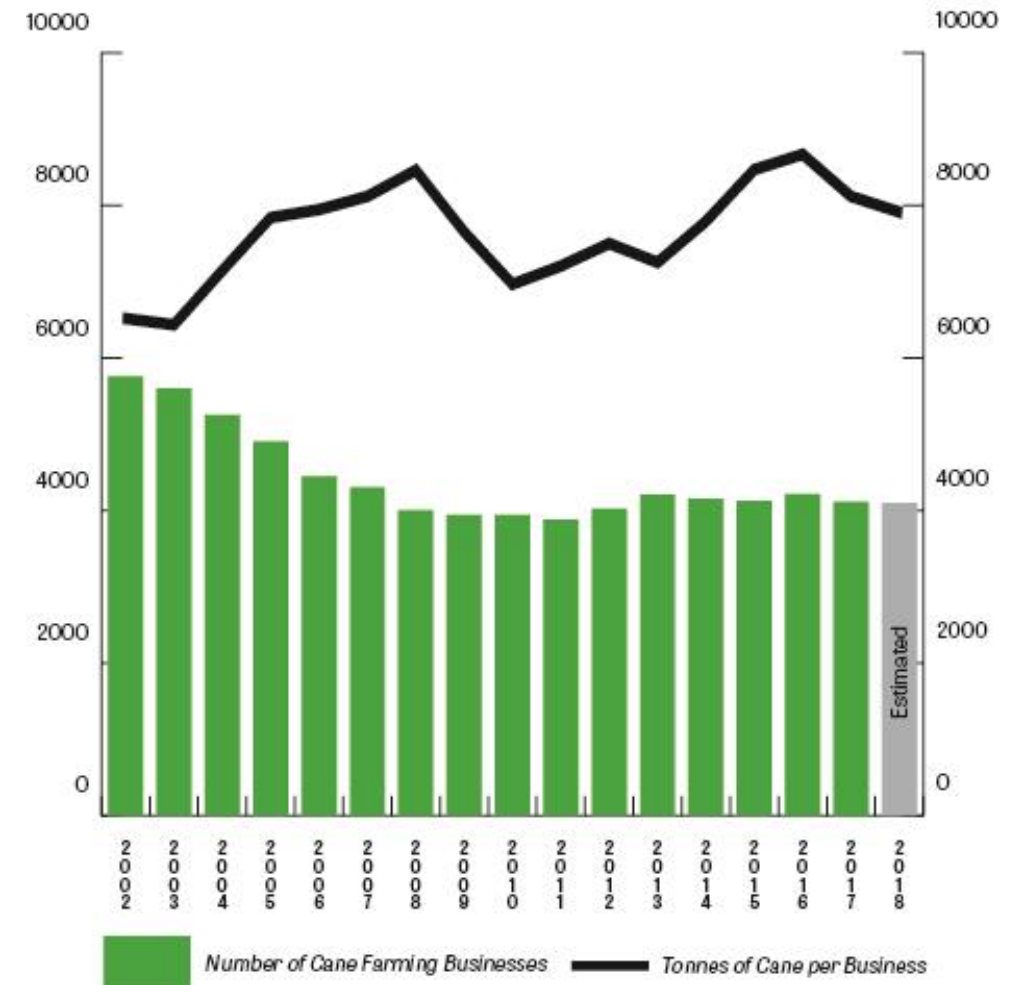
Big fish in a massive pond



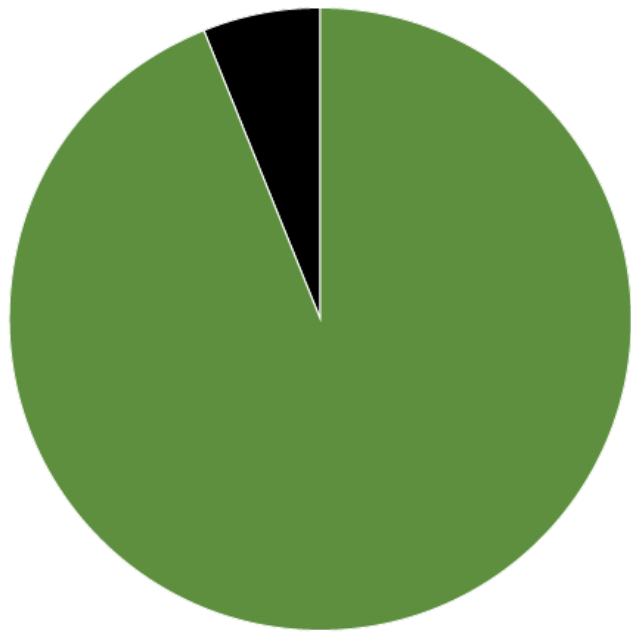
Cane vs Sugar Production



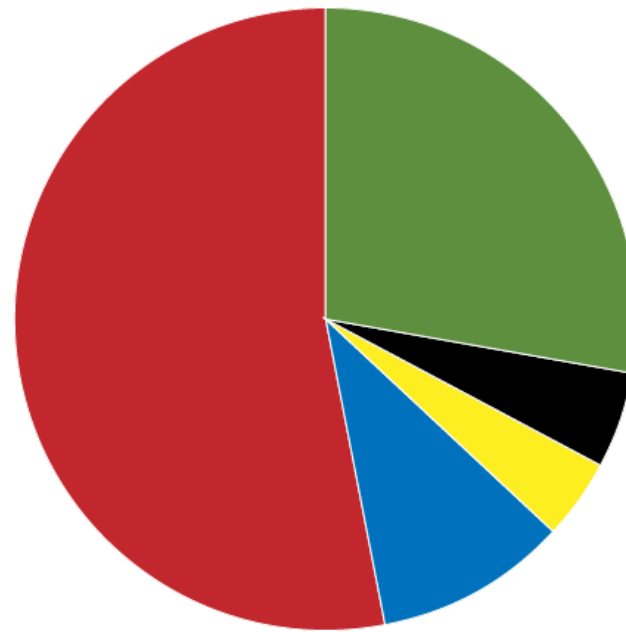
Number of Farmers vs Production



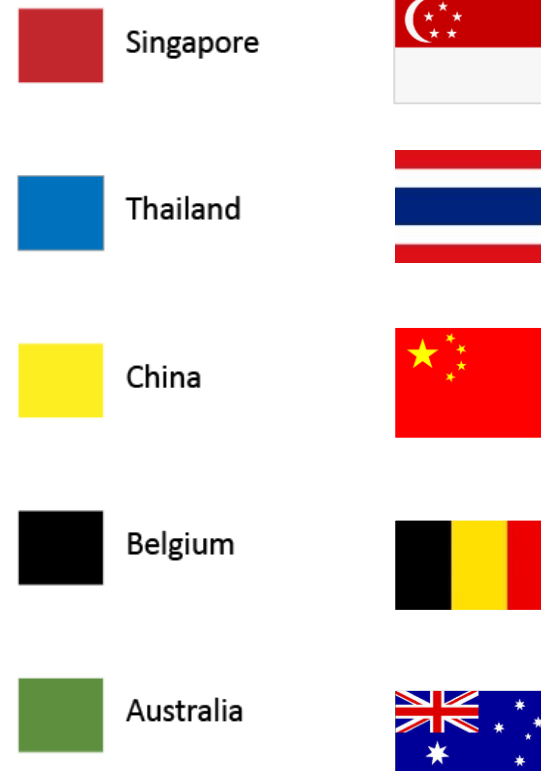
Our relationships are changing



2009

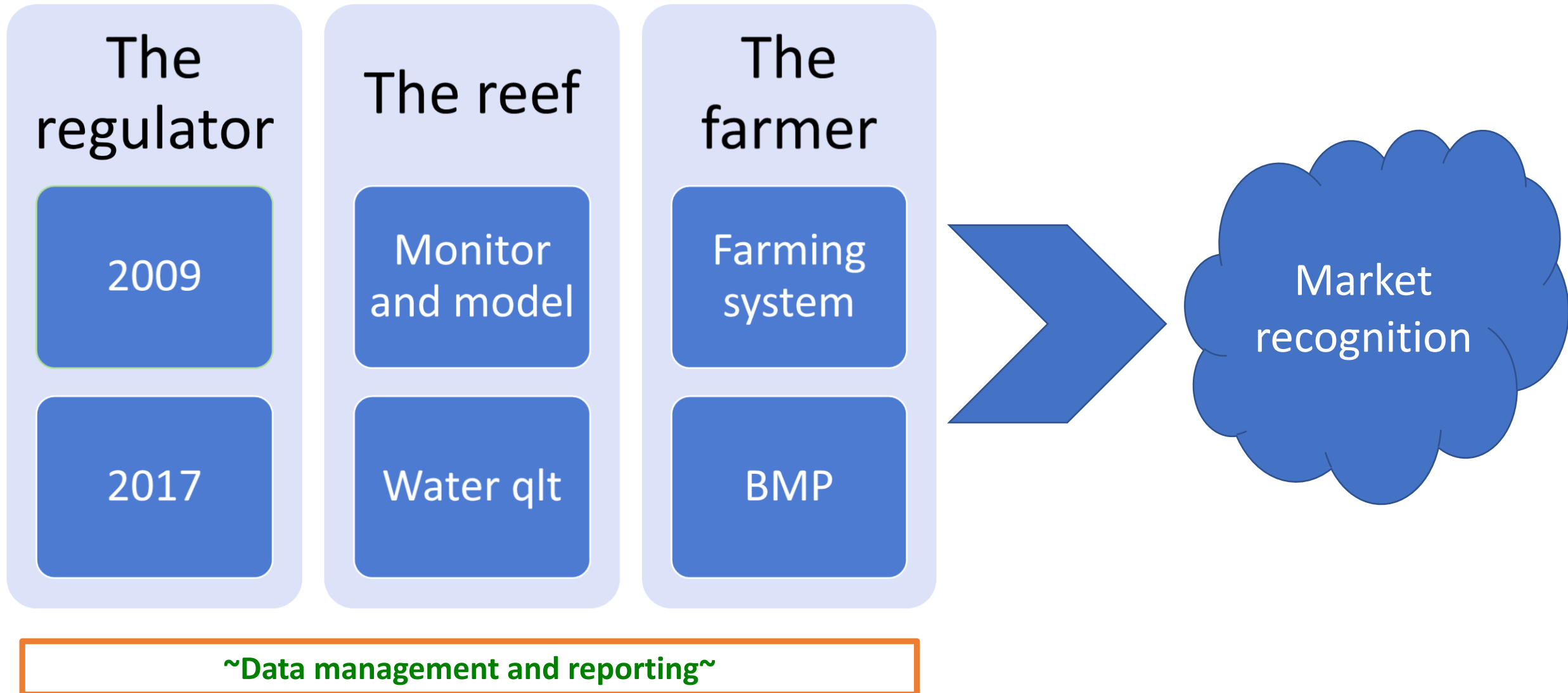


2017

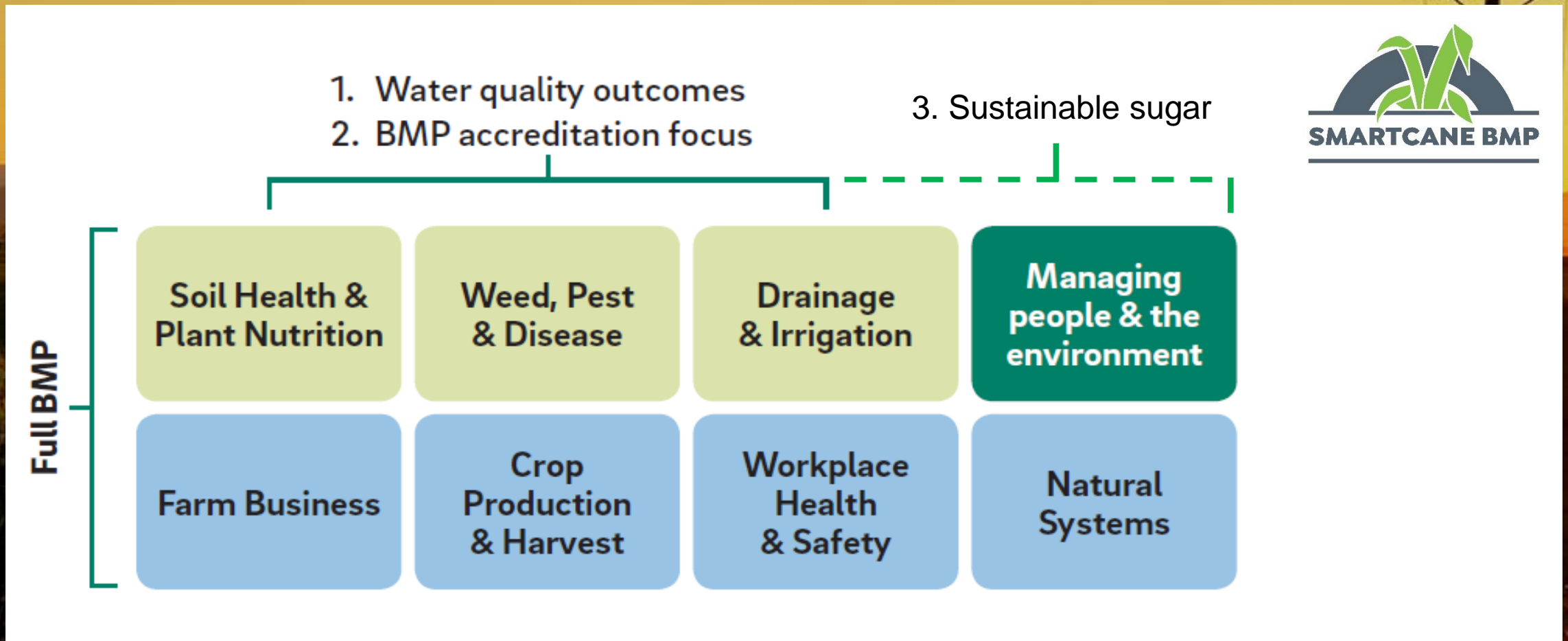




Multi-purpose drivers – 1 big desire



The Australian sustainability pathway



- All producers (cane, grazing, bananas, horticulture, grain) must meet (regulated) minimum standards and new developments have higher standards – restricts growth
- Alternative compliance pathways acknowledged for Smartcane BMP
- Records from fertilizer resellers are to be kept in relation to clients soil tests, amount of N&P sold, N&P recommendations made – involves data management interventions - seen as restrictive and bureaucratic
- A mixture of science and politics motivates these interventions

The farmer



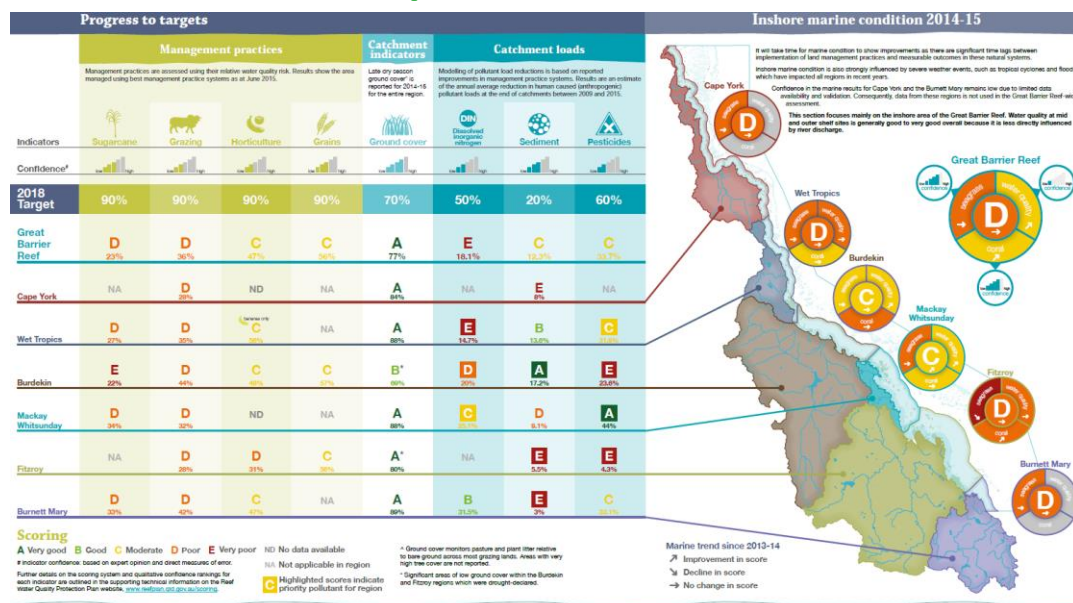
- Foundations in R and D adoption – target is farming system/productivity improvement - setting the record straight!
- Twin strategies of Behavioral and Physical Sciences - what drives, inhibits and motivates change
- Position farmers to be leaders, innovators and catalysts through Smartcane BMP



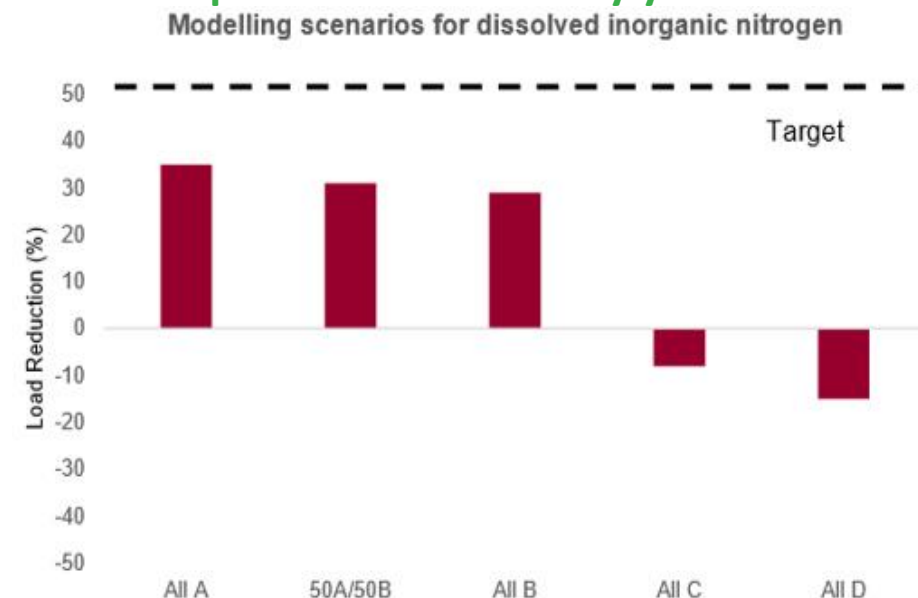
The reef



Reef report card 2014/2015



Catchment model varies up to 50% of the monitored pollutant loads every year



Source: Queensland Audit Office adapted from DNRM's "Catchment modelling scenarios to

Reef on four year deadline

By DANIEL BATEMAN

NORTH Queensland cane-growers have been given a four-year deadline to stop polluting the Great Barrier Reef.

World Wildlife Fund (WWF) Australia has told the North's sugar industry if it is to continue to thrive into the future, it must be prepared to cut its nutrient run-off into rivers by 50 per cent during the next four years.

The conservation organisations water program leader Nick Heath told delegates at the Australian Sugar and Ethanol Conference in Cairns this week



Fertiliser run-off from canefields makes its way to the Great Barrier Reef with devastating consequences

pollution in those rivers comes from cane farming or cattle growing.

"We have to change. We must change if we want the 65,000 jobs that depend on the reef to survive."

The Federal Government last year announced a \$200 million Reef rescue program to help farmers adopt and implement land management techniques to improve the quality of water entering the Great Barrier Reef.

However, Mr Heath said there were still too many growers who were reluctant to change.

Risk reduction to build resilience against climate change

- Sediment reduction - (60% by 2020)
- Pesticides loads - (50% by 2020)
- Nutrients (DIN) reductions - (80% by 2025)
- Landholder engagement - (90% by 2025)

The market - pull through



Pledges from Bonsucro Members



Committed to sourcing 100% of our sugarcane based products from sustainably-certified sources by 2022. Bonsucro is preferred standard



Will source all sugar sustainably by 2020. In Brazil, by 2016, 100% of our cane sugar purchases will be certified by Bonsucro



A '100% sustainably sourced' goal for key agricultural ingredients which we will work to attain by 2020... Bonsucro is our preferred standard



In 2010 Shell agreed an action plan to achieve Bonsucro certification of all mills/volumes



A sustainable sourcing program in place to track the number of suppliers who join Bonsucro and drive our engagement with suppliers of sugarcane



100% cane sugar from sustainable sources before 2020



100 percent of General Mills' sugar cane will be sourced from responsible and sustainable sources



Will work with suppliers with a goal to assure sourcing 100% sustainable cane sugar by 2020



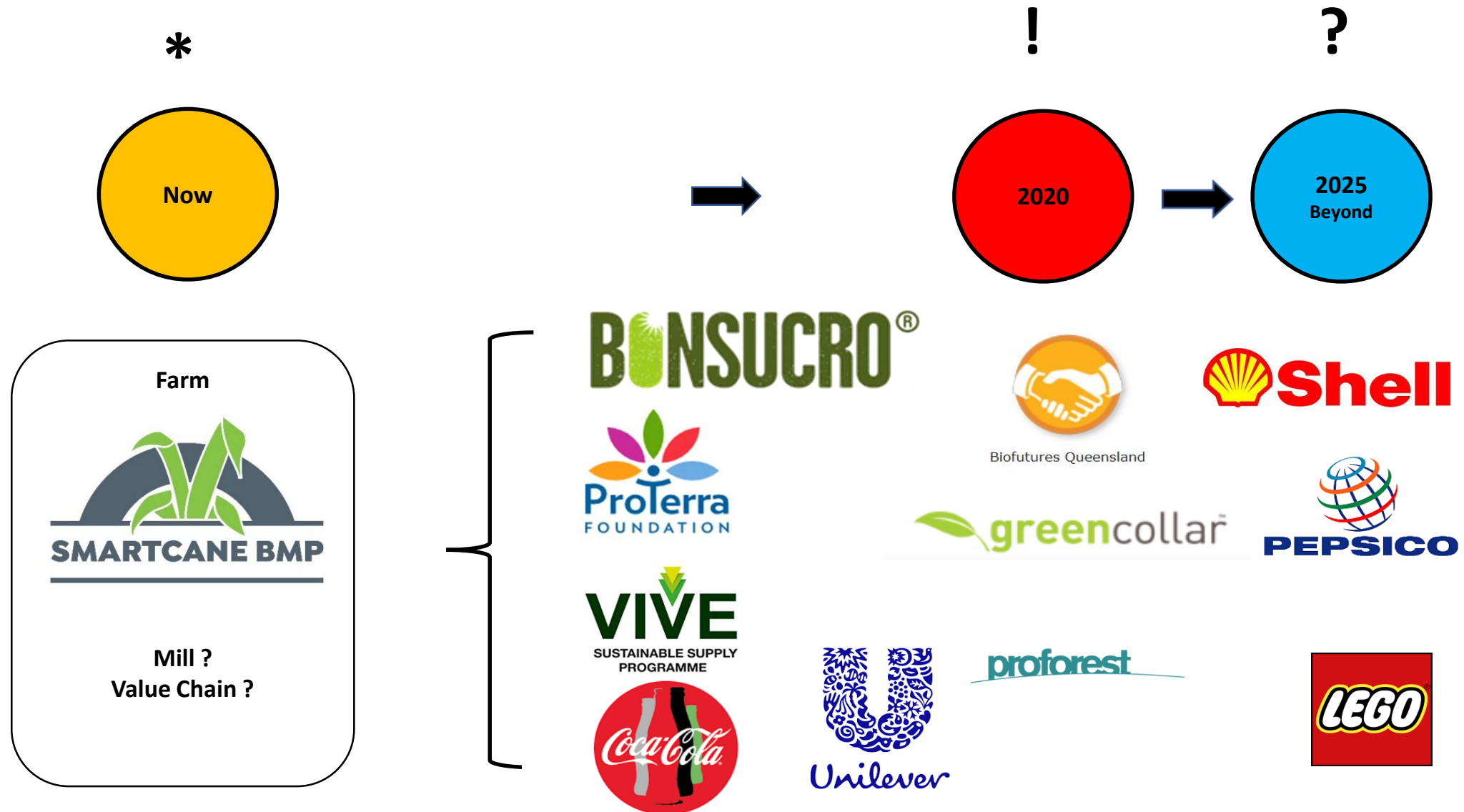
We're very proud that this pack contains **BONSUCRO**® Certified sugar, harvested by Australian sugarcane farmers. The Bonsucro Standard is a globally recognised scheme that ensures sugarcane production practices are environmentally sustainable. Working with Bonsucro is part of our efforts to protect Australia's precious habitats such as the Great Barrier Reef. To learn more, please go to www.bonsucro.com



To have a system owned, developed and adopted by growers.
A system recognized by the market and the regulator that
delivers on productivity and environmental performance.



Smartcane – pathway to sustainable sugar



All about adoption



Farms
Benchmarked



Area
Benchmarked

337

Farms

Farms
Accredited

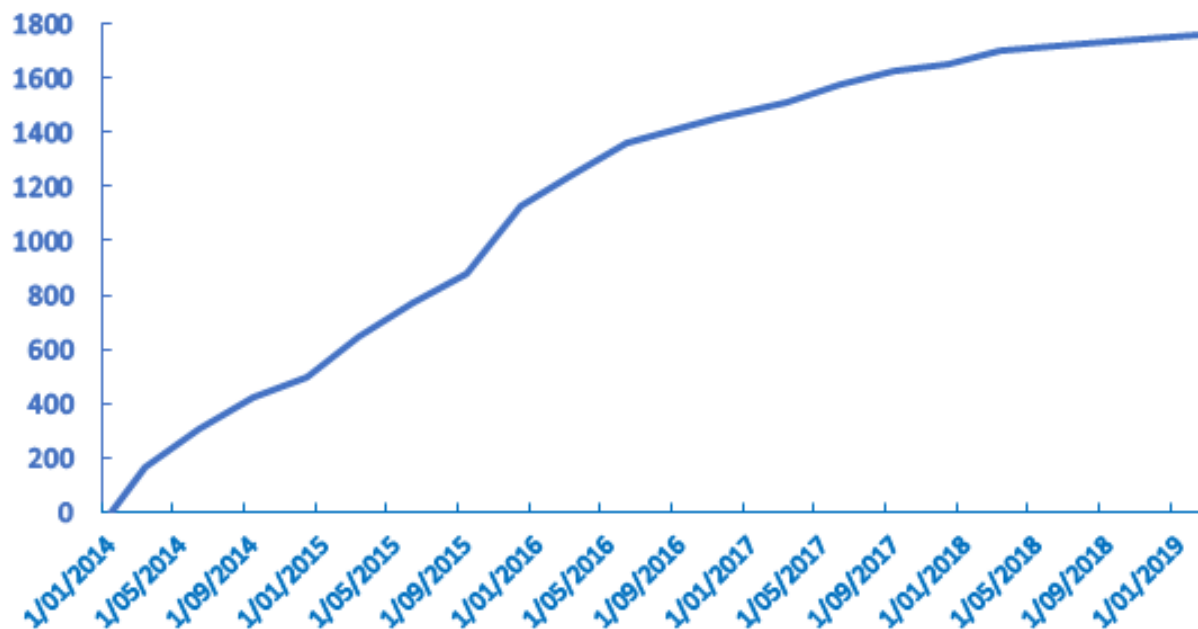
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ha

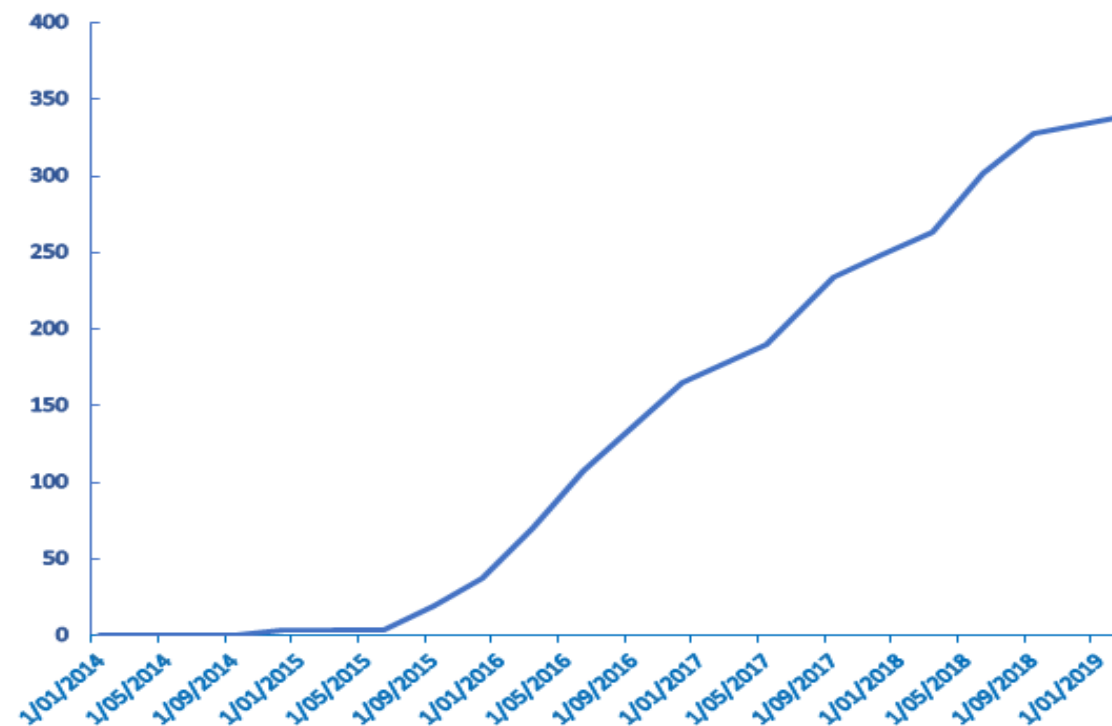
Area
Accredited



Number of farm businesses benchmarked over time



Number of farm businesses accredited over time



A new traceability platform emerging

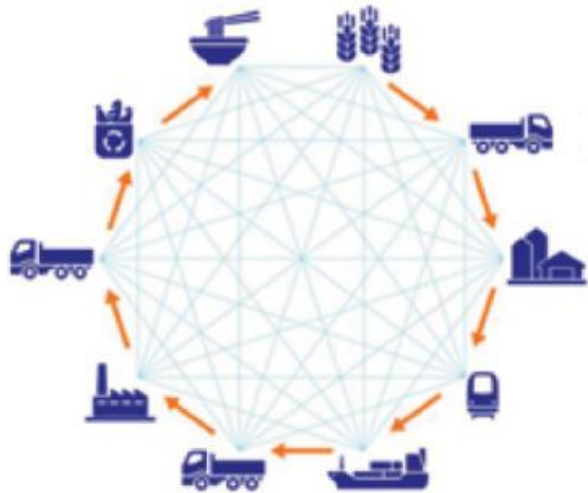
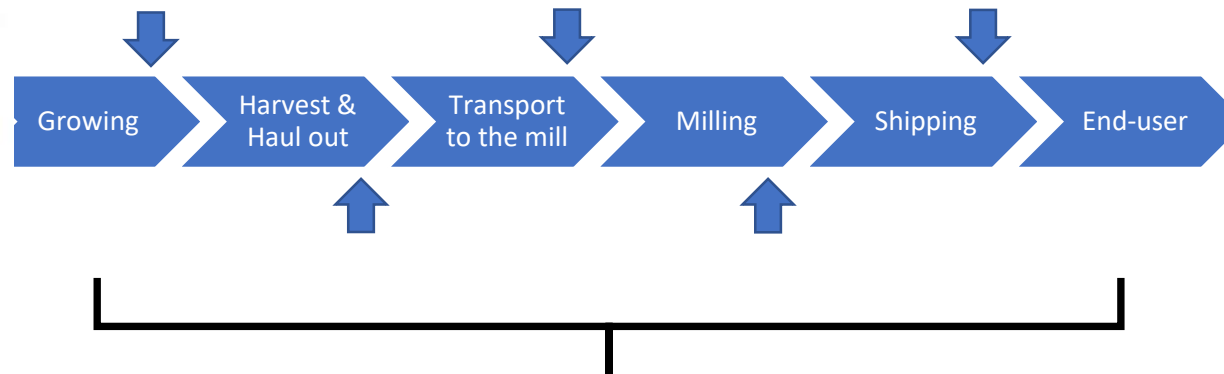


Image credit: Rabobank 2018

Blockchain platform



Value to grower

The challenges



1. Data driven performance – data management, flow and ownership
2. Grower engagement and motivation
3. Precompetitive collaboration across the supply chain
4. Demand side pressure - 2020 commitments
5. Shifting goal posts – by Govt and NGOs
6. Multiple sustainability frameworks
7. No sustainable sugar market or premium – yet – premium to growers?
8. Reliance on modelling for performance feedback
9. Applying traceability to a bulk commodity
10. Sustainability driver – water qlt vs waste and climate action

Thank you



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Smartcane BMP website: www.smartcane.com.au

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