



**SHEEP
SUSTAINABILITY
FRAMEWORK**

Strategic Plan

FY2022-FY2024



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Strategy on a page

THE SHEEP SUSTAINABILITY FRAMEWORK

The role of the Sheep Sustainability Framework is to monitor, measure, and report industry performance against sustainability priorities.

THE SHEEP SUSTAINABILITY FRAMEWORK VISION

Sustainably producing the world's best sheep meat and wool, now and into the future

F22-F24 OVERALL STRATEGIC OBJECTIVE

To embed the Sheep Sustainability Framework (SSF) into the Australian sheep industry

THREE STRATEGIES

| STAKEHOLDER ENGAGEMENT Impactful and insightful | DATA COLLECTION AND REPORTING Defensible and accessible | CONTINUOUS IMPROVEMENT Active and curious |
|---|--|--|
| <p>Development and execution of a Stakeholder Engagement Strategy that comprises initiatives to:</p> <ul style="list-style-type: none"> ■ promote and communicate the SSF, and ■ facilitate a two-way consultation that encourages SSF ownership and identifies opportunities for improvement of the SSF along the sheep meat and wool supply chains. | <ul style="list-style-type: none"> ■ collection and reporting of SSF data in an annual report ■ provision of an easily accessible, user-friendly, and regularly updated web-based data reporting dashboard ■ development and execution of an Indicator Reporting Plan to ensure all indicators have metrics and data by the F24 report ■ development of protocols for the collection and reporting of each metric. | <ul style="list-style-type: none"> ■ evaluation of Framework progress and relevance every 12 months ■ investigation and resolution of an identified SSF gap via a deep dive process ■ review of industry materiality study ■ responses to contemporary and emerging trends in sustainability e.g., scientific findings, changes in measurement and reporting, the evolution of customer needs, consumer expectations, etc. ■ professional development of the Steering Group in key sustainability concepts ■ collaboration and alignment with other industry frameworks, including the Australian Beef Sustainability Framework Steering Group, Australian Agriculture Sustainability Framework, and the Grains Industry Sustainability Framework. |

Background

Framework development and launch

The Sheep Sustainability Framework (SSF) is a food and fibre framework launched in April 2021. The SSF sets the industry vision, defines sustainability for the Australian sheep industry and articulates the key themes and priorities on which the industry must focus in order to realise the vision.

The 18-month design and development process involved identification and quantification of industry impacts on sustainability, extensive consultation with industry stakeholders, expert guidance on indicator and metric development, and industry approval.

The role and function of the SSF

The role of the Sheep Sustainability Framework is to monitor, measure, and report industry performance against sustainability priorities. The Framework will assist the industry in better understanding its opportunities, challenges, and impacts. It will also demonstrate sustainable practices and identify areas for improvement.

Data and trends gathered through the Framework will identify opportunities on-farm, in transport, processing and at the customer interface where practices can be improved by both the industry and individuals.

In doing so, it can be used by industry to help protect and grow access to investment, finance, customers, and markets by providing credible evidence of performance and improvement. Further, individual enterprises may use the Framework to understand the industry's material issues and consider these in their forward planning.

The Sheep Sustainability Framework recognises that industry sustainability encompasses the environment, the animals, the people, and their prosperity. Further, it is acknowledged that each sheep meat producer and wool grower will have their own enterprise relevant sustainability goals that reflect their geographical, climatic, and operating environment.

The Framework does not set industry policies, goals or targets, drive extension or adoption, audit or certify individual businesses or impose costs or reporting requirements on individual businesses.

Governance

Sheep Producers Australia (SPA) and WoolProducers Australia (WPA) are the peak industry councils (PIC) for the sheep meat and wool industries respectively. These bodies lead the Framework and have the mandate to take the SSF outputs and use them as supporting evidence to set relevant industry policy.

Rural research and development corporations (RDCs) Australian Wool Innovation (AWI) and Meat & Livestock Australia (MLA) support the SSF by providing funding along with strategic and secretariat support.

The first Sustainability Steering Group (SSG) designed and developed the framework. The SSG is responsible for leading the framework by setting the strategy and implementation plans and representing and promoting the SSF in relevant settings. The SSG features strong representation across sheep-producing regions and the wool and meat value chain.

A Consultative Committee, made up of representatives from these groups, will be formed in late 2022 to provide ongoing input to the Framework. An Industry Forum will also be developed to discuss issues specific to internal stakeholder groups. Expert working groups will also be convened when necessary.

The industry will report progress against the SSF annually. Note that separate performance indicators will be included for the sheep meat and wool sectors as relevant and where data exists.



Table 1: Sheep Sustainability Framework governance structure



The Framework audience

The primary audience of the SSF are those stakeholders in the value chain who are highly engaged and invested in the industry. The monitoring, measuring, and reporting of industry performance by the SSF will be highly relevant in their decision-making.

At the 'bookends' of value chain are stakeholders who will be indirectly influenced by the SSF. Grass-roots producers will be communicated to by their state farming organisations (SFO), PICs and RDCs. Consumers will have relevant and targeted messaging conveyed by the marketing and communications functions from the RDCs.



Diagram 1: The SSF audience along the value chain



Situational analysis

Strength, Weaknesses, Opportunities and Threats (SWOT)

The SWOT analysis shows that the key strength of the SSF is that it has been developed through a thorough and inclusive process. In terms of weakness, it is understood that the challenge of effecting change is made more difficult by industry fragmentation, along with the complexity of issues and a lack of awareness.

The opportunities now are to drive engagement and awareness of the SSF; to gather and disseminate the data; and to ensure continuous improvement of the framework. The threats are that in a fragmented industry, there will lack of clarity of accountability for improving practice, while aggressive activism may erode the effectiveness of the framework.

STRENGTHS

What are the current positives for the SSF?

- Thorough and well-constructed document
- Collaborative process, ensuring buy-in along the supply chain
- Industry backing

WEAKNESSES

What are the current shortcomings for the SSF?

- Diverse nature of industry, making traction difficult
- Complexity of the issues
- Current lack of awareness

OPPORTUNITIES

Where are the opportunities that exist to deliver on the SSF?

- Engaging stakeholders, and explaining the benefits
- Gathering and disseminating robust data
- Continually strengthening the Framework

THREATS

What are the external risks to the SSF?

- Industry fragmentation
- Lack of clarity and accountability for delivering the Framework
- Aggressive activism, eroding Framework effectiveness

Diagram 2: SSF strengths, weaknesses, opportunities and threats



Issues and implications

The situation analysis shows that there are significant reasons to believe that the SSF can drive change – sustainability is recognised as an important issue; the SSF is an excellent piece of work; and the current strong operating environment, making it more likely that industry players will be open to change. However, effecting change will not be easy. There are many actors along the value chain and the range of approaches will need to be considered in light of the stakeholder. Communication and messaging needs to be kept simple; and there are many organisations in the sheep industry, so there needs to be clarity about roles and responsibilities.

| ISSUES | IMPLICATIONS |
|--|---|
| Sustainability is recognised as a key issue for all stakeholders | The time is right for SSF |
| SSF is excellent work, built from a collaborative process | We are starting from a place of positivity and goodwill |
| The operating environment is strong (high demand, low interest rates, strong season) | Stakeholders are more likely to embrace change if they are performing |
| Large and diverse group of stakeholders along the supply chain | Need for segmented approach to effect change |
| Producers are resistant to bureaucracy and regulation | Keep it simple |
| Different groups and bodies in the industry | We need to be clear on roles and responsibilities |

Table 2: Sheep Sustainability Framework issues and implications summary

Moving the framework forward

The 3-year SSF Strategic Plan must drive an evolution of the SSF - from a document with low exposure to one with high profile and awareness; from one that may provoke suspicion among industry players to one that is trusted; from focus on the producer to focus on the whole supply chain. The document must have complete metrics, and it needs to be continually evolving to reflect the latest science. Through all of this, it will inform the industry of the required improvements and serve as compelling evidence to drive change.

| FROM | TO |
|--|--|
| Little exposure | High profile, with high awareness |
| Suspicion will erode profitability and have onerous requirements | Trust |
| Producer focus | Whole if supply chain relevance |
| Incomplete, aspirational metrics | Complete, real metrics |
| Static document | Dynamic document, constantly reflecting latest trends and latest science |
| Limited impact | Informing and driving change |

Table 4: Sheep Sustainability Framework movement required from FY2022–FY2024

SHEEP SUSTAINABILITY FRAMEWORK

Strategic Plan FY2022–FY2024

Overall objective for FY22–FY24

To embed the SSF into the sheep industry so it becomes a living, working industry instrument where its use is part of ‘business as usual’.

Three strategies

The activation of three strategic areas, each with supporting activities, will be required to move the SSF forward and propel it towards its objectives:

| | | STRATEGIES | | |
|-----------------------|--|---|---|---|
| | | Stakeholder engagement | Data collection and reporting | Continuous improvement |
| MODUS OPERANDI | | Our promotion and consultation activities must make impact and generate insights. | Our data must be as defensible as practicable and easily accessible to all. | We actively appraise and improve the framework and ourselves. We are curious and conversant with current and emerging material topics. |
| SUPPORTING ACTIVITIES | | Stakeholder engagement strategy | Protocols for data collection | SSF review |
| | | Framework promotion | Indicator reporting plan | Keeping up with contemporary thinking |
| | | Framework consultation | Visual insights reporting function | Framework fellowship |

Strategy 1

Stakeholder engagement

Impactful and insightful

Our promotion and consultation activities must make impact and generate insights.

Producing both food and fibre, the Australian sheep industry comprises tens of thousands of farming enterprises, operates over a vast area, spans many jurisdictions, and is overseen and supported by numerous, different-sized organisations. As a result, the stakeholder landscape is both large and complex.

The Stakeholder Engagement Strategy is how the SSF will inform, involve, consult, and partner with the breadth of sheep meat and wool supply chain stakeholders who influence, drive, and implement industry actions.

The Stakeholder Engagement Strategy acknowledges two separate but related needs – the need for promotion and communication of the SSF, and the need for a dynamic two-way consultative mechanism that drives ownership and improvement of the SSF.

SUPPORTING ACTIVITY 1

Framework promotion

The Framework Promotion focus of the Stakeholder Engagement Strategy involves design and optimisation of messaging via vehicles such as the annual report, media releases, News and Wether, social channels and the SSF website to:

- raise awareness of the SSF
- improve understanding of role and function of SSF
- illustrate use and application of the SSF
- update industry on key SSF activities and developments.

The supporting RDCs AWI and MLA have well-established communication channels through which the SSF can deploy messaging to extend the relevant audience reach. This includes regular e-newsletters, website news updates, social channels, and relevant industry events.

SUPPORTING ACTIVITY 2

Framework consultation

Industry ownership and endorsement of the SSF requires more than just communication and promotion. A sound consultative approach that comprises real opportunities for all parties to listen and respond is required to build trust and understanding between the SSF and key stakeholders across the sheep meat and wool supply chains from farm to consumers.

The Framework Consultation focus of the Stakeholder Engagement Strategy concerns itself with the customisation of interactions with priority stakeholders to drive industry ownership, application, and endorsement of the Framework. This includes proactive targeted single stakeholder meetings, consultative committees, industry forums, annual report launch events, speaking engagements and participation in workshops, conferences, and round table discussions.

Strategy 2

Data collection and reporting

Defensible and accessible

Our data must be as defensible as practicable and easily accessible to all.

Tracking industry progress with defensible data is the keystone of the Sheep Sustainability Framework.

Sound reporting will reliably track changes over time, showcase strong performance, and identify areas that require improvement. Moreover, it demonstrates industry transparency and a willingness to continuously evaluate, renovate and innovate the production of ethically, environmentally, socially, and financially responsible sheep meat and wool.

Defensible data is accurate, valid, reliable, and timely. Defensible data, reported in an accessible fashion, empowers informed decision making, and helps prioritise resources. From a strategic point of view, defensible and accessible data increases efficiency while helping to eliminate doubt. The confident evaluation of trending data will inform each strategic phase of the SSF.

Three supporting activities will underpin the Data Collection and Reporting strategy.

SUPPORTING ACTIVITY 1

Protocols for data collection

This approach concerns the generation of written procedures and protocols for the collection of reportable data for each metric. Written, tested and validated protocols reduce data collection error and eliminate single-person dependency. New or updated protocols will be added if more representative metric data or improved methods of data collection and reporting become available.

SUPPORTING ACTIVITY 2

Indicator reporting plan

It is a foundational principle of the SSF that all indicators are reportable either using direct metrics or by an appropriate proxy. The inaugural 2021 Framework document reports data for 55% of its indicators, thus necessitating the development and execution of an Indicator Reporting Plan, with a target to ensure 100% of indicators have metrics and a data source by the FY2024 report.

SUPPORTING ACTIVITY 3

Visual insights reporting function

The annual demonstration of sheep industry performance using static data embedded in a PDF document limits both the accessibility and readability of the report. The transition to a customisable, web-based visual insights dashboard will ensure SSF data is easily accessible, intuitively presented, and simple to interpret. Improving the overall user experience will make the SSF more meaningful and impactful over time.

Strategy 3

Continuous improvement

Active and curious

We actively appraise and improve the framework and ourselves.

We are curious and conversant with current and emerging material topics.

Continuous improvement for the SSF is defined as the practice of regular re-examination of the Framework to ensure its focus and administration remain relevant. It is important that mechanisms are in place to identify potential issues or gaps in the SSF, and appropriate modifications can be implemented. Further, in order to maintain its value as an industry leadership initiative, the SSF must be responsive to current topics and new developments in relevant subject areas. Continuous improvement will be informed by three supporting activities.

SUPPORTING ACTIVITY 1

SSF review

The 12 monthly SSF review will focus on the health and relevance of the SSF through specific activities. i.e.:

- overall evaluation of SSF progress
- tracking against Indicator Reporting Plan
- confirmation of material topics and identification of any new or emerging topics.
- information and updates on live material issues such as mulesing and biosecurity
- CSIRO webinars on planetary boundaries, water use, land use, nutrition, radiative forcing
- MLA CN30 webinars
- trade access
- investment and finance
- reporting regulations and standards.

SUPPORTING ACTIVITY 2

Keeping up with contemporary thinking

Effective examination of the SSF will require the SSF Steering Group members and industry stakeholders to have a working knowledge and awareness of the prevailing and emerging trends in key sheep meat and wool sustainability topic areas e.g., scientific findings, improvements in measurement and reporting, the evolution of customer needs, consumer expectations.

The SSF will engage with experts and service providers to inform Steering Group members and industry stakeholders about a range of relevant sustainability topics in the most appropriate delivery mode and setting. The topics/programs are likely to include:

- carbon agriculture training with Professor Richard Eckard from Melbourne University
- The Australian Beef Sustainability Framework Steering Group
- Grain Growers and Behind Australian Grains – The Australian Grains Industry Sustainability Framework
- The Australian Agricultural Sustainability Framework.

SUPPORTING ACTIVITY 3

Framework fellowship

Establishing relationships and collaboration with other sustainability framework groups will allow better sharing of information and insights and ensure framework alignment. Whilst commonality is recognised with the Australian Beef Sustainability Framework, it must be acknowledged that many sheep producers and wool growers also have cropping in their operation. This suggests that collaboration with the relevant cropping framework would prove useful. In the first instance, collaborative opportunities will be created with:

SHEEP SUSTAINABILITY FRAMEWORK

FY2023 activities

The SSF has begun FY2023 by initiating the activities aligned with the three strategies identified in the FY2022-FY2024 SSF Strategic Plan.

| STRATEGY | ACTIVITY | TIMING |
|--------------------------------------|--|--------------|
| Stakeholder engagement | Activation of stakeholder engagement strategy | Q1-Q4 FY2023 |
| | Activation of communication plan | Q1-Q4 FY2023 |
| | Consultative committee meeting | Q2 FY2023 |
| | Industry forum | Q3 FY2023 |
| Data collection and reporting | Completion of written protocols for data collection | Q1 FY2023 |
| | Completion of indicator reporting plan for FY2023 and FY2024 | Q1 FY2023 |
| | Launch of mid-year update | Q2 FY2023 |
| | Launch of second annual update | Q3 FY2023 |
| Continuous improvement | Inaugural ABSF and SSF combined steering group meeting | Q1 FY2023 |
| | SSG skill building: carbon in agriculture | Q1 FY2023 |
| | SSF review | Q3 FY2023 |
| | Deep dive into data identification and collection for the theme of looking after our people, our customers and the community | Q1-Q2 FY2023 |



**SHEEP
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