IREC Research Update July 2023























Overview – Program Update and relevance:

- What is CSI, and why are companies investing?
- Update of CSI progress and vision
- Soil test results incl soil carbon
- Emissions
- Future research opportunities

Dr Cassandra Schefe - Project Lead AgriSci Pty Ltd









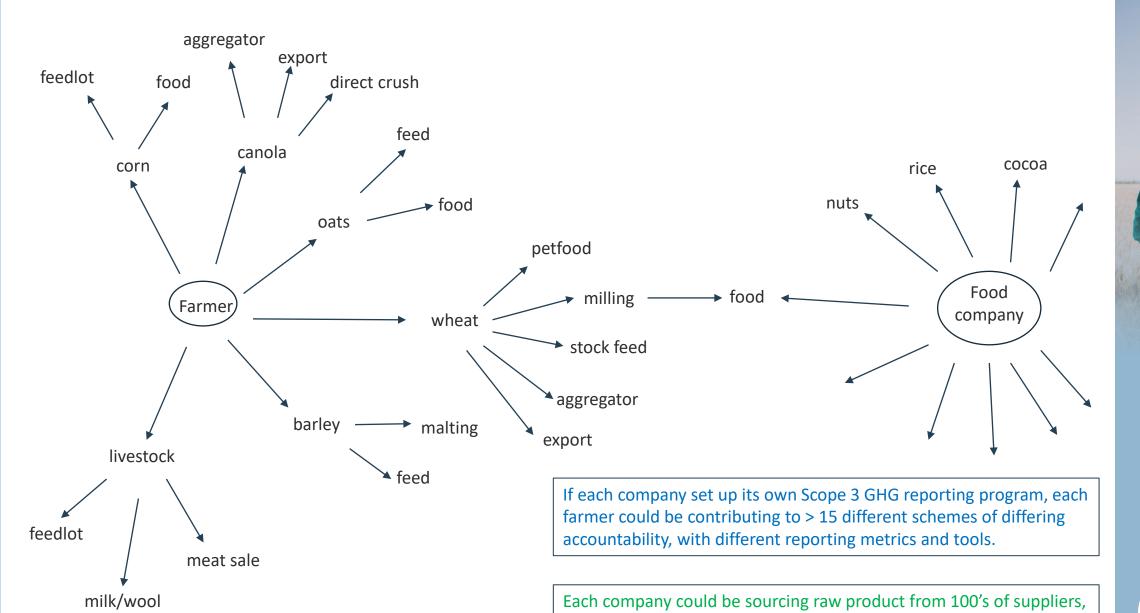
Why are supply chain companies interested in emissions?

- "Scope 3"
- All emissions associated with the production of commodities. For food companies, it is the emissions associated with production of raw ingredients, eg wheat production
- Scope 3 can comprise up to 70-80% of total food footprint.
- This means that even if companies reduce their energy usage in manufacturing facilities, the total emission footprint associated with an end product (eg biscuit) does not drop substantially.
- All publicly listed companies will have increasing requirements for emission / sustainable sourcing reporting.
- (For a farmer, Scope 3 emissions are the production of fertilisers, pesticides etc)









each potentially with a different GHG footprint accounting system,

which they can't align and clearly report against.



Concept of the Cool Soil Initiative (in grains)

Streamlined farmer data input & Engagement & Support for on-farm

(not a 'tick & flick')

change

Grain aggregators / Food/beverage millers processors

Active engagement & contribution to project success (Capture *practices*, not just numbers)

Cropping zones & initial project area

End user recognises low on-farm GHG footprint of commodity (consumers/export reporting)





Cool Soil Initiative progress and vision

- 2.8 years into the Food Agility CRC investment, ending in September 2023.
- **185** farmers recruited in northern Vic, southern NSW, **4** farmers in Darling Downs with maize.
- Scalable farmer web interface and database being built by external provider, rolled out at present.
- Building alignment in GHG calculation between Cool Farm Tool and Aus national GHG inventory.
- Building visibility of Cool Soil Initiative across Australian grains and related industries (meat, wool, dairy, poultry, pigs).
- Building critical mass in corporate awareness & industry relevance;

"We are all facing the same challenges, we can't solve on our own"

• Cool Soil Initiative 2.0 – Not For Profit entity being developed through CSU to enable continuance and scale (set up by September 2023).





^{**} Unique position as we have 5 years of learnings from doing, not just talking about it! – thanks to the farmers who are working with us.

IREC farmer overview

- 10 soft wheat farmers, data collected from the 2022 winter season.
- 25 maize farmer, data collected from the 2021-22 and 2022-23 seasons
- 125 paddocks sampled and reported on through the project so far, within the MIA

Note: all participating farmers sign a data sharing agreement:

- Farmers retain ownership of data
- Farmers share the data with CSU (as data custodian of Cool Soil)
- All data is anonymised and coded
- Only regional aggregated data is shared with corporate partners





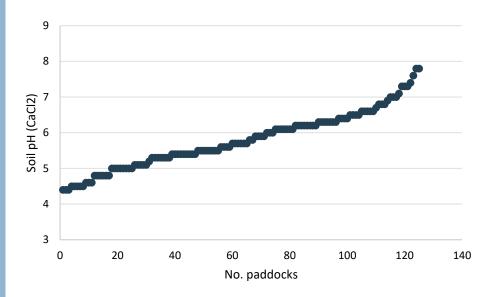


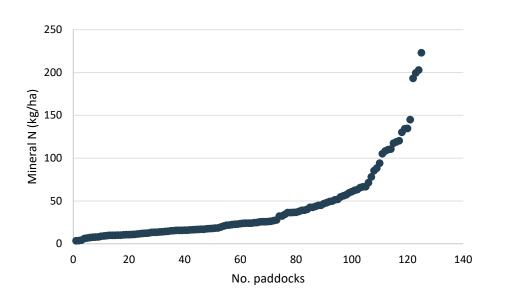
New project participants welcome. Please contact Virginia Porcile

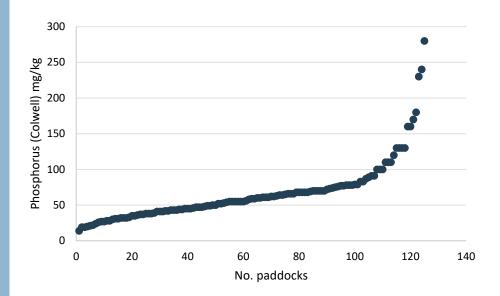
More info scu.edu.au/cool-soil-init... @MarsGlobal @FoodLab_SFL @CharlesSturtUni @FoodAgility @Kelloggs_ANZ @Manildragra #CoolSoilInitiative #Soil #Carbon #Emissions #AlliedPinnac

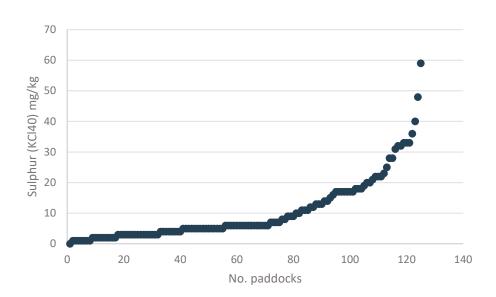








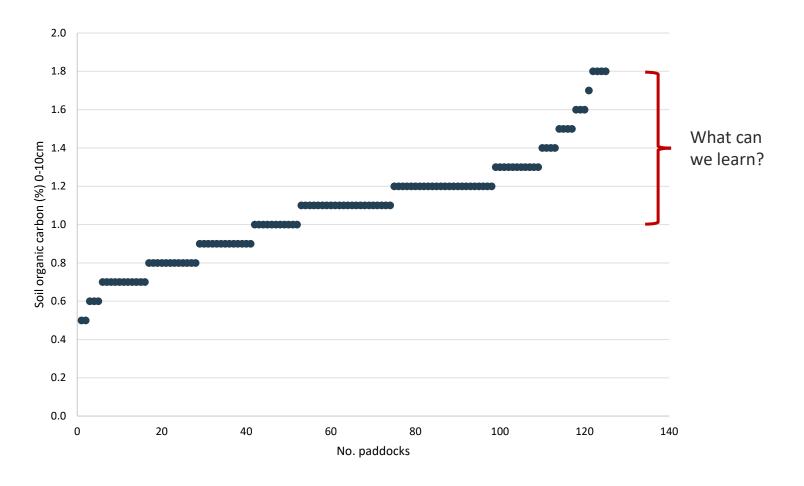








Soil C values



Graphed values at 0-10cm depth.

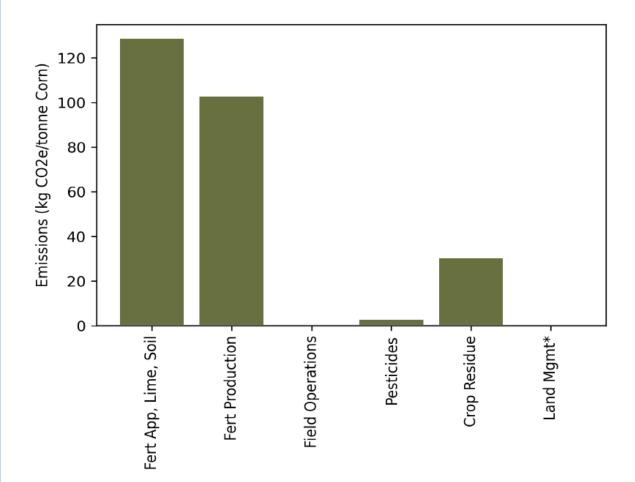
10-20cm depth: Median: 0.8%

Range: 0.4 – 1.0%



^{***} Greater mixing of soil C to 20cm depth in MIA irrigated soils vs dryland min till systems

Maize GHG emissions 2021-2022

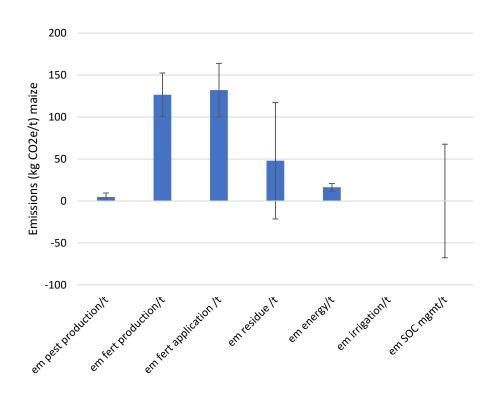


Kg CO ₂ e/tonne	Kg CO₂e/ha
210	3602





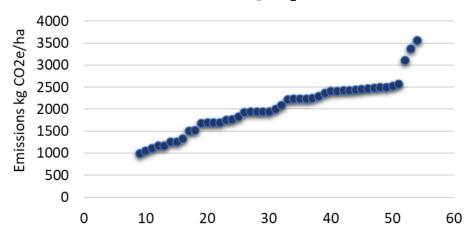
Soft wheat 2022 emissions- IREC



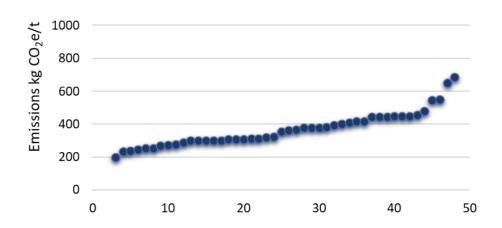
Key farmer comments from 2022:

- Very wet, crop affected by waterlogging
- Move to chicken litter
- Need better soil conditioning

Emissions per hectare median 2046 kg CO₂e/ha



Emissions per tonne wheat median 358 kg CO₂e/t



Research opportunities

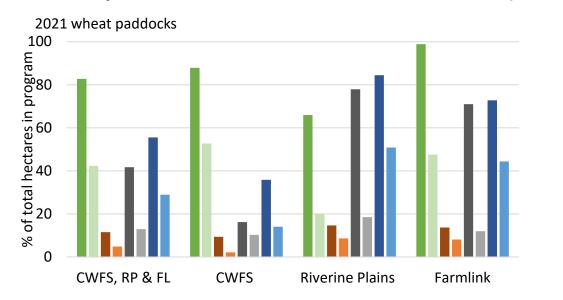
- 'Green' urea (+ nitrification or urease inhibitors) may reduce emission footprint from urea application
 - Likely to have greatest benefit under wet, warm conditions (eg MIA)
 - Building awareness of product, or potential use-case for Green urea in MIA soft wheat
 - In-field research needed to demonstrate release profile of Green urea to provide confidence that N will be released from granule in the window of high plant requirement

 Stubble management – an ongoing issue in high biomass summer crop and rice-growing regions, needs a systems approach.



Learnings from the practice records and support activities

- Data capture provides baseline 'industry' story of current practice, enabling good practice to be recognised (in addition to GHG emissions story)
- Soil pits/paddock walks provide learning opportunities on soils, carbon, emissions, practice, while providing an avenue for farmers to share ideas and novel management.
- 'Innovation paddock program' supports farmers who want to try something new, providing evidence to quantify the value of change (productivity/economics/emissions/carbon)



■ Mixed farming*relates to the whole farm Pasture (sequest C) ■ Legumes + lucerne Annual legumes ■ Lime applied and incorporated ■ Controlled traffic - partial and full Controlled Traffic - full





Summary - What have we learnt over the past 5 years?

- Program started in 2018 pre Scope 3 and ESG
- While we are working with international standards, further work is needed to make them fit for purpose for Australian conditions.
- International Supply chain assumptions: Farmer support programs based on 'pay for practice', rather than supporting resilient, profitable farming systems.
- Farmers are highly motivated to engage. High farmer interest, retention and trust through providing information, support and data integrity without lock-in contracts.
- Focus on sustainable productivity, with carbon and GHG emissions as the product of the system, not a driver - encourages innovation and peer learning.
- Recognition of our novel approach:
 - Precompetitive corporate partnerships = integration and alignment of GHG reporting between supply chain players leads to confidence and transparency of GHG accounting
 - Farming groups provide advocacy of farmers, ensuring that project direction is farmer focused.
 - Provides pathway for full connectivity across food and fibre systems
 - Australian relevant, but globally aligned.





Outcome

- Mission: Farmer-focused, scientifically credible, industry relevant
- Vision:
 - Investment across the food and beverage supply chains so that Cool Soil becomes 'business as usual' to enable a common language for Scope 3 reporting, while providing the mechanism for farmers to demonstrate best practice
 - Industry-level reporting to export markets, providing evidence of 'clean & green' production in Australia
 - Expansion of Cool Soil across sectors and regions

*** Stay tuned for big announcements in the coming months as we transition to CSI 2.0 in October.

Key steps:

- New entity confirmed and Director announced
- New partners to come on-board
- Web interface data portal to come on-line to enable streamlined, map-based reporting
- Integration of Australian emission factors into global accounting framework to recognise our unique systems and practice
- Design for national scaling





Dr Cassandra Schefe - Project Lead cassandra@agrisci.com.au 0419 238 798



Virginia Porcile po@irec.org.au

Iva Quarisa iva@irec.org.au



