Australian Government

# Carbon Neutral Program

# **Public Disclosure Summary**

An Australian Government Initiative

COMPANY NAME: The North Australian Pastoral Company

REPORTING PERIOD: 1 January 2018 – 31 December 2018

## Declaration

To the best of my knowledge, the information provided in this Public Disclosure Summary is true and correct and meets the requirements of the National Carbon Offset Standard Carbon Neutral Program.

| | |
|---|---|
| Signature:  | Date 1 April 2019 |
| Name of Signatory: James Carson | |
| Position of Signatory: General Manager Sales and Marketing | |

| | |
|---|---|
| Carbon neutral certification category | Product |
| Date of most recent external verification/audit | 1 April 2019 |
| Auditor | Dr Matthew Bell, Ernst and Young |
| Auditor assurance statement link | |

Australian Government
Department of the Environment and Energy

# Carbon neutral information

## 1A. Introduction

The North Australian Pastoral Company (NAPCO) is one of Australia's largest and privately owned cattle companies, commencing operations in 1877. NAPCO currently manages over 6.1 million hectares, in both Queensland and the Northern Territory including; Alexandria, Boomarra, Coolullah, Coorabulka, Cungelella, Glenormiston, Goldsborough, Gordon Downs, Kynuna Station, Landsborough, Marion Downs, Monkira, Mittiebah & Portland Downs. NAPCO also operates the award winning Wainui Feedlot and Farm on the Darling Downs. Combined, this property portfolio supports approximately 200 000 head of cattle.


**Figure 1. NAPCO Properties**

NAPCO oversees and controls its product through all phases of production, allowing for a vertically integrated supply chain of high quality beef for both domestic and export chilled beef markets, and provides employment opportunities for approximately 180 people across all aspects of its operations.

Previously, all marketing activities saw NAPCO transfer ownership of the cattle on arrival at the abattoir. This meant that NAPCO did not retain ownership of the meat products derived from the animal. NAPCO has now established a new program in which some cattle will be diverted into a Branded Beef Program. NAPCO will now retain ownership of the branded beef product range through the supply chain closer to the consumer.

The Branded Beef products will be certified as Carbon Neutral under the National Carbon Offset Scheme. The functional unit will be a 20 kg branded beef package. It is not practical or cost effective to carry out separate LCAs for

each cut of beef that could be offered in the package. Our approach was therefore to define a generic 20 kg packed beef product to represent the entire product range, which includes all cuts of beef that could be included in the package.

A hybrid LCA methodology is used. Livestock emissions were calculated using a herd inventory and emission calculation approach derived from the ERF Beef Herd Management method, combined with estimation of energy related emissions from the farm and feedlot. This was combined with data from input-output analysis (based on $ value of expenditure) to calculate other (off-farm) supply chain inputs. Input-output analysis provides a complete assessment of the downstream inputs that goes into the delivery of branded beef products to the wholesaler/distributor warehouse.

## 1B. Emission sources within certification boundary

## Cradle to Gate Boundary Approach

The boundary for the life cycle assessment includes all activities involving cattle raising, feeding, transporting, slaughtering, product packaging, distribution to customer/wholesaler and chilled storage. The carbon account for the certification is only for the portion of NAPCO cattle being diverted to the carbon neutral branded beef program. Activities involved is retailing of products, storage in home refrigeration, cooking and consumption of beef by consumers has not been included. These activities were considered, however the complexity of obtaining data on these consumption activities were not to be considered to be cost effective and were therefore excluded from the LCA boundary.

## Quantified sources

The following emission sources have been included:

- Livestock emissions (cattle breeding, growing, backgrounding and feeding)
- Feedlot emissions
- On-farm and feedlot electricity, fuel and gas usage
- On-farm road freight (transporting cattle on the farm) carried out by third party contractors
- Road freight transporting cattle to abattoir (contractors)
- Abattoir processing, packaging and storage services
- Waste and recycling at abattoir (accounted for in abattoir service fees)
- Packaging materials
- Abattoir electricity, fuel and gas usage
- Abattoir waste water treatment
- Road freight from abattoir to distributor warehouse
- Chilled storage in distributor warehouse
- Air and sea freight for export product

## Non-quantified sources

The following emission sources have been non-quantified:

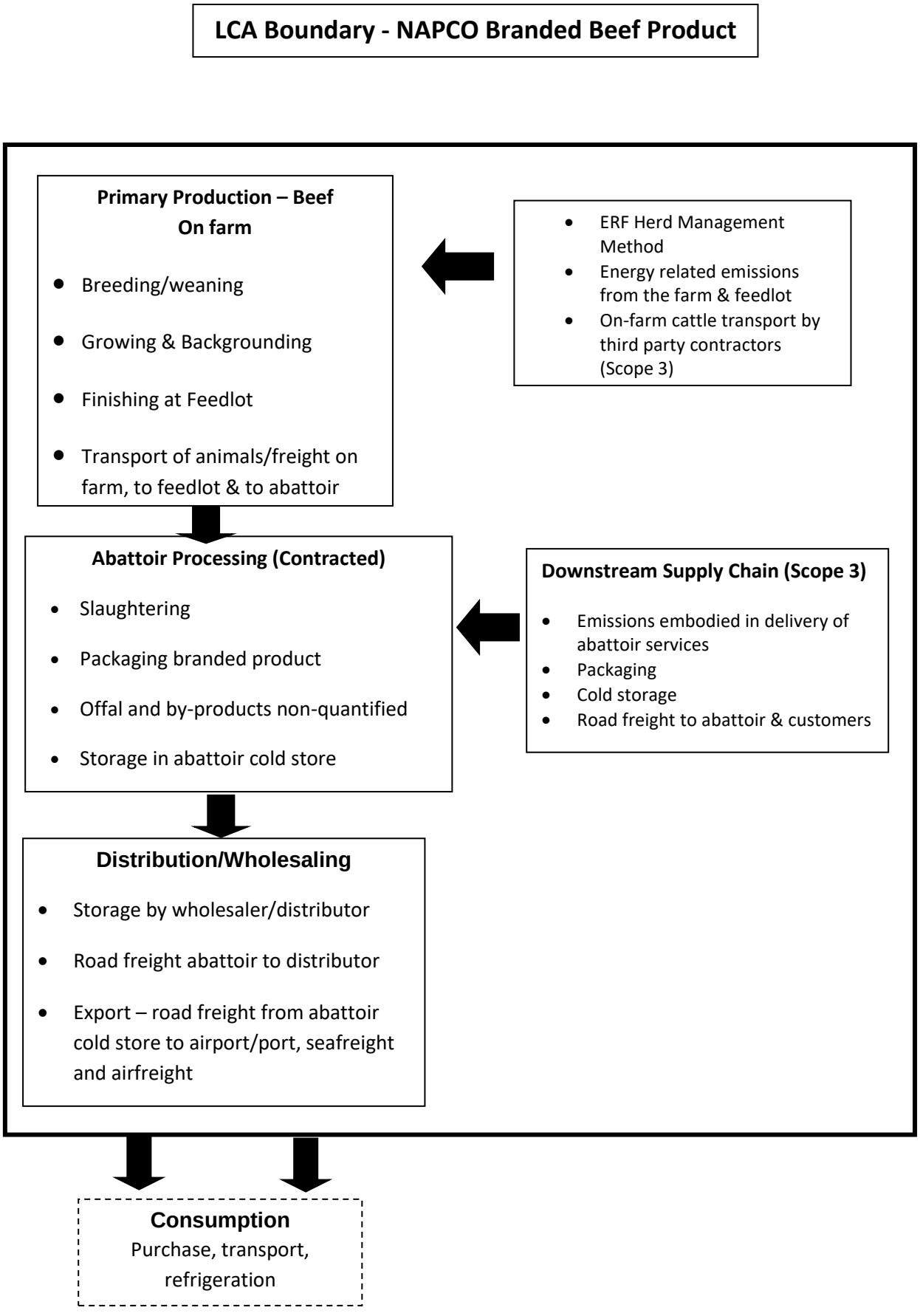
- Offal and hides – by-products of slaughtering at abattoir

## Excluded sources

The following emission sources have been excluded:

- Consumption phase (purchasing from retailers, transport and refrigeration)

1C. Diagram of the certification boundary



# 1. Emissions reduction measures

## 1A. Emissions over time

The base year is the 2018 calendar year (January – December) reporting period.

| **Table 1. Base Year Emissions January – December 2018 ($tCO_2$-e)** | |
|---|---|
| Scope 1 | 7,869.89 |
| Scope 2 | 4.93 |
| Scope 3 | 1,278.75 |
| Total | 9,153.57 |

## 1B. Emissions reduction strategy

NAPCO calculated its carbon footprint to understand its current emissions profile and to inform the development of an emissions reduction strategy (ERS). Emissions from enteric methane clearly dominate the footprint and it is for this reason the company will focus on initiatives that reduce emissions associated with the livestock. In particular, the greatest opportunity comes with the breeder herd which is responsible for largest portion of the enteric emissions. This is where NAPCO will focus its initial efforts for the ERS to deliver the largest emissions reduction.

## 1C. Emissions reduction actions

NAPCO is in the early stage of its emissions reduction strategy with initiatives to date including: replacing diesel powered bores with solar power, feed efficiency to increase live weight gain, participating in legume trials to measure potential methane reduction and increasing the density of watering points to increase grazing radius which contributes to reduced time to slaughter. Moving forward the impact of these initiatives along with additional ones that have been identified will be formally measured to understand the emission reduction benefit.

## 1D. Other environmental actions

Beyond carbon emission reduction, NAPCO has taken a range of other actions to demonstrate strong environmental stewardship across its properties. These includes having a number of formalised nature refuges, replacing turkey nests with ring tanks to conserve water, and matching stocking rates with property carrying capacity to maintain pasture health and minimise erosion.

## 2. Emissions summary

| Scope | Emission source | tCO2-e |
|---|---|---|
| 2 | Feedlot electricity | 4.93 |
| 1 | Feedlot stationary fuel (diesel) | 9.51 |
| 1 | Feedlot LPG | 8.41 |
| 3 | Feedlot rations | 245.03 |
| 1 | On farm stationary diesel | 120.50 |
| 1 | On farm petrol (post 2004) | 3.86 |
| 1 | On farm aviation fuel | 7.12 |
| 1 | On farm LPG | 1.15 |
| 3 | On farm LPG | 0.36 |
| 1 | Livestock emissions | 7,719.34 |
| 3 | On farm road freight | 258.48 |
| 3 | On farm feeding supplements | 31.44 |
| 3 | Feedlot electricity | 0.80 |
| 3 | Feedlot stationary fuel diesel | 0.49 |
| 3 | Feedlot LPG | 0.50 |
| 3 | On farm stationary diesel | 6.18 |
| 3 | On farm petrol (post 2004) | 0.21 |
| 3 | On farm aviation fuel | 0.38 |
| 3 | Road freight farm to abattoir | 96.14 |
| 3 | Abattoir scope 1 emissions slaughtering | 169.55 |
| 3 | Abattoir Scope 2 emissions from slaughtering | 139.05 |
| 3 | Abattoir slaughter services | 117.91 |
| 3 | Abattoir packaging materials | 25.29 |
| 3 | Cold Storage abattoir | 5.70 |
| 3 | Domestic chilled freight Abattoir to distributor warehouse | 145.25 |
| 3 | Domestic chilled storage | 1.00 |
| 3 | Export - Airfreight | 16.77 |
| 3 | Export - Sea freight | 18.22 |
| | **Total** (based on initial forecast of product expected to be sold in 2019) | 9,153.47 |

Note: These emissions relate only to the portion of the cattle being diverted to the branded beef program.

# 3. Carbon offsets

## 3A. Offsets summary

| **Table 3.** Offsets Summary | | | |
|---|---|---|---|
| Offset type and registry | Date cancelled | Quantity | Serial numbers |
| Australian Carbon Credit Unit (ACCU), Australian Voluntary Cancellation Account<br>Vintage: 2018-19<br>Project: Paroo River South Environmental Project – Human Induced Regeneration (HIR) | 29 March 2019 | 62 | 3,779,588,756 - 3,779,588,817 |
| Verified Carbon Units (VCUs) - CECIC HKC Danjinghe Wind Farm Project, China, APX VCS Registry<br>Vintage: 29/12/2015 to 31/12/2015 | 29 March 2019 | 2063 | 6498-324162616-324164678-VCU-034-APX-CN-1-1839-29122015-31122015-0 |
| Verified Carbon Units (VCUs) Rice Husk Based Thermal Energy Generation Project at Thot Not, China, APX VCS Registry<br>Vintage: 01/03/2013 to 28/02/2014 | 29 March 2019 | 375 | 3983-170784173-170784547-VCU-008-APX-VN-1-908-01032013-28022014-0 |
| Total offset units cancelled | | | 2,500 |
| Net emissions after offsetting | | | 0 |

Public Links for VCU retirements:
https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=24761
https://vcsregistry2.apx.com/myModule/rpt/myrpt.asp?r=206&h=21772

## 4B. Offsets purchasing and cancellation strategy

Offsets are forward purchased based on the previous assessment for the current quarters estimated shipping volume initially starting with April 1st 2019. At the start of the next quarter a true-up will occur and any additional credits will be procured. At the same time offsets are purchased for the current quarter's estimated shipments. If any quarter is in surplus then it is carried over to the next quarter.

## 4. Use of trade mark

| **Table 4.** Trade mark register | |
|---|---|
| Where used | Logo type |
| Website*:* | Certified product |
| Social Media: | Certified product |
| Press releases: | Certified product |
| Packaging Material (product carton, meat wrapping etc): | Certified product |
| Point of Sale Material (brochures, Pull up banners etc) | Certified product |
| Educational Material (trade and consumer) | Certified product |