

David Carter with MSC-certified Glacier 51 Toothfish, which is in the process of being certified as carbon neutral.

# CARBON CREDENTIALS

## SUSTAINABILITY

**Austral Fisheries takes sustainability to the next level, investing in tree planting to offset the impact of carbon emissions from fishing**

By Catherine Norwood

In a move that puts Australia at the forefront of global best practice, Western Australia's Austral Fisheries has become the world's first seafood sector company to "go carbon neutral". The initiative will officially be launched in Perth in March by the Australian Minister for Foreign Affairs, the Hon. Julie Bishop. Austral's chief executive officer David Carter says the initiative recognises both risks and opportunities for the company and its fisheries.

The Australian Government and environmental groups have welcomed Austral's initiative as an example of industry leadership

and commitment to managing fishery challenges.

David Carter says fishers have been among the first to see tangible impacts on their operations from climate change. While scientists investigate the details, fishers around the world are experiencing real disruptions as fish move away from traditional fishing grounds, and from one country's boundaries to another. Internationally, long-term changes have the potential to significantly affect the sharing of resources between nations, or at a national level between states, with further implications for the location of fisheries processing infrastructure.

In Australia, warm-water species on the east coast are travelling further and further south of the 'normal' range. In WA, marine heatwaves have knocked out scallop fisheries. David Carter says a trip to Antarctica last year as part of an entrepreneurial think tank experience revealed a changing landscape where penguins are travelling further south to find shelter and glaciers are shearing at an accelerating rate.

He says while there are yet to be recognisable effects of climate change on the species that Austral fishes for – notably Patagonian Toothfish and prawns – that time could soon come. "I think that, as an energy-intensive business, it would be churlish of us to benefit from good harvests and not to step up and take what action we can. And I believe the greatest impacts in addressing these issues will come from people and progressive businesses collaborating in the market place to make things happen."

From a business perspective, the carbon neutral initiative will allow Austral to add to its already impressive list of sustainability and social responsibility credentials that represent both good business practice and marketing opportunities. The company has been a long-time supporter of the Marine Stewardship Council (MSC), and all of its catch of Patagonian Toothfish and prawns comes from MSC-certified fisheries. It has also been a leading player in the development of Australia's



PHOTO: DAVID CARTER

The Yarra Yarra Biodiversity Corridor includes plantings of up to 40 native tree and shrub species indigenous to the region. Seeds and seedlings are planted alongside fragmented remnant vegetation and nature reserves, with the aim of restoring the project landscape to its natural condition.

The project has been established on degraded, semi-arid agricultural land that no longer supports viable farming. More than 90 per cent of the original woodlands in this region have been cleared for agriculture. A baseline survey of biodiversity in the project area identified more than 450 species of plants and animals that will benefit from the revegetation project.

Patagonian Toothfish fishery, playing an active role in international efforts to eradicate illegal operators who were overfishing the resource.

For Austral, working proactively in partnership with NGOs to acknowledge and address difficult issues has been a standard approach. These partnerships include those with Sea Shepherd on illegal Patagonian Toothfish fishing, WWF on sustainable fisheries, and the Antarctic and Southern Ocean Coalition on eliminating seabird bycatch in the Antarctic.

David Carter says sustainability – once considered ‘green racketeering’ in some quarters – has become like food safety: “It is fundamental, a given – without it you don’t deserve to be in business,” he says. “Our commitment to sustainable seafood has been an important part of our business development and philosophy. In that space the rest of the world has caught up.”

He says progressive businesses must always look at what is next. “What are the issues that

could flare into ‘social outrage’ or conversely can be used to drive support?” He says live cattle exports, the *FV Margiris* super trawler and live bait in the greyhound industry sparked social outrage that brought related operations to a halt.

Greenhouse gas emissions are the next challenge that Austral has chosen to address, and David Carter describes the solution at this point as being “as simple and as elegant as planting trees”.

Austral operates three vessels in the Southern Ocean and southern Indian Ocean, and 10 refrigerated prawn trawlers in the Northern Prawn Fishery, harvesting about 2400 tonnes of Patagonian Toothfish and 1800 tonnes of prawns a year. It also produces 27,400 tonnes of greenhouse gas emissions, or carbon dioxide equivalents (CO<sub>2</sub>e), a year. The bulk of this – about 22,000 tonnes – is from the seven to eight million litres of diesel the vessels use to go fishing in remote regions. Austral conducted a baseline audit of its carbon emissions in 2014, with an independent audit of its numbers by Ernst & Young to add credibility and transparency to the process.

After establishing the benchmark, the Austral team then spent much of the following year searching for potential offsets. Its main conditions were that the offsets were recognised internationally as Gold Standard and were in Australia. “Wherever we can we have looked for best practice,” David Carter says.

The outcome is a long-term arrangement with Carbon Neutral Pty Ltd, a business that invests

Refitted in Norway, the *Atlas Cove* is one of Austral Fisheries’ toothfishing vessels that travels long distances through the Southern Ocean for its catch.



PHOTO: JOHN KRAKENES

## INITIATIVE WELCOMED

WWF Australia's conservation director Gilly Llewellyn says Austral Fisheries has already displayed leadership in its commitment to sustainability, having achieved Marine Stewardship Council (MSC) certification for its icesh, Patagonian Toothfish and northern prawn fisheries.

"Austral is leading the way as a Southern Ocean fishing operation committed to going carbon neutral. We look forward to seeing this becoming standard practice for vessels in that part of the world, whether for fishing, tourism or Antarctic base resupply," she says

Australia's Assistant Minister for Agriculture Senator Anne Ruston, who is responsible for fisheries, has also welcomed Austral's carbon offset commitment.

"I certainly congratulate David Carter and his team at Austral Fisheries – now becoming the first fisher in Australia to use the National Carbon Offset Standard for measurement and audit.

"The Coalition Government has an ongoing commitment to working with business to reduce greenhouse gas emissions, and it's pleasing to see a company such as Austral taking action in this space," she says.

"This is just another example highlighting the fact that Australian fisheries are world leaders when it comes to managing environmental challenges."

The FRDC's manager of communications, trade and marketing, Peter Horvat, says Austral's initiative is another example of why Australian fishing and aquaculture is so good.

"For many who work in the seafood sector being good at what you do means catching fish and bringing them to market in good condition and making enough money to pay staff and the bills. And there is nothing wrong with this approach to business. Some businesses are able to extend this beyond the day-to-day catch and markets to include the broader environment in which they operate. This includes ensuring the resources on which they rely are in good shape, and looked after. I believe most of the Australian industry operates at this level," he says. "The rise of best-practice programs such as Southern Rock Lobster's Clean and Green program and the increasing number of third-party-accredited fisheries and companies lays testament to this view.

"Then there is a very small group of leaders who see the global environment in which they operate, and who view their role as international custodians of our resources. The announcement by David Carter at Austral that the company will become the first Australian fishing company to be carbon neutral clearly shows the world we have businesses and people committed to the highest level of industry guardianship."

in tree planting to rehabilitate degraded and non-productive farmland on the eastern fringes of WA's grainbelt. It will involve planting 180,000 trees (or 140 hectares) a year. The project is part of a 13,135-hectare Yarra Yarra Biodiversity Corridor and native reforestation initiative developed in conjunction with local stakeholders that will sequester 1.257 million tonnes of carbon.

"We would have preferred 'blue carbon' offsets

(to benefit coastal or estuarine systems) but at this stage the methodology for measuring carbon in those systems is not adequately developed. Those offsets aren't available yet, but we will certainly be paying attention, and if we can find credible blue carbon offsets, we'll be there," he says.

Austral's carbon neutral accounting started on 1 January 2016 and it hopes to be the first fisheries business to be certified for organisation and products under Australia's National Carbon Offset Standard (NCOS).

Emissions are calculated in three categories.

**Scope 1:** Direct greenhouse gas emissions as a result of the company's operations.

**Scope 2:** Indirect emissions from electricity purchases.

**Scope 3:** Other indirect emissions in the supply chain that the company has no control over.

While the emissions related to diesel use were expected, David Carter says he was surprised by the Scope 3 emissions. "Scope 3, for example, includes fuel used to catch the squid that's used for bait to catch the

Patagonian Toothfish, or the carbon involved in bringing the food together to feed the crews.

"One of the challenges is defining the boundaries of the operations, which comes down to judgement and opinion. If all of our suppliers were carbon neutral, then we would have no Scope 3 emissions to worry about. But this is really the beginning of the carbon neutral journey for all of us, so in our accounting of our inputs, we have assumed that nobody else is doing this."

He says the carbon neutral process "screams" for an MSC style of treatment to make it easier for businesses to adopt, and to provide international credibility. In terms of fisheries sustainability, MSC has already determined and gained international agreement from stakeholders, industry and conservationists on the principles and criteria for sustainability and the evidence needed to support the claim. "For carbon, we've had to figure out a lot of it for ourselves: What exactly does carbon neutral mean, and at what level (Scope 1, 2 or 3)? In the end, we've just opted for best practice and covered all levels of assessment."

As well as carbon neutral certification for the business as a whole, Austral is also in the process of carbon neutral product certification for its branded Glacier 51 Toothfish and Skull Island Tiger Prawns, which require a life cycle assessment of the products.

"This will allow us to have another certification on our label and, if we're successful, we would be one of the first businesses in Australia and globally to have both organisation and product certification under NCOS. That's a pretty big deal for us.

"We have been blessed to have seafoods developing as premium luxury brands. We have a solid provenance and commercial sustainability story, and it's such an easy add-on to say to customers: 'to enhance your guilt-free experience, this is also carbon neutral,'" he says.

While investing in carbon offsets, Austral will also focus on reducing its carbon footprint, investigating more accurate targeting of fish, along with innovative approaches to fishing operations and more efficient fishing gear. It will also continue its efforts to support sustainable fisheries management, as healthy fish stocks mean fishers do not need to travel as far, or burn as much fuel, to harvest their share of the catch.

David Carter says while there are sound business decisions behind Austral's carbon neutral move, he also hopes it will prompt more discussion within the Australian community generally and seafood sector specifically about the impact of climate change and what can be done. **F**



Austral's prawn fleet at Townsville, Queensland.

PHOTO: DAVID CARTER