



# Summary of the B&L Environmental Assurance Report

Any enquiries regarding this publication should be sent to us at:  
AHDB, Siskin Parkway East, Middlemarch Business Park, Coventry CV3 4PE  
Email: [info@ahdb.org.uk](mailto:info@ahdb.org.uk)

February 2025

# Contents

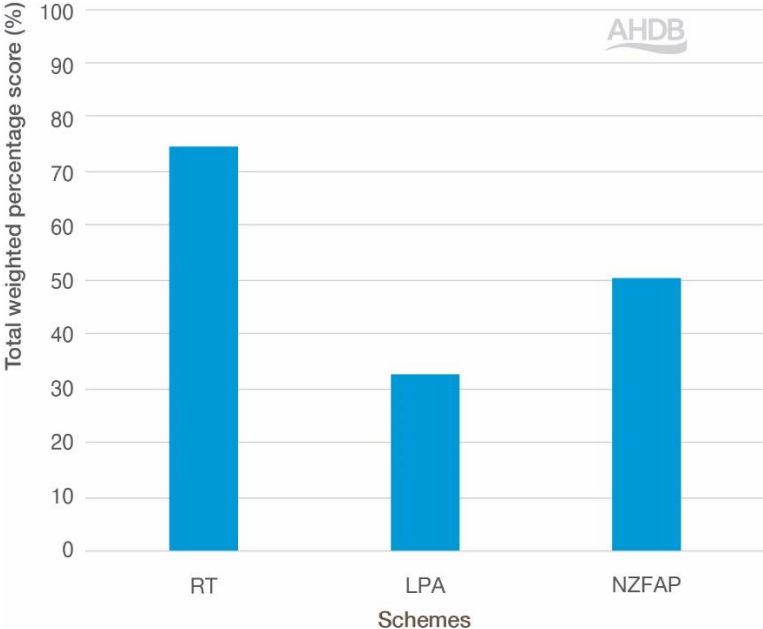
- Introduction ..... 3
- The schemes under consideration..... 4
- Measuring environmental change..... 5
- Methodology ..... 5
- Findings – Retailer and processor opinion ..... 5
  - Opinion on farm assurance from an environmental perspective ..... 5
  - Data needs ..... 6
  - Other retailer needs for environmental assurance ..... 7
- Conclusions ..... 8
  - Current sourcing behaviour ..... 8
  - Future sourcing behaviour ..... 8

# Introduction

In 2024 the Agriculture and Horticulture Development Board (AHDB) commissioned the production of four reports which compared Beef and Lamb farm assurance schemes around the world ([ahdb.org.uk/farm-standards-review-beef-lamb#h21](http://ahdb.org.uk/farm-standards-review-beef-lamb#h21)). The reports analysed baseline farm assurance schemes which include standards related to the prevention of negative environmental impact, but they do not include standards related to the measurement of environmental change or standards intended to deliver environmental enhancement on farm.

The first of these reports compared three assurance schemes: Red Tractor (England), Livestock Production Assurance (Australia) and New Zealand Farm Assurance Programme (New Zealand). The graph below shows the total weighted percentage score for these baseline schemes, across the 14 categories used for analysis.

**Final weighted percentage scores for assurance schemes compared in Part 1 of the 2024 comparison report of international beef and lamb standards; England, Australia and New Zealand.**



AHDB was keen to find out UK retailers’ view on environmental sustainability and what additional requirements, over and above baseline assurance standards, they place on international beef and lamb supply chains. We therefore commissioned this additional study, to compare three further assurance schemes in New Zealand, Australia and Ireland, which do include standards focused on measurement and/or improvement of environmental performance on farm and to seek retailers’ views on each scheme.

The specific objectives of the study were:

- To understand how environmental sustainability requirements influence UK retailers’ decision making when considering importing red meat from New Zealand, Ireland and Australia.
- To consider whether environmentally focused assurance schemes (SBLAS, NZFAP+ and AgCarE) in each of the three countries deliver UK retailers’ sustainability requirements, and if not, what additional requirements (above assurance) are placed on producers wishing to supply UK retailers.

- To consider what the implications of retailers' demands for environmental sustainability may be on the UK assurance landscape over the next 3–5 years.

## The schemes under consideration

Three schemes were examined within this report:

### Sustainable Beef and Lamb, Bord Bia (SBLAS), Ireland

SBLAS was developed to demonstrate the sustainability of Irish beef and lamb farming and to provide constructive feedback to farmers to help them with decision making aimed at improving their sustainability performance. The environmental component of the scheme is compulsory, which brings the significant benefit that all farmers already in the scheme have started a journey towards environmental improvement. For SBLAS this primarily involves the recording of activity which impacts on the environment, rather than any requirement for improved practice. As the most widespread farm assurance scheme in Ireland, SBLAS standards have to be relatively non-challenging to ensure high uptake.

### New Zealand Farm Assurance Programme Plus (NZFAP+), New Zealand

The New Zealand Farm Assurance Programmes (NZFAP and NZFAP+) have been established to reassure consumers of New Zealand produce across the world. The basic NZFAP scheme is focused on demonstrating that product is authentic, genuine and safe, while NZFAP+ is aimed at delivering environmental improvement.

NZFAP+ requires a combination of monitoring and action. It has two tiers, silver and gold, both of which include environmental standards as a bolt-on to the basic NZFAP standard. The scheme allows farmers to become members from the point of application, which involves a self-assessment and commitment to a range of environmental actions which must be implemented within a three-year period. A farm will only be inspected once the farmer has started delivering on-farm actions to meet the requirements of NZFAP+. This is intended to enable large numbers of farmers to join the scheme with relative ease from the farmer's perspective and with limited pressure (initially) on auditing resources.

### AgCarE, Australia

AgCarE involves the evaluation of natural capital on a farm, from sustainable production practices to carbon and biodiversity assets. AgCarE is much more in depth than either SBLAS or NZFAP+ as it involves an in-depth assessment of the natural assets and management actions that will support and enhance the natural environment. In addition to on-farm inspections, the scheme also uses farm documentation and records to assess overall performance and produces farm maps to show the biodiversity present on farm.

The core modules within the scheme include Carbon Balance, Ecological Values and Sustainability Management. Within each of these modules, the following topics are considered: the human factor, a resilience plan, understanding remnant vegetation, non-remnant vegetation on modified landscapes, soil condition, biodiversity, water cycle, stock, high value agriculture, energy footprint.

AgCarE is a separate, standalone scheme, and of the three schemes in this study, it is the most comprehensive, but it is also the least likely to be scaled due to its relatively high cost.

# Measuring environmental change

Across the three schemes, reference is made to four main approaches to the assessment of environmental performance on a farm:

- Direct measurement of the specific factor that is to be improved, for instance soil analysis to indicate soil quality
- Measurement by survey where, for instance, it would be impossible to count the number of any given species present
- Indirect measurement where a factor is measured that is not necessarily an end in itself but which gives rise to other benefits which are specifically desired
- Measurement of inputs where the implementation of different practices, technologies or landscape features is measured and used as a proxy to indicate environmental performance

## Methodology

The majority of the UK's major retailers and key red meat processors were asked a pre-defined set of questions to identify current and future commercial needs around environmental assurance.<sup>1</sup>

Respondents included ABP, ASDA, Marks & Spencer, Sainsbury's, Co-op, Morrisons, Tesco, Kepak and Dunbia.

In parallel with the engagement with retailers and processors, the three schemes were appraised and compared for both their technical content and their ability to meet the sustainability needs of the UK retailer.<sup>2</sup> The 12 topics used for the comparison were: plans and records, housing and turnout, manure management, soil and nutrient management, feeding, land use and management, fertilisers herbicides and soil inputs, carbon, energy usage, water use, biodiversity, and training and development.

## Findings – Retailer and processor opinion

### Opinion on farm assurance from an environmental perspective

In general, there was a relatively low level of satisfaction among retailers with the environmental reassurances that are offered by the existing widely used baseline farm assurance schemes, both in the UK and internationally. Although the requirements to prevent pollution are acknowledged as

---

<sup>1</sup> These questions are included within the methodology section of the report.

<sup>2</sup> It is important to note that all of the schemes studied for this report also include social and economic standards, but only the environmental components are considered in this discussion.

important and useful, there is dissatisfaction with the level of assurance around environmental enhancement, such as reduced GHG emissions or improved biodiversity on farm.

When considering the three schemes compared in this study, most of the respondents were aware of the environmental data that is collected through SBLAS and suggested that this was probably the most environmentally advanced assurance scheme in widespread use. It was acknowledged, however, that SBLAS is still predominantly a data collection exercise and does not necessarily result in positive environmental activity on participating Irish farms.

It was recognised by interviewees that NZFAP+ is in its early stages and there is not yet enough critical mass for high-volume UK retailers to obtain supply from only NZFAP+ farms in New Zealand.

The AgCarE scheme is not widely recognised and only a very small number of the organisations interviewed were aware of the scheme. Although it was noted that the existing baseline livestock assurance in Australia (i.e. the Livestock Production Assurance scheme, which was analysed in the 2024 comparative study discussed above) does place some controls around input use, in general Australia is seen as being 'behind the curve' with regard to environmental assurance.

Those consulted agreed that because there has been a general failure to coalesce around one agreed standard, environmental enhancement is now a competitive space, with retailers and processors developing their own bespoke environmental audits and projects for specific customers and UK supply chains. Retailers view such fragmentation as being undesirable as it brings additional complexity for farmers and processors in particular.

## Data needs

Most consultees said that it is necessary to move from the monitoring of compliance against minimum legal obligations to active demonstration that beef and lamb has been farmed sustainably. Those consulted said that improved environmental data collection is the most significant improvement needed in environmental assurance, followed by the appropriate management and use of this data. Multiple interviewees also highlighted the need to define and implement data agreements with farmers. There was a general opinion that, for baseline schemes, individual farm data should not be shared but that farmers' data could be anonymised for customer use, providing stakeholders with an overview of characteristics of farms within their supply chain.

The development of a digital infrastructure to aid the flow of information required to complete an audit would be welcomed. Farm assurance schemes should make extensive use of technology and automated data flows to reduce the burden on the farmer and increase the accuracy of the data.

Collaboration between assurance and government environmental schemes was suggested by several respondents as a way of collecting and sharing data without adding to farmers' administrative burden. This approach would clearly require significant work around data sharing agreements and the creation of systems to facilitate data flow and analysis.

It was acknowledged that SBLAS is collecting more environmental data than any of the other schemes considered in the study, but there is no evidence that the data collected is being utilised effectively to inform management changes on farm. It was agreed by those consultees aware of NZFAP+ that the scheme is a step forward in linking data collected to the delivery of positive activity on farm.

In terms of measurement processes or metrics which should be used in assurance schemes to represent environmental performance at farm level, those consulted were much clearer about the information required than about the processes or metrics which could be used to collect it. Important data would typically include measures of water quality, soil health, carbon footprint, nutrient input and cycling, biodiversity, and quantity and quality of habitat on farm.

The main data requirements communicated by those consulted in this study were:

- An accurately measured and verified carbon footprint, delivered to internationally recognised standards, potentially leading to selection of farms which are below a specific level
  - Measured baseline biodiversity performance, including
  - Amount and quality of habitat on the farm and baselining of whole supply chains
  - Measured range and frequency of birds, mammals and insects on farm
  - Measured range and frequency of plant species on farm
  - Measured soil quality and health on each farm and baselining of the whole supply chain
- The design and implementation of plans and activity, tailored to the specific farm and designed to deliver improvements in carbon and biodiversity performance
- The ongoing (and anonymous) benchmarking of whole supply chains, providing the ability for retailers to demonstrate ongoing improvement in their supply chain

## Other retailer needs for environmental assurance

**Farm plans.** Most consultees believe that carbon balance is the most pressing issue that needs to be addressed through environmental assurance. Other desirable environmental actions and measures include steps which improve plant diversity, improve soil health, create high-quality habitat and increase the number and range of animal species on the farm. Many of the respondents agreed that specific steps are often likely to be region- or even farm-specific, and the concept of individually tailored farm plans is recognised as the ideal approach, if it can be delivered and monitored within appropriate time and cost constraints.

**Continual improvement.** It was agreed that environmental assurance should work within a framework that enables continuous improvement in environmental performance. Any scheme should include requirements that are tailored to individual farms, rather than just being used as a data collection and compliance mechanism, although the complexity involved in individual farm plans may make this difficult to realise in the short to medium term. There is universal agreement that, at present, while there is relative clarity as to the objective for carbon (where the aim is to have a carbon-neutral industry), there is no definition of what good looks like or what the industry should be striving to achieve for biodiversity. Measurements should be outcome based, as different actions work for different systems.

**Cost.** When asked whether they are willing and able to pay more to reflect the cost of environmental improvement on farm, the major issue identified was the comparative cost of product. The issue is, to some degree, one of critical mass, and several respondents believed that there is space in the market for organisations to broadly support activity which incentivises improvements across the whole market.

Several respondents stated that farm assurance should not be seen as a mechanism for retailers to lift existing standards without compensating farmers for the cost to achieve enhanced standards, and it is clear that the delivery of environmental benefits through farm assurance needs to be associated with financial return that outweigh the costs of compliance. This return can come from a combination of direct payment for compliance to standards, additional payment for compliant product or through improved farm efficiency that adherence to standards delivers.

**Consultation.** Those consulted believe that ideally farmers should represent 50% of those involved in developing environmental standards, with all farm sizes, types and ages of farmer represented.

## Conclusions

### Current sourcing behaviour

Currently no UK retailers require that product from New Zealand is assured to NZFAP+ standards or to AgCarE standards in Australia. Almost all retailers that source from Ireland require SBLAS assurance, but this is primarily on the basis that it is the only widely used assurance scheme in Ireland rather than the fact that it collects environmental data.

Assurance of environmental improvement is highly desirable to the retailer, but respondents highlighted the multiple challenges around the measurement of Scope 3 carbon emissions and the even larger challenges around demonstrating good practice to enhance biodiversity. As a consequence, retailers currently place very few environmental demands on beef and lamb supply chains as it is currently not clear that a critical mass of qualifying farms which meet an 'environmental improvement' criteria is available in any of the three countries considered in this report.

There is a distinct hierarchy of need when retailers make beef and lamb sourcing decisions, and these can be broken down into essential criteria and desirable criteria.

- Essential criteria for supply: sufficient availability of supply, assurance of product safety, the presence of farm assurance, the absence of environmental damage and the absence of supply chain abuse
- Desirable criteria for supply: risk mitigation (including environmental factors – carbon and biodiversity, in particular), provenance and storylines for consumers

### Future sourcing behaviour

Although environmental sustainability is presently not a fundamental requirement when UK retailers consider importing red meat, its presence goes a long way to mitigate against reputational risk. Retailers are actively positioning themselves to demonstrate to consumers that they are being proactive in both carbon and biodiversity measures, and therefore this does play a part in deciding where to import from.

Almost every retailer engaged with in this study indicated that they believe that there will be a future requirement of assurance of environmental improvement, underpinned by measurement and verification. However, this is not yet possible at scale and consequently does not form part of the sourcing specifications for beef or lamb. Once this option is possible, it is likely to be immediately



taken up, and the vast majority of respondents stated that they strongly believed that low environmental performance will prevent access to retail markets within the next few years.

It is considered likely that, in the medium term, NZFAP+ membership will become a requirement for supply for the majority of UK retailers importing red meat from New Zealand, therefore potentially outperforming UK supply from an environmental perspective.

There are significant technical difficulties around the provision of accurate data to provide assurance of the delivery of enhanced biodiversity, water quality, air quality and soil health. The measurement of carbon performance appears to be more achievable, although the specific carbon analysis model used does need to be agreed.

Those consulted agree that the structure of any future assurance scheme is vitally important and consideration should be given to whether environmental requirements are to be included as part of the main scheme, as per the SBLAS approach, whether it should be as a bolt-on to the basic insurance scheme, as per the NZFAP+ approach, or whether it should be a completely standalone scheme fully focused on the delivery of environmental assurance, as is the case with AgCarE.

AHDB is a statutory levy board funded by farmers and others in the supply chain. Our purpose is to be a critical enabler, to positively influence outcomes, allowing farmers and others in the supply chain to be competitive, successful and share good practice. We equip levy payers with easy-to-use products, tools and services to help them make informed decisions and improve business performance. Established in 2008 and classified as a Non-Departmental Public Body, AHDB supports the following industries: meat and livestock (Beef, Lamb and Pork) in England; Dairy in Great Britain; and Cereals and Oilseeds in the UK. For further information, visit [ahdb.org.uk](http://ahdb.org.uk)

While the Agriculture and Horticulture Development Board seeks to ensure that the information contained within this document is accurate at the time of printing, no warranty is given in respect thereof and, to the maximum extent permitted by law, the Agriculture and Horticulture Development Board accepts no liability for loss, damage or injury howsoever caused (including that caused by negligence) or suffered directly or indirectly in relation to information and opinions contained in or omitted from this document.