

2 October 2026

The Treasury
Langton Crescent
PARKES ACT 2600
Via online portal

To whom it may concern,

Re: Improving the efficiency of climate-related financial disclosures

GrainGrowers welcomes the opportunity to comment on the Improving the efficiency of climate-related financial disclosures consultation paper.

GrainGrowers is a national organisation, driven by its vision: “Thriving Australian growers in vibrant communities.” Australian growers are at the heart of all that GrainGrowers does. Guided by grower insights and on-farm experience, GrainGrowers is delivering best practice, future-focused advocacy and development initiatives for the benefit of the grain industry and regional communities.

While most grain growers are not directly captured by mandatory climate-related financial disclosure requirements, many participate in the value chains of reporting entities and may increasingly be asked to provide climate-related information.

Accordingly, GrainGrowers has a strong interest in ensuring that Australia's climate-related financial disclosure framework remains practical, proportionate and efficient, while avoiding unintended administrative burdens on agricultural businesses that are not reporting entities themselves. The efficiency of the framework will ultimately depend on maintaining an appropriate balance between the information needs of reporting entities and the practical constraints faced by supply-chain participants, such as growers.

GrainGrowers supports reforms that improve implementation certainty, reduce duplication and make greater use of credible secondary data sources. The framework should ensure that reporting obligations remain with reporting entities and do not result in disproportionate compliance costs or administrative burden being transferred to growers through increased requests for Scope 3 emissions information.

GrainGrowers key positions outlined in this submission include:

- Support for maintaining limited assurance requirements to ensure climate-related financial disclosures remain proportionate, practical and aligned with the current maturity of reporting systems, methodologies and assurance markets.

- Support for clear guidance on reasonable value-chain information requests and stronger safeguards to ensure reporting obligations remain with reporting entities and are not transferred to growers through supply-chain data requests.
- Support for continued use of credible secondary data sources and greater investment in Australian-specific emissions factors and centralised datasets to improve reporting quality while reducing administrative burden.
- Opposition to regulatory settings that result in disproportionate compliance costs, reporting obligations or assurance requirements being shifted onto growers.

GrainGrowers looks forward to working with the Treasury on this topic. Should we be able to provide further assistance or if there are any enquiries relating to this submission please contact Rebecca Hurst – Policy Manager, Sustainability and Natural Resource Management at rebecca.hurst@graingrowers.com.au.

Yours sincerely,



Zach Whale
General Manager, Policy and Advocacy

Proposal 1: Adjusting assurance settings

Question 1. Which of the options outlined above would help to achieve the four key principles underpinning this reform process?

GrainGrowers supports **Option 1a: Maintain the limited assurance requirement.**

Maintaining limited assurance best aligns with the government's guiding principles of reducing unnecessary compliance costs while maintaining the effectiveness and credibility of the climate-related financial disclosure framework.

GrainGrowers also considers that Option 1a supports the government's objective of maintaining alignment with international practice. The consultation paper notes that few, if any, comparable jurisdictions are proposing to move to reasonable assurance for climate-related disclosures in the near term. Retaining limited assurance would therefore reduce the risk of Australia imposing requirements that are more stringent than those faced by international competitors, while minimising disruption as reporting entities and supply chains continue to develop the systems to support climate-related reporting.

From a compliance cost perspective, retaining limited assurance would avoid imposing additional costs on reporting entities at a time when many businesses are still establishing systems, governance arrangements and data collection processes to comply with the new reporting requirements, particularly as it relates to Scope 3 emissions reporting. It would also reduce pressure on reporting entities to seek increasingly granular data from suppliers, helping to avoid compliance costs being transferred through supply chains to grain growers and other primary producers.

While assurance plays an important role in building confidence in climate-related financial disclosures, any increase in assurance requirements should be carefully balanced against implementation costs, data availability and assurance expertise. These challenges are particularly pronounced in agricultural supply chains, where reporting entities often rely on estimates derived from a range of upstream production systems and suppliers.

In GrainGrowers' previous submission on assurance requirements¹, GrainGrowers highlighted concerns regarding both the availability of appropriately qualified assurance practitioners and the maturity of underlying emissions and climate-related datasets. These concerns remain relevant today.

GrainGrowers notes that recent research has identified significant variability in both reporting entity preparedness and assurance market readiness. While many Group 1 entities have invested substantially in systems, resources and external advisory support, preparedness across Groups 2 and 3 is considerably less advanced².

Of particular concern to GrainGrowers is the maturity of Scope 3 emissions reporting, as this is the primary mechanism through which reporting entities may seek emissions-related information from growers. Evidence suggests that Scope 3 emissions remain among the most challenging

¹ [GrainGrowers submission in response to the proposed Proposed Australian Standard on Sustainability Assurance - ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001 | Building a more profitable and sustainable industry for Australian growers](#)

² [Preparedness of Australian Entities for AASB S2 Climate-related Reporting by Roger Simnett, Shan Zhou, Jean You, Yi She :: SSRN](#)

aspects of implementation due to data availability, methodological complexity and value-chain information requirements³.

This is reflected in first-year reporting outcomes, where only a minority of reporting entities disclosed Scope 3 emissions and approximately 9% relied on available transitional relief provisions⁴. These findings suggest the market is still developing the systems, controls and methodologies necessary for reliable Scope 3 reporting. GrainGrowers notes stakeholder concerns regarding the consistency of assurance approaches being applied in practice. In the absence of clear guidance, assurance providers may adopt differing interpretations regarding the extent of evidence required to support climate-related disclosures. This can create incentives for reporting entities to seek increasingly granular primary data from suppliers even where existing reporting requirements permit the use of secondary data sources and reasonable estimates. Additional guidance clarifying the intended scope of assurance engagements, including appropriate reliance on secondary data, would help improve consistency and avoid unnecessary compliance burdens.

GrainGrowers is also concerned that assurance requirements may progress ahead of the maturity of emissions accounting methodologies for agriculture. Previous GrainGrowers submissions highlighted that existing greenhouse gas accounting approaches can struggle to adequately reflect the complexity of Australian grain production systems, particularly where generic emissions factors are relied upon in the absence of Australian-specific methodologies. In these circumstances, increasing assurance requirements risks providing greater assurance over estimates that remain subject to significant methodological uncertainty, rather than improving the quality of information available to investors.

This is particularly relevant for Scope 3 emissions. While growers are generally not reporting entities themselves, they sit within the value chains of reporting entities and are therefore implicated through Scope 3 disclosures. GrainGrowers considers that the readiness of reporting entities cannot be assessed in isolation from the readiness of their supply chains. Many growers are still developing emissions literacy and have limited experience with emissions accounting, carbon accounting tools and sustainability reporting frameworks. Increasing assurance requirements before suppliers have the capability, systems and methodologies to support reporting risks compliance costs and administrative burdens shifting onto primary producers.

GrainGrowers is concerned that these costs may be incurred before it is demonstrated that they will materially improve disclosure quality or investor outcomes. Climate disclosures continue to involve significant levels of judgement, particularly in relation to scenario analysis, transition assumptions, value-chain emissions estimation and the selection of emissions factors. In many cases, reasonable assurance would provide a higher level of assurance over assumptions and methodologies that remain inherently subjective rather than materially improving the decision-usefulness of disclosures. Until there is greater consistency and standardisation in these elements of reporting, the practical value of moving beyond limited assurance is likely to be limited.

Maintaining limited assurance will provide reporting entities, assurance providers and supply-chain participants with time to develop more mature Scope 3 reporting practices before any transition to increased assurance requirements is considered. GrainGrowers considers that

³ [Preparedness of Australian Auditors for Assuring Climate-related Disclosures by Roger Simnett, Shan Zhou, Jean You, Yi She :: SSRN](#)

⁴ [Australian Sustainability Reporting Standards Intelligence Platform Q1 2026 State of the Market: What Australia's debut ASRS cohort reveals](#)

assurance requirements should follow methodological maturity, rather than be used to compensate for its absence.

Accordingly, GrainGrowers' preferred option is Option 1a. If government determines that a transition beyond limited assurance remains necessary, GrainGrowers' second preference is Option 1c, under which reasonable assurance would apply only to Scope 1 and Scope 2 emissions while Scope 3 emissions remain subject to limited assurance requirements. This approach would better reflect the current maturity of reporting practices and minimise the risk of additional compliance and data collection burdens being transferred to agricultural supply chains.

Option 1b is the least preferred option, as it would ultimately result in the same assurance outcomes as Option 1c while providing less certainty regarding the long-term treatment of Scope 3 emissions. GrainGrowers considers that the proposed 2028-29 statutory review provides the appropriate mechanism to assess whether evidence relating to data quality, methodological maturity, supply-chain readiness and assurance market capacity supports any future expansion of reasonable assurance requirements.

Question 7. If a transition to reasonable assurance were retained over the longer-term, what conditions would need to be satisfied before implementation?

The consultation paper notes that the availability of primary data is a significant challenge for implementing reasonable assurance. If a transition to reasonable assurance is retained as a long-term objective, GrainGrowers considers that the following conditions should be met prior to implementation:

- Greater methodological maturity and consistency in emissions accounting approaches for agriculture.
- Improved availability of robust secondary datasets and emissions factors that reduce reliance on farm-level data collection.
- Demonstrated market capability and assurance capacity, including expertise in Scope 3 emissions and agricultural emissions accounting
- Clear regulatory guidance regarding the extent to which reporting entities should rely on primary data from suppliers.
- Appropriate safeguards to ensure growers are not disproportionately burdened by reporting requests.
- Greater standardisation of key reporting inputs, including scenario analysis methodologies, climate assumptions and emissions estimation approaches.

GrainGrowers considers the development and adoption of Australian-specific agricultural emissions methodologies to be an important prerequisite to any future transition to higher assurance requirements. Agricultural production systems are inherently variable, with emissions influenced by regional conditions, seasonal variability and biological processes. Assurance requirements should not be expanded until reporting methodologies can provide sufficiently representative and decision-useful information for agricultural supply chains. GrainGrowers notes the significant work being undertaken by the Department of Agriculture, Fisheries and Forestry through the Voluntary Emissions Estimation and Reporting Guidelines program to develop standardised guidelines for the sector, expected to be released later in the year.

Beyond emissions accounting methodologies, GrainGrowers considers greater consistency in scenario analysis to be an important prerequisite to any future transition to reasonable assurance. Climate-related disclosures currently rely on a range of climate scenarios, transition

pathways and assumptions which can produce materially different outcomes. Developing greater consistency around commonly applied scenarios would improve comparability between disclosures and provide a more stable foundation for assurance activities.

Importantly, GrainGrowers does not support increased expectations for growers to provide primary data solely to support a transition to reasonable assurance without appropriate compensation or demonstrable value to the grower. Collecting, verifying and supplying farm-level emissions or sustainability data can impose significant administrative and financial costs on businesses that are not themselves reporting entities.

Any future transition must therefore be supported by approaches that minimise the need for bespoke data requests and avoid shifting reporting costs onto growers.

Proposal 2: Improving consistency in the application of existing requirements

Question 11. What form of guidance would be most useful to support implementation?

GrainGrowers supports the development of practical implementation materials, including fact sheets, guidance materials and webinars.

Fact sheets are likely to be particularly useful as they can provide concise and accessible information for a broad range of agricultural stakeholders.

Guidance materials should not be targeted solely at reporting entities. Consideration must also be given to businesses that sit within reporting entities' value chains, including grain growers and other primary producers. GrainGrowers acknowledges the existing fact sheet prepared by the Department of Agriculture, Fisheries and Forestry's (DAFF) '*Climate-related financial disclosures: what does it mean for farm businesses?*', which includes clear guidance on what farmers should do if asked to provide farm-level emissions data under the new requirements.

Any future guidance should provide growers with certainty regarding:

- what information they may reasonably be asked to provide
- whether they have any legal obligation to respond to requests
- how their data may be used by reporting entities, including clear safeguards relating to data privacy, consent, transparency and restrictions on the reuse or disclosure of commercially sensitive farm information
- the ability of reporting entities to continue to rely on secondary data, including clear confirmation that reporting requirements do not and will not require the collection of primary data.

Providing clear guidance for both reporting entities and supply-chain participants would improve transparency, reduce confusion and support more efficient implementation of the disclosure framework. Guidance should also promote best-practice data governance arrangements, including adherence to established industry principles for the collection, use and management of farm data such as the existing Australian Farm Data Code. Further clarification regarding the ongoing use of secondary data for compliance would be particularly valuable, as this may reduce unnecessary requests for farm-level information where suitable proxy or industry data sources are already available.

Proposal 3: Setting clearer boundaries on value chain information requests

Question 13. For entities in the supply chain of reporting entities: What has been your experience receiving climate-related financial disclosure information requests, including requests made directly by reporting entities or by third-party data collection providers? Please describe the nature, frequency and administrative impact of these requests.

While GrainGrowers has not observed evidence of widespread requests for climate-related financial disclosure information from growers to date, feedback received suggests some businesses are already seeking additional supply-chain information to better understand and quantify emissions within their value chains.

Feedback from growers indicates that while much of the requested information may already exist within farm records, significant time can be required to extract, validate and reformat data into a form suitable for emissions reporting purposes.

Growers have also reported challenges associated with short reporting timeframes, differing data requirements between organisations, and concerns regarding how commercially sensitive information may be used. These experiences highlight the importance of establishing clear boundaries around information requests and improving consistency in data collection approaches before requests for supply-chain information for the purposes of Scope 3 reporting become more widespread.

Question 17. Would greater availability of standardised domestic emissions factors or other secondary data sources reduce the need for, or the burden created by, value-chain information requests? What types of emissions factors, sectors or data sources would be most useful for sustainability reporting purposes?

GrainGrowers supports **Option 3b: Reducing supply chain administrative burdens through improving domestic emissions factors.**

Agricultural emissions estimation presents unique challenges due to the biological nature of production systems, climate variability, regional differences and the complexity of emissions sources such as soils and land-use change. Recent research has highlighted both the limitations of generic emissions factors and the significant burden that farm-level data collection can place on producers⁵.

GrainGrowers notes that government guidance⁶ already recognises that farm-level data is not required for Scope 3 reporting and that reporting entities may utilise secondary data sources, including industry averages and emissions factors, where appropriate.

Accordingly, policy efforts should focus on improving the quality, consistency and accessibility of regional emissions factors rather than increasing the volume of primary data requests directed at growers.

GrainGrowers notes that improving domestic emissions factors is not only an efficiency measure but also a reporting quality measure. Previous GrainGrowers submissions highlighted concerns that generic emissions factors can overestimate emissions from Australian grain production and may not adequately reflect local climatic conditions, production systems or

⁵ [Emissions accounting for agriculture: Next frontiers - ScienceDirect](#)

⁶ [Climate-related financial disclosures: what does it mean for farm businesses?](#)

management practices⁷. Greater availability of Australian-specific and regionally representative emissions factors would improve the accuracy of disclosures while reducing reliance on bespoke farm-level data collection.

GrainGrowers considers that standardisation efforts should extend beyond emissions factors alone. A significant proportion of climate-related reporting relies on scenario analysis and climate assumptions, yet organisations may currently apply different scenarios, methodologies and time horizons which can make disclosures difficult to compare. The development of broadly accepted scenario sets, with sufficient sectoral and regional granularity, would improve comparability and provide greater consistency in the application of reporting requirements across industries.

GrainGrowers also considers the treatment of removals and sequestration to be important for agricultural reporting. Emissions and removals within farming systems are often closely linked and influenced by the same management decisions. Continued development of fit-for-purpose agricultural accounting methodologies should seek to ensure sustainability outcomes are represented as accurately and transparently as possible.

GrainGrowers notes DAFF's work on regional emissions factors through the Voluntary Emissions Estimation and Reporting Guidelines initiative. Such work represents a practical opportunity to move toward more accurate regionally specific emissions factors while reducing administrative burdens throughout agricultural supply chains. Where fit for purpose, such datasets should be leveraged to minimise duplication. Ongoing government investment is needed to develop and maintain centralised, publicly accessible emissions datasets that provide consistent and comparable information across sectors and regions. Improving the availability, quality and accessibility of these datasets would support more efficient reporting processes, reduce reliance on bespoke data collection, and enable more consistent and comparable sustainability disclosures across the economy.

GrainGrowers also sees value in continued investment in sector-specific lifecycle assessment and emissions research. Rural Research and Development Corporations have an important role to play in supporting the development of regionally representative lifecycle assessments and emissions datasets across different ecological zones and production systems. Improve availability of these datasets would reduce duplication, strengthen the evidence base underpinning emissions factors and improve the comparability of disclosures, while minimising the need for primary data from growers.

GrainGrowers also supports **Option 3a: Providing additional guidance on what constitutes a reasonable request for information from a reporting entity's value chain.**

Additional guidance should help ensure reporting entities first consider whether suitable secondary data sources are available before requesting primary producer data. This would help safeguard growers from disproportionate or unnecessary information requests while maintaining the integrity of sustainability reporting outcomes. Where guidance is intended for primary producers, it is likely to be most effective when communicated through trusted intermediaries such as state farming organisations, grower groups, agronomists and farm accountants, who are already established sources of advice and support for growers.

⁷ [GrainGrowers submission in response to the proposed Proposed Australian Standard on Sustainability Assurance - ASSA 5010 Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001 | Building a more profitable and sustainable industry for Australian growers](#)

Interaction of proposals and other ideas to be considered

Question 33. Which proposal or combination of proposals would deliver the greatest improvement in efficiency relative to implementation effort? Please explain your reasoning.

GrainGrowers considers that the greatest efficiency gains would arise from a combination of:

- Option 1a (maintaining limited assurance requirements);
- Option 3a (providing guidance on reasonable value-chain information requests); and
- Option 3b (improving domestic emissions factors and secondary data sources).

The combination of Options 1a, 3a and 3b would deliver the greatest efficiency gains because all three proposals address a common challenge identified across the early implementation of the framework, which is access to reliable value-chain emissions information.

Maintaining limited assurance would recognise the current state of market readiness. Providing guidance on reasonable information requests would establish clear expectations across supply chains. Improving domestic emissions factors would reduce reliance on bespoke primary data collection.

Collectively, these measures would reduce compliance costs, improve implementation certainty and minimise unnecessary administrative burdens throughout agricultural supply chains, while still supporting the overall objectives of the disclosure framework.

Question 34. Are there any significant risks or unintended consequences that may arise from implementing one or more proposals outlined in this paper? If so, how could those risks be mitigated?

One unintended consequence could arise if reporting entities begin relying on standardised templates or forms for supply-chain data collection without appropriate safeguards.

While standardisation may improve efficiency in some circumstances, it may also result in growers being asked to provide information that is not necessary for the reporting entity's specific disclosure obligations. This could create additional administrative burden without delivering any corresponding improvement in disclosure quality.

To mitigate this risk, any standardised collection tools should be accompanied by clear guidance that:

- limits requests to information that is reasonably necessary
- discourages blanket or precautionary data collection practices
- recognises the administrative burden imposed on businesses that are not directly subject to reporting requirements.

This would help ensure efficiency gains are realised without unintentionally shifting reporting costs and compliance burdens onto Australian grain growers.

GrainGrowers also notes the risk that assurance requirements may incentivise increased collection of farm-level primary data even where suitable secondary data sources exist. This may result in reporting entities seeking detailed information from growers to satisfy assurance processes, despite limited evidence that doing so would materially improve disclosure quality.

Such an outcome would increase compliance costs throughout agricultural supply chains and run counter to the objective of improving reporting efficiency.

GrainGrowers also notes a broader risk that implementation efforts become disproportionately focused on refining emissions estimates at the expense of more decision-useful information. In agricultural systems in particular, emissions estimates often involve significant assumptions and methodological uncertainty. While these metrics have value, climate-related reporting should remain focused on information that meaningfully informs business strategy, risk management and resilience. Excessive focus on emissions estimates may divert resources from scenario analysis, adaptation planning and other information that is more relevant to long-term business decision making.

A further risk is that, in the absence of common agricultural methodologies, growers may face multiple requests for similar information under different accounting frameworks and calculation approaches. Government should continue supporting the development of common methodologies, domestic emissions factors and practical guidance to minimise duplication and reduce administrative burden, for example the work being undertaken by the Department of Agriculture, Fisheries and Forestry on developing Voluntary Emissions Estimation and Reporting Guidelines.

Finally, GrainGrowers also encourages consideration of whether assurance requirements remain appropriately calibrated over time. While assurance may be particularly valuable during the initial years of implementation as reporting entities establish governance frameworks, systems and controls, the incremental value of undertaking identical assurance processes each year may diminish as reporting practices mature. Consideration could be given to alternative approaches that maintain confidence in disclosures while reducing compliance costs, including greater reliance on internal controls, periodic reviews of underlying methodologies or risk-based assurance approaches where appropriate.