# RIAA & IGCC Joint Submission:

# Future Made in Australia Community Benefit Principles

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## Summary of recommendations

RIAA and IGCC make the following key recommendations to strengthen the effectiveness of the draft guidance to ensure alignment with established investor expectations, mitigate long-term risks to projects and support the intent of the community benefits principles:

- **Recommendation 1:** Projects receiving FMiA finance are subject to conditions, such as workforce, training and apprenticeships quotas/metrics, and local content requirements, as appropriate. FMiA finance should be awarded against a standardised set of community benefits principles to reduce complexity.[1]
- **Recommendation 2:** Community Benefits Principles should be set in alignment with international best practice for interoperability in reporting and ease of screening for investors with global portfolios.
- **Recommendation 3:** Explicitly reference existing industry guidance across the minimum requirements, threshold requirements, and additional information sections. This will help ensure consistency, clarity, certainty and alignment with recognised leading practice.
- **Recommendation 4:** Incorporate key industry resources relevant to institutional investors within the final guidance where well-established frameworks that support the community benefit principles exist.
- **Recommendation 5:** Require Community Benefit Principles 3 and 4 to meet minimum standards consistent with the Dhawura Ngilan Business and Investor Guide, ensuring culturally appropriate engagement and stronger protection of First Nations rights and cultural heritage.
- **Recommendation 6:** Include a minimum requirement under Community Benefit Principle 3 for proponents to undertake an assessment of nature- and biodiversity-related risks and ensure projects support the protection and restoration of nature, using existing industry guidance and standards.
- **Recommendation 7:** Coordinate FMiA financed projects with the Net Zero Economy Authority (NZEA) to ensure transition planning is streamlined and representative relative community needs.
- **Recommendation 8:** FMiA finance should come with public disclosure on why projects were selected and the benefits they bring to communities, as well as their relevance to the national interest framework.

[1] While also ensuring that each project considers relative community needs. Application of community benefits principles may differ, but goalposts should not shift between applications to different finance vehicles.

## Introduction

RIAA and IGCC thank the Australian Government Department of Industry, Science and Resources for the opportunity to respond to Future Made in Australia Community Benefit Principles: draft public guidance.

We welcome the Government's focus on efforts to facilitate private investment in important projects, many of which will be required for the Australian economy to transition to net-zero carbon emissions. In addition, the Future Made in Australia (FMiA) initiative underscores the government's vital role in shaping a sustainable finance agenda, a perspective long championed by both RIAA & IGCC.

It is also an opportunity for the finance sector and government to work together to harness capital toward sustainable economic, environmental and social outcomes, ensuring the energy transition creates decent work and does not leave individuals, workers, regions or communities behind. The energy transition and FMiA additionally offer a significant opportunity to advance broader government priorities – such as reducing inequality and improving social outcomes – by ensuring underrepresented communities are active participants and beneficiaries.

We welcome the Community Benefit Principles Draft Public Guidance as a key opportunity for the Australian Government to set minimum standards for the projects which can avail themselves of the FMIA benefits, particularly so for non-climate sustainability factors. Without proper safeguards, a streamlined pathway focused on project delivery may increase the risks in these areas which have varying legal obligations and quality of engagement and adoption.

For Australian institutional investors to support, scale and accelerate the types of projects intended under this program, proponents must be set up for success and able to derisk their projects in line with established industry expectations. RIAA's research consistently shows that institutional investors consider non-climate sustainability factors in their decision making processes, and that doing so mitigates significant long-term social, environmental and governance risks to assets and portfolios. In the early phases of the Future Made in Australia agenda, the Government is effectively stepping into the role traditionally played by institutional investors by providing derisking support. This makes it essential that project recipients meet standards that reflect leading practice investor expectations to remain eligible for, and deserving of, these benefits. Appropriate attention to long-term non-financial risks at the early stage of FMIA-supported projects will have material benefits for the projects, investors and the economy.

## About RIAA & IGCC

The **Responsible Investment Association Australasia (RIAA)** champions responsible investing and a sustainable financial system in Australia and Aotearoa New Zealand. It is dedicated to ensuring capital is aligned with achieving a healthy society, environment and economy.

With 500+ members representing A$76 trillion / NZ$83 trillion in assets under management, RIAA is the largest and most active network of people and organisations engaged in responsible, ethical and impact investing across Australia and New Zealand. Our membership includes super funds, KiwiSaver providers, fund managers, banks, consultants, researchers, brokers, impact investors, property managers, trusts, foundations, faith-based groups, financial advisers and individuals.

RIAA has strong focuses on nature, First Nations Peoples' Rights and Human Rights (including modern slavery) through RIAA's Working Groups.

The **Investor Group on Climate Change (IGCC)** is a collaboration of Australian and New Zealand institutional investors focused on the impact of climate change on investments. IGCC represents investors with total funds under management of over $5 trillion in Australia. IGCC members are the custodians of the retirement savings of around 15 million Australians and collectively represent all asset classes across the entire Australian economy.

IGCC has undertaken significant community and investor consultation on community benefits principles for transitioning vital industrial regions, and provided early input into the design and functionality of the Net Zero Economy Authority.

### Our Work

In recognition of RIAA's and IGCC's significant and overlapping membership bases and engagement in issues relevant to this consultation, we have co-developed this submission.

The resources included relate to investor-led and -focused guidance and frameworks, which can mitigate potential risks of not addressing non-climate sustainability factors in such a significant framework.

RIAA & IGCC relied on the following submissions & reports for this feedback:

- Submission – Future Made in Australia Front Door (RIAA);
- Draft Sustainable Finance Strategy (RIAA);
- First Nations Clean Energy Strategy (RIAA);
- Charing the Path: Foundations for a scalable First Nations investment market in Australia (RIAA);
- Response to the Future Made in Australia Bill 2024 (IGCC); and,
- Investing in Australia's Vital Regions report (IGCC).

# Extended response

## Long-term projects require long-term certainty

- **Recommendation 1:** FMiA finance should be awarded against a standardised set of community benefits principles, regardless of the entity deploying the funding.

Investors require policy and regulatory certainty if they are to favourably consider investment in a market. In particular, the assessment of regulatory risks is an important part of the decision-making process. Where long-term investments under a long-term policy initiative are being considered, the impact of uncertainty on decision making is more pronounced. For long-term projects, a lack of policy certainty in relation to social and governance factors could result in reduced appetite from investors to invest in projects with the potential to impact social license, global obligations (e.g. under the United Nations) and other salient social considerations.

- **Recommendation 2:** Community Benefits Principles should be set in alignment with international best practice for interoperability in reporting and ease of screening for investors with global portfolios.

Increasingly, major global economies are looking beyond climate to other sustainability factors such as human rights, nature and the rights of indigenous people and local communities. For example, in the European Union, regulations such as the Sustainable Finance Disclosure Regulation (SFDR) require investors to report on a wide range of sustainability factors including human rights and social standards, not just climate. Funds operating in the EU are increasingly incorporating these factors into investment decision-making as well as making public commitments which can be measured.

Where global investors have reporting or compliance obligations relating to non-climate sustainability factors, to have a policy framework that does not ensure transparency and consistent access to information about projects may be a barrier for major international institutional investors to investing in those projects or businesses.

Australian investors have global portfolios, many of which are already familiar with international best practice. Domestically, they are increasingly considering non-climate sustainability factors within their investment decisions.

**RIAA's 2024 Australian *Responsible Investment Benchmark Report***

- More than half (60%) of surveyed investment managers incorporate **norms-based screening** into their investment processes increasing from 32% in 2022 to 40% in 2023; now representing $394 billion AUM.
- 92% of survey respondents incorporated **negative screening** into their responsible investment strategies, negatively screening $792 billion of AUM.

    - 31% of respondents are specifically screening against violations of the rights of indigenous peoples;
    - 23% are screening against companies that don't pay their fair share of tax
- 49% of surveyed investment managers apply **positive screening** in their investment with a total AUM of $175 billion being applied to this approach. The popularity of social themes, including human rights and gender diversity, highlight that investment managers are valuing social impact alongside environmental goals. This shows that investors are integrating both environmental and social considerations into their portfolios.
- In addition, nature and biodiversity risk are fast becoming a necessary consideration for many businesses and investors – this acknowledges the interrelatedness of the climate and other sustainability factors. Resilient economies necessitate resilient communities.

**IGCC's *The State of Net Zero Investment 2025***

- Almost 90% of investors now apply dedicated strategies to address fossil fuel investments, either through exclusions/ negative screening or specialised stewardship
- 55% of investors report positive environmental and social outcomes as drivers for capital allocation
- 37% of investors are using positive screening for climate resilience as part of their climate strategies

## Investor stewardship provides guidance and a framework for industry uplift

Industry guidance (see below) breaks down the ways in which investors can engage and influence investee companies on a number of non-climate sustainability factors, in line with their stated investment strategies. Much of this is to support good stewardship.

**RIAA's 2024 Australian *Responsible Investment Benchmark Report***

**Stewardship** refers to investors deliberately using their rights and influence (beyond capital allocation) to protect and enhance overall long-term value for clients and beneficiaries.

As shareholders, lenders, and owners of real assets, investors have legal rights and other means of influencing the behaviour of investees and other parties, such as policymakers. The ability to exercise influence spans asset classes, although the means to do so vary depending on the context.

Investor influence does not constitute stewardship unless it is used to protect and enhance overall long-term value for clients and beneficiaries. Using influence to promote short-term performance or the performance of individual companies, industries, or markets, without regard to overall value, does not constitute stewardship.

- In 2023, survey respondents managed $965 billion AUM under stewardship.
- Diversity and inclusion was the second most engaged area in 2023, with 80% of investors involved, compared to 76% in 2022, indicating growing recognition of fostering inclusive environments within companies.
- The protection of indigenous peoples' rights and cultures continued to be a priority for 56% of respondents, up from 50% in previous year. 74% of respondents engaged on human rights including modern slavery themes, down from last year's 84%, but still demonstrating strong investor commitment. Other common engagement areas were labour rights (64%) and biodiversity (62%).

Stewardship goes towards continued engagement to influence better practice – as such, this strategy can be utilised by government to ensure that the focus on transition to net-zero is not so myopic as to prevent consideration of other risks.

## Consultation questions

### Minimum requirements and threshold requirements

***2) What feedback do you have on the proposed minimum requirements in Appendix A of the guidance document?***

***4) What feedback do you have on the proposed threshold requirements in Appendix B of the guidance document?***

***5) Can you suggest additional or alternative minimum and threshold requirements that align with the Community Benefits Principles and would balance the regulatory/administrative burden with delivering benefits to communities?***

### Harness existing industry guidance to mitigate risks of non-climate sustainability factors

- **Recommendation 3: Explicitly reference existing industry guidance** across the minimum requirements, threshold requirements, and additional information sections. This will help ensure consistency, clarity, certainty and alignment with recognised leading practice.

The current draft standards would benefit from greater specificity to provide clarity, certainty and a level playing field for projects seeking FMIA support. The experience of the previous EPBC Act and existing cultural heritage laws demonstrates that meeting minimum legal requirements alone does not sufficiently mitigate ESG risks and can allow projects to inadvertently undermine government policy objectives or sustainability outcomes. It is therefore essential that the guidance require proponents to meet appropriately higher standards to qualify for FMIA support.

We recommend that the guidance explicitly reference established industry frameworks across the minimum requirements, threshold requirements and additional information sections – including key resources already widely used by institutional investors – where these are proportionate and relevant to the principles and objectives of the project.

- **Recommendation 4: Incorporate key industry resources relevant to institutional investors** within the final guidance where well-established frameworks that support the community benefit principles exist.

In 2023 IGCC published the [Investing in Australia's Vital Regions report], which presents the investor perspective on how to leverage private capital towards transforming regional economies. The report was developed with significant community consultation across Gladstone and the Hunter. The core finding was that resilient communities underscore resilient investments. Community co-benefits like training and apprenticeships create futureproofed workforces. Local content requirements support local businesses and keep people in communities through industry transitions.

In addition to the toolkits and guidance materials listed below, which were primarily developed by RIAA's Working Groups, the final guidance should also consider recognised industry standards relating to safe and secure jobs and working conditions.

- **Recommendation 5:** Require Community Benefit Principles 3 and 4 to meet minimum standards consistent with the Dhawura Ngilan Business and Investor Guide, ensuring culturally appropriate engagement and stronger protection of First Nations rights and cultural heritage.

The current minimum requirement under Community Benefit Principle 3 – to provide only "evidence of engagement with communities" – should be strengthened to establish a more meaningful baseline. At a minimum, proponents should demonstrate the type and quality of engagement undertaken, early outcomes or plans for community involvement, and an understanding of initial community sentiment or feedback.

**RIAA Working Groups**

RIAA hosts several member-only working groups as important communities of practice for members to collaborate and share leading practices and knowledge and as a means of building the capacity of members to be more effective in their work.

One of the objectives of the working groups is to involve RIAA members in addressing some of the challenges in the responsible investment industry and working to achieve a constructive pathway forward. To date, this has resulted in the publication of a number of world-leading industry-developed toolkits to assist investors in navigating complex areas in responsible investment and effectively engaging with investees and/or project proponents.

**RIAA Toolkits & Industry Guidance**

The RIAA toolkits are developed to assist institutional investors to engage with investee companies to ensure management of key non-climate sustainability factors, in line with their stated investment strategy. In addition, the toolkits support stewardship activities by ensuring investors have necessary information ahead of undertaking stewardship activities.

### *Human rights, including modern slavery*

#### [Investor toolkit: Human Rights Due Diligence]

This toolkit focuses on risk to people as it relates to risk to business, and provides practical guidance for investors to engage in investees to ensure they:

- conduct/ have conducted meaningful consultation with potentially affected groups and other key stakeholders;
- assess the adequacy of investor and investee company structure so that findings from the process can be integrated and effective responses formulated;
- gauge the capacity of investor and investee company to track the effectiveness of the human rights due diligence process in terms of reducing impact or potential impact on affected stakeholders; and
- communicate the results of the process externally in annual reporting, sustainability reporting and disclosure to regulators.

#### [Investor toolkit: Human rights with a focus on supply chains]

The purpose of this toolkit is to help investors engage constructively with companies in order to encourage better practice thereby reducing human rights risks in supply chains. The toolkit provides practical guidance for investors on how to engage with investees on:

- knowing their supply chain: transparency, traceability, complexity and risks;
- adopting a robust ethical sourcing/responsible procurement policy or and demonstrating senior management buy-in and a focus on key underlying issues;
- knowing their supplier and building closer relationships with suppliers, including incentives;
- adopting a unified and thoughtful auditing approach and increased presence on the ground in key locations;
- providing training on human rights to staff and suppliers; and
- collaborating with peers and other stakeholders.

#### [Investor toolkit: Human rights in global value chains]

This toolkit is designed to help investors engage constructively with companies to encourage good practice, thereby supporting investors to better manage and influence a reduction in investment-related human rights risks in value chains. This is the third edition of the toolkit, which was first produced in 2018 and updated in 2021.

### *First Nations Peoples' Rights and Cultural Heritage Protection*

#### Investor Toolkit: An Investor Focus on Indigenous Peoples' Rights and Cultural Heritage Protection

Published in October 2021, the Investor Toolkit was developed by RIAA's Human Rights Working Group (Corporate Engagement subgroup) and the First Nations Peoples' Rights Working Group in response to the tragic and avoidable destruction of significant cultural heritage at Juukan Gorge in the Pilbara in Western Australia in 2020. While undertaken by institutional investors, the toolkit was endorsed by Indigenous groups such as the First Nations Heritage Protection Alliance and National Native Title Council. Noting that the Juukan Gorge incident was entirely legal, it put a spotlight on the cumulative failures at the company and legislative level to uphold the rights of Indigenous Peoples, as well as highlighting risks in the broader industry.

The Investor Toolkit outlines 'red flags' investors should look out for in companies' disclosure and engagement practices on First Nations Peoples' rights and describes what good looks like. It also suggests detailed questions which investors can ask in their engagement with companies and explains the importance of fundamental concepts such as FPIC and self-determination.

#### Dhawura Ngilan Business and Investor Initiative

In October 2021, the Dhawura Ngilan Business and Investor Initiative was established to bring together First Nations, business and investor communities to focus on strengthening Australia's First Nations Peoples' heritage laws and standards for the private sector to uphold the human rights of First Nations Peoples. Led by the First Nations Heritage Protection Alliance in partnership with the Global Compact Network Australia (GCNA) and RIAA, this Initiative sees protecting cultural heritage as the responsibility of all Australians, including the finance and business sectors.

In March 2024 Then-Minister for the Environment and Water, Tanya Plibersek helped launch two guides:

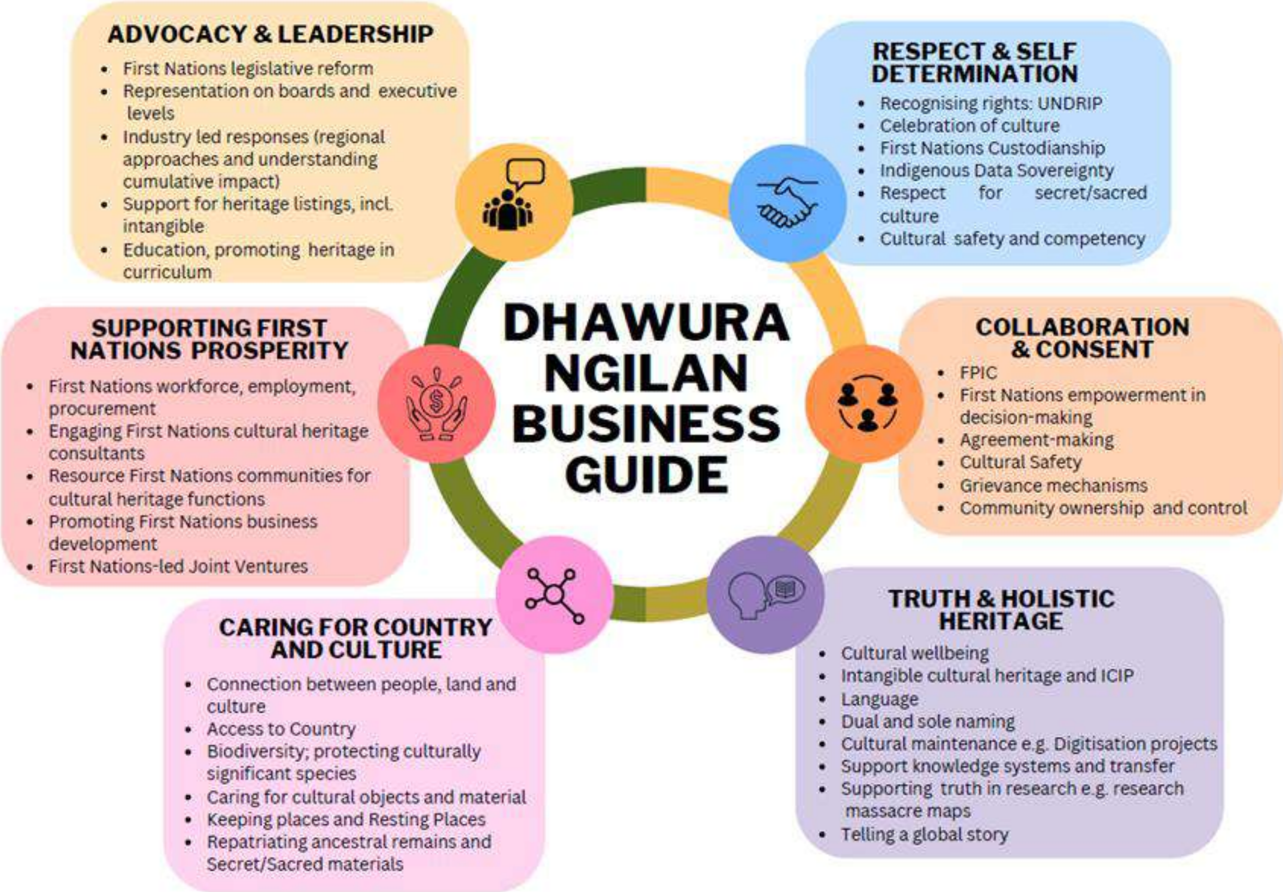
- Principles for Businesses and Investors; and
- Business and Investor Guide.

These guides provide:

- a set of twenty standards which collectively illustrate the expectations of First Nations peoples for how the private sector will interact with First Nations cultural heritage;
- how to operationalise the Dhawura Ngilan Principles;
- six sections outlining a series of Key Actions associated with each Dhawura Ngilan Principle for different types of businesses; and

- tailored guidance to assist investors to integrate cultural heritage considerations into decision-making, including during due diligence, assessing disclosures, corporate engagement, and stewardship.

The Dhawura Ngilan principles for the private sector are as follows:




## [Charting the Path: Foundations for a scalable First Nations investment market in Australia]

In 2020, RIAA established the First Nations Peoples' Rights Working Group (Working Group). Operating in close collaboration with RIAA's Human Rights Working Group, it provides a forum for members and First Nations peoples to discuss First Nations issues as they relate to investment decision making.

The Working Group identified a significant gap in understanding the state of investment practice relating to First Nations peoples in Australia – particularly how outcomes are delivered through avoiding harm, benefiting stakeholders or actively enabling self-determined priorities. In 2023, the Working Group initiated this project to help address that gap.

This paper aims to build an understanding of how investment markets currently engage with First Nations peoples and economies. It provides an overview of current practice, explores key challenges and opportunities for action, and outlines areas for further research.

The opportunity is clear. With the right enabling conditions, Australia can develop a values-aligned investment ecosystem that honours Country, culture, and community while creating long-term prosperity and public value. First Nations peoples have the leadership, capability, and solutions. What is required now is for the broader system to meet them with respect, with resources, and with a shared commitment to a more just and sustainable future.

For example, First Nations peoples are significant asset owners within Australia's investment system – a fact often overlooked in mainstream discourse. Examples of this growing asset base include:

- As of 2023, approximately 536 million hectares, or nearly 70% of Australia's land mass, form part of the First Nations estate. This includes 154 million hectares (20% of Australia's land mass) under First Nations ownership, as well as various forms of Native Title, co-management, and special rights. These categories often intersect and reflect a broad spectrum of legal and cultural relationships to Country.
- Native Title groups have accumulated significant financial assets. For example, in the Pilbara region, six major groups collectively hold over A$1 billion in charitable trusts, underscoring the growing capital base managed by First Nations communities.
- Approximately 13,693 First Nations businesses and corporations operate across Australia, generating more than A$16 billion in annual revenue, exceeding the economic output of sectors such as Australian timber.

Despite this capital base, First Nations asset owners are still too often engaged indirectly – through trustees, advisers, or as guests within industry bodies – rather than recognised as investors, professionals, and peers. This represents a missed opportunity. Striving for First Nations asset owners to participate as equals, with the authority, access, and autonomy afforded to their counterparts, is essential to building a more inclusive and representative investment ecosystem.

### *Nature and biodiversity risk*

At present, the draft guidance does not reference nature and biodiversity considerations within the context, minimum requirements, or threshold requirements of Community Benefit Principle 3: *engaging collaboratively with, and achieving positive outcomes for, local communities, including First Nations communities and communities directly affected by the transition to net zero*. Given the growing recognition of nature and biodiversity as material risk factors, these issues should be explicitly incorporated into the community engagement process. Institutional investors are already actively engaging with companies on these matters, as reflected in the RIAA's 2024 Australian Responsible Investment Benchmark Report, which found that 62% of surveyed investment managers engaged with companies on biodiversity and nature conservation, and 48% engaged on natural capital.

- **Recommendation 6:** Include a minimum requirement under Community Benefit Principle 3 for proponents to undertake an assessment of nature- and biodiversity-related risks and ensure projects support the protection and restoration of nature, using existing industry guidance and standards.

## Nature Investor Toolkit

Released in September 2024, one of the aims of the Nature Investor Toolkit is to prepare investors to hold constructive conversations with investees about impacts and dependencies on nature. The section on investor stewardship (company engagement, voting, and policy) and communication provides guidance on how investors can influence portfolio companies to reduce nature-related risk, including how best to engage with companies and setting investor expectations and metrics, collaborative engagement and leveraging existing engagement themes.

## Taskforce for Nature-based Financial Disclosure (TNFD)

The TNFD has developed a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities. The recommendations and guidance will enable businesses and finance to integrate nature into decision making. The TNFD seeks to support a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes, aligned with the Global Biodiversity Framework. RIAA convenes the official TNFD Consultation Group for Australia and New Zealand.

In response to calls for accessible guidance from market participants, the TNFD developed an integrated approach for the assessment of nature-related issues called the LEAP approach, or 'LEAP' for short:16

- *Locate* your interface with nature;
- *Evaluate* your dependencies and impacts on nature;
- *Assess* your nature-related risks and opportunities; and
- *Prepare* to respond to, and report on, material nature-related issues, aligned with the TNFD's recommended disclosures.

## Nature Action 100 (NA100)

**NA100** outline six actions that investors will call on companies to take related to the following six areas below. These are able to be applied to various nature impacts of the project:

- Ambition: Publicly commit to minimise contributions to key drivers of nature loss and to conserve and restore ecosystems at the operational level and throughout the value chain by 2030.
- Assessment: Assess and publicly disclose nature-related dependencies, impacts, risks, and opportunities at the operational level and throughout the value chain.

- Set time-bound, context-specific, science-based targets informed by risk assessments on nature-related dependencies, impacts, risks, and opportunities. Disclose annual progress against targets.
- Implementation: Develop a company-wide plan on how to achieve targets. The design and implementation of the plan should prioritise rights-based approaches and be developed in collaboration with Indigenous Peoples and local communities when they are affected. Disclose annual progress against the plan.
- Governance: Establish Board oversight and disclose management’s role in assessing and managing nature-related dependencies, impacts, risks, and opportunities.
- Engagement: Engage with external parties including actors throughout the value chain, trade associations, policy makers, and other stakeholders to create an enabling environment for implementing the plan and achieving targets.

### *Taskforce on Inequality and Social-related Financial Disclosures (TISFD)*

The Taskforce on Inequality and Social-related Financial Disclosures (TISFD) is an emerging initiative focused on strengthening market awareness and action on inequality. The draft guidance should acknowledge this evolving body of work and ensure flexibility to incorporate new standards as they develop. As attention to inequality continues to grow within the investment community, the guidance should remain adaptable and reference emerging industry initiatives – such as the TISFD – to ensure proponents can align with leading practices as they evolve.

### Community engagement

***8) How else can the Community Benefit Principles encourage recipients of support to invest in regions directly affected by the energy transition?***

***9) How should the application of Community Benefit Principles ensure that communities, including First Nations communities, First Nations businesses and services, small businesses and local supply chains benefit from Future Made in Australia projects?***

***10) In what other ways could the application of Community Benefit Principles support progress towards Closing the Gap targets?***

***11) How can the government better support Traditional Owners representative bodies to engage effectively with project proponents?***

***12) How can the application of Community Benefit Principles help to ensure that project proponents engage genuinely with impacted communities to ensure the concerns and opportunities are understood and benefits are shared?***

- **Recommendation 7:** Coordinate FMiA financed projects with the NZEA to ensure transition planning is streamlined and representative relative community needs.

We emphasise that the NZEA should be involved in the deliberation of which projects are awarded finance, and where. The FMiA agenda can only be operationalised through deep collaboration with vital regions impacted by the energy transition – which is the NZEA's purview. To date, investors have found the distinction between the role of the NZEA and the "investor front door" under FMiA to be confusing, and urge for a streamlined approach to engage investors, companies and communities. IGCC and RIAA are aware that a pilot project for FMiA's investor front door will be selected soon (if not already) and we look forward to continued engagement on this area of work.

IGCC's submission on the investor front door provides relevant recommendations to the application of the community benefits principles across Australia's various public finance vehicles.

## Engagement Future Made in Australia plans

***16) Is the proposed content (at Appendix C of the public guidance) for Future Made in Australia plans sufficient to provide transparency, support public trust and demonstrate the benefits the project will provide to communities? If not, what other content should they include?***

- **Recommendation 8:** FMiA finance should come with public disclosure on why projects were selected and the benefits they bring to communities, as well as their relevance to the national interest framework.

While the proposed content in the guidance appears reasonable, we recommend strengthening Appendix C by requiring proponents to explain how their Future Made in Australia plans have incorporated relevant industry guidance and how this guidance has been applied in a way that is proportionate, aligned with the principles, and meaningfully supports sustainability outcomes. This would ensure consistency with our broader recommendations and reinforce the value of established best-practice frameworks.

## Reporting, monitoring and compliance

***20) Do you support the approach in the Community Benefit Principles public guidance of demonstrating compliance with the minimum requirements? If not, what would you replace this approach with? What is an appropriate frequency and level of detail for proponents to report against?***

We support the requirement in the public guidance for proponents to report on their compliance with the Community Benefit Principles. Reporting obligations should remain appropriately flexible to reflect the differing nature and scale of projects, while still aligning with industry best practice. As a general expectation, reporting should be made publicly available at least annually.